

# JAYASWAL NECO INDUSTRIES LTD

CIN : L28920MH1972PLC016154

(FORMERLY JAYASWALS NECO LIMITED)

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4<sup>th</sup> September, 2024

To  
National Stock Exchange of India Limited  
Scrip Symbol: JAYNECOIND

BSE Limited  
Scrip code: 522285

Through: NEAPS

Through: BSE Listing Centre

Dear Sirs,

**Subject: Submission of Annual Report for the Financial Year 2023-24 including Notice of the 51<sup>st</sup> Annual General Meeting and the Business Responsibility and Sustainability Report ("BRSR").**

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed Annual Report of the Company for the Financial Year 2023-24 which includes the Notice of 51<sup>st</sup> Annual General Meeting ("AGM") and the Business Responsibility and Sustainability Report ("BRSR").

Kindly note that the 51<sup>st</sup> Annual General Meeting ("AGM") of the Company is scheduled to be held on **Saturday, 28<sup>th</sup> September, 2024** at 12:30 P.M. (IST) through Video Conference ("VC")/Other Audio Visual Means ("OAVM") **only**, in compliance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder and Listing Regulations, read with General Circulars dated 8<sup>th</sup> April 2020, 13<sup>th</sup> April 2020, 5<sup>th</sup> May 2020 and 28<sup>th</sup> December, 2022 and subsequent circulars issued in this regard, the latest being dated 25<sup>th</sup> September, 2023 issued by the Ministry of Corporate Affairs ("MCA") (collectively referred to as 'MCA Circulars') and SEBI Circular dated 12<sup>th</sup> May, 2020, 15<sup>th</sup> January, 2021, 13<sup>th</sup> May, 2022, 5<sup>th</sup> January, 2023 and 7<sup>th</sup> October, 2023 ('SEBI Circulars') which have permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue.

Annual Report for the FY 2023-24 along with the Notice and BRSR will be sent through e-mail only, to those Members/Beneficiaries whose name appears in the register of Members/record of Depositories as on the Cut-off Date i.e. Friday, 30<sup>th</sup> August, 2024 and whose e-mail addresses are registered with Company/Depository Participant(s)/Depositories/the Registrar & Transfer agents of the Company i.e. Link Intime India Private Limited.

The Company has appointed National Securities Depository Limited ("NSDL") for facilitating e-voting to enable Members to cast their votes electronically.

The remote e-Voting facility would be available during the following period:

Commencement of e-Voting	Wednesday, 25 <sup>th</sup> September, 2024 at 9:00 A.M.
End of e-Voting	Friday, 27 <sup>th</sup> September, 2024 at 5:00 P.M.

During this Period Members of the Company holding Equity Shares either in physical form or in dematerialized form, as on the Cut-off Date i.e. Saturday, 21<sup>st</sup> September, 2024, may cast their votes electronically. E-voting shall not be allowed after 5:00 P.M. on Friday, 27<sup>th</sup> September, 2024. The e-voting module shall be disabled by NSDL for voting thereafter. The Results of the Postal Ballot/e-Voting will be declared within 2 (two) working days from the conclusion of the Annual General Meeting. The results declared along with Scrutinizers Report shall be placed on the

## BRANCH OFFICES :

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BHILAI - 490026 (INDIA)  
PHONES : 078-2283345  
FAX NO. : 078-2283679



website of the Company at [www.necoindia.com](http://www.necoindia.com) and on the website of NSDL i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and communicated to BSE Ltd. at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Ltd. at [www.nseindia.com](http://www.nseindia.com).

Annual Report for the FY 2023-24 along with the Notice and BRSR is also available on the website of the Company at [www.necoindia.com](http://www.necoindia.com) and the website of the NSDL i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

We request you to take this on record.

Thanking You,

Yours Faithfully,

**For Jayaswal Neco Industries Limited**

*Ashish Srivastava*

Ashish Srivastava  
Company Secretary and Compliance Officer  
Membership No. A20141



**Encl.: A/a**



**Jayaswal Neco  
Industries Limited**



ANNUAL REPORT 2023-24

**PERSIST.  
PERFORM.  
PROGRESS.**



## PERSIST. PERFORM. PROGRESS.

At Jayaswal Neco Industries Limited (JNIL), we are at a defining juncture where legacy seamlessly merges with innovation under new leadership. This transition ushers in a fresh era, where the rich heritage of our Company drives future growth and success. With a solid foundation built over more than half a century, we are poised to achieve sustainable growth, enhance operational efficiency, and embrace advanced, eco-friendly technologies. This year, we have celebrated record-breaking production and sales, alongside significant advancements in our IT initiatives.

Persist	Perform	Progress
<i>Read more on page 8</i>	<i>Read more on page 14</i>	<i>Read more on page 42</i>

JNIL has evolved from a humble iron foundry in Nagpur into a leading alloy steel industry powerhouse. Specialising in long products and auto castings, we have significantly shaped India's industrial landscape through our two business divisions – Steel Plant and Castings.

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# KEY HIGHLIGHTS

During the FY 2023-24, we achieved record-breaking production and sales across various categories. Production of billets and rolled products hit a new peak, our captive iron ore mines Metabodeli and Chhotedongar also achieved their highest ever production. This resulted in our EBIDTA, profit before tax and net worth growing significantly.

## We witnessed improvement across our major financial indicators

**₹ 5,934 cr**  
Revenue from operations  
▼ 6%

**₹ 2,214 cr**  
Tangible net worth  
▲ 10%

**₹ 1,045 cr**  
EBIDTA  
▲ 30%<sup>1</sup>

**₹ 291 cr**  
Profit before tax  
▲ 735%

**₹ 3,198 cr**  
Secured debt outstanding  
▼ 6%

## Performed well across divisions



**26,05,880 MT**  
Production at Metabodeli and Chhotedongar iron ore mines  
▲ 22%

**6,43,220 MT**  
Hot Metal Production  
▲ 1%

**6,75,202 MT**  
Billets produced  
▲ 21%

**6,34,998 MT**  
Rolled products produced  
▲ 19%

**46,854 MT**  
Castings Production  
▲ 1%

MT- Metric Tonnes



▲ y-o-y growth ▼ y-o-y decline <sup>1</sup> Despite reduction in revenue

## Worked towards becoming a more responsible corporate

### Promotion of Green Energy Initiatives

**100+**  
Solar street-lights installed

**Treatment of wastewater**  
Effective reuse of water through wastewater treatment plants

**E-Rikshaws**  
Arranged for garbage cleaning in villages in vicinity of mines and transportation at SPD



## By building a more competent workforce and a safer work environment

**9,503**  
Total workforce

**29%**  
Annual y-o-y decline in attrition rate



**>950**  
Training programmes for our workforce

## By building self-reliant communities



**₹ 9.46 cr**  
CSR amount spent  
▲ 151%

**1.5 lakhs+**  
CSR beneficiaries (nos.)

**>30**  
CSR Initiatives

**6,853**  
No. of people benefited through initiatives taken for self-reliant communities



# MILESTONES

Our Company has grown and evolved into a leading player in the alloy steel and castings industry. Our growth trajectory has led to establishing fully integrated steel plant, operationalisation of captive iron ore mines, sustained reduction in financial leverage and leadership transition in promoter family. Continued pursuit of excellence has led to receipt of numerous awards and certifications from prestigious institutions. The Company has undertaken digital transformation and worked with relentless focus on innovation, research & development, quality and safety.



## 1972

Incorporated as a private limited Company as '**Nagpur Engineering Company Private Limited**'

## 1976

Started foundry unit with **Centricast Division in Nagpur, Maharashtra as 'Nagpur Engineering Company Limited (NECO)'** and shifted existing foundry businesses from Kolkata

## 1985

- Started Engineering Castings Division in Nagpur
- The status of our Company changed from Nagpur Engineering Company Private Limited to **Nagpur Engineering Company Limited**

## 1986

Established **Construction Castings Division** in Bhilai, Chhattisgarh#



## 1991

Commenced **Construction Castings Division** in Anjora, Chhattisgarh and started **Automotive Castings Division-I** in Butibori Nagpur, Maharashtra

# Divested in 2022.



## 1995

Got listed with BSE and NSE

## 1996

Established **Blast Furnace Facility including Pig Casting Machine, Wagon Tippler, 15.5 MW BF Gas based Power Plant** at Siltara Raipur, Chhattisgarh

## 1998

- Established **Automotive Castings Division-II** in Butibori Nagpur, Maharashtra
- The name of Company changed from Nagpur Engineering Company Limited to **Jayaswals Neco Limited**

## 2004

Established **0.4 MnTPA** Sinter plant and Steel Melt Shop (I) of **0.33 MnTPA capacity** by Inertia Iron and Steel Industries Private Limited (IISIPL)

## 2005

Crossed **₹1,000 crores revenue mark**

## 2006

Established **350 TPD kiln of DRI unit along with 15 MW** captive power plant by Abhijeet Infrastructures Limited (AIL) and first coke oven plant of **0.1 MnTPA**

## 2007

- The name of Company changed from **Jayaswals Neco Limited** to **Jayaswal Neco Industries Limited (JNIL)**
- Established **500 TPD kiln of DRI Unit with 12 MW DRI captive power plant** by Corporate Ispat Alloys Limited (CIAL)

## 2008

Expanded Sinter capacity by **0.4 MnTPA, installed bar mill of 0.13 MnTPA** by IISIPL

## 2009

- Established wire rod mill of **0.27 MnTPA** by IISIPL
- Merger of IISIPL, **350 TPD DRI Plant & 15 MW captive Power Plant** of AIL and **500 TPD DRI Plant & 12 MW captive Power Plant** of CIAL into JNIL



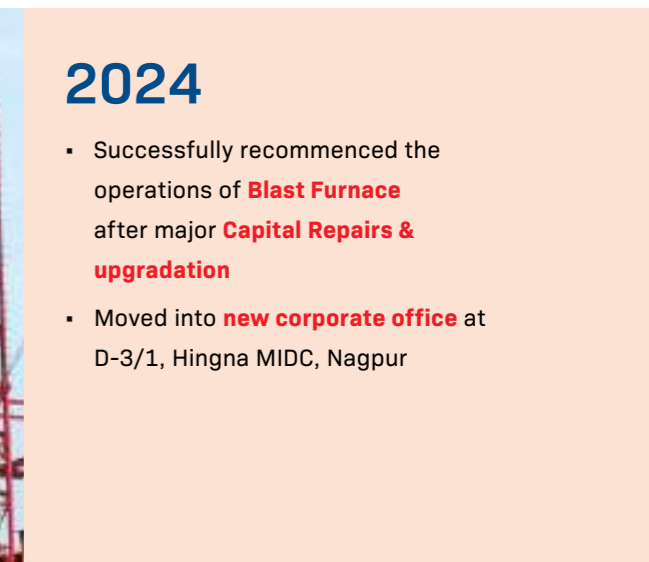
## 2012

Installed **wire rod block and expanded coke oven capacity** by **0.1 MnTPA** along with coke oven's Waste Heat Recovery based **12 MW (6 MW x 2) power plants**



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# MILESTONES



## 2013

Flat product unit - **Steel Plant Division of CIAL** merged into JNIL

## 2015

Expanded Steel Melt Shop capacity by **0.65 MnTPA** and installed **340 TPD** oxygen plant, **1.5 MnTPA** Pellet Plant and new rolling mill of **0.55 MnTPA**

## 2016

- Installed bright bar making facility of **0.04 MnTPA**
- Captive **Iron ore mining** production started from our Metabodeli Mine

## 2021

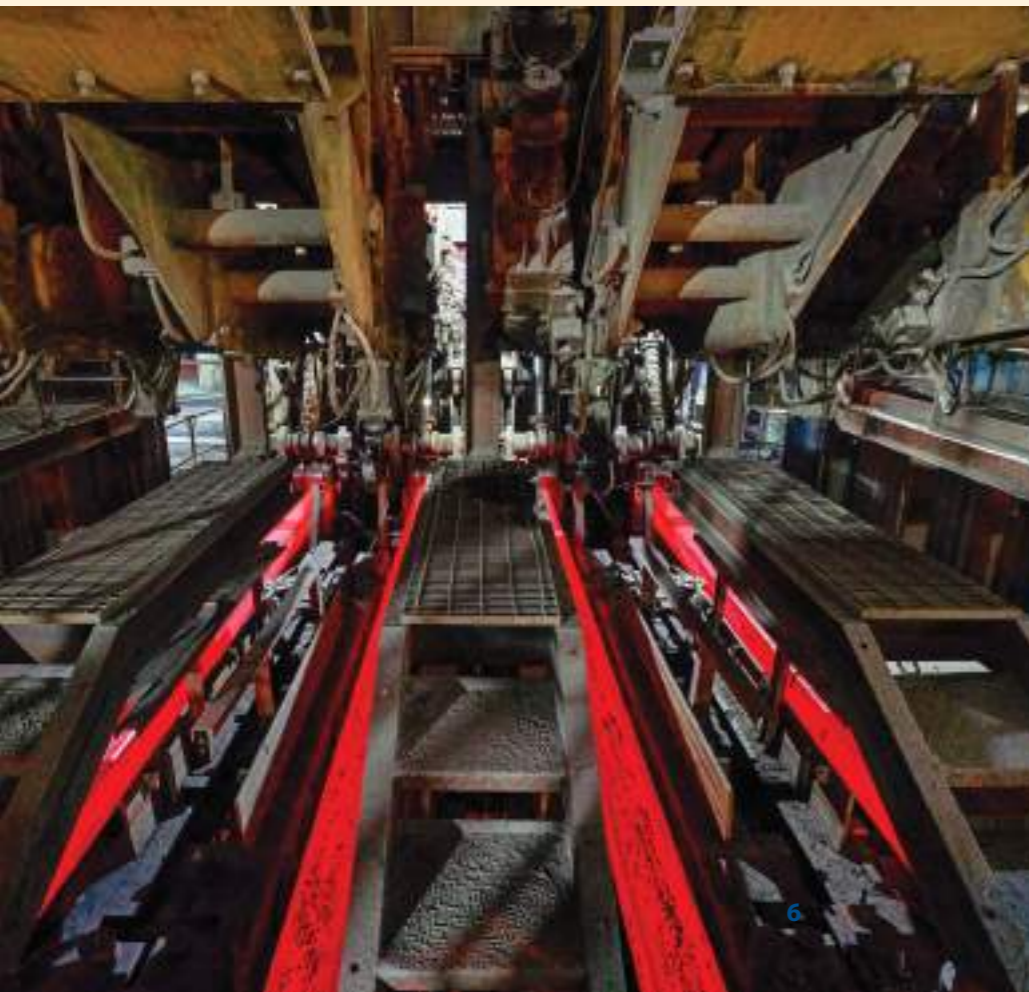
Captive **Iron ore mining production** started from our Chhotedongar Mine

## 2023

- **Achieved full self-sufficiency** in meeting iron ore requirement through captive mines
- **Successfully completed exit from debt restructuring by Refinancing of outstanding debt** by issuance of Non-Convertible Debentures. It has led to reduction in cost of borrowing
- **Shri. B. L. Shaw**, Founding Promoter has retired from the position of **Non-executive Chairman to Chairman Emeritus** and the Board has elevated **Shri. Arvind Jayaswal as Chairman** and **Shri. Ramesh Jayaswal as Managing Director**

## 2024

- Successfully recommenced the operations of **Blast Furnace** after major **Capital Repairs & upgradation**
- Moved into **new corporate office** at D-3/1, Hingna MIDC, Nagpur



MnTPA - Million Tonnes Per Annum,  
TPD - Tonnes Per Day

# PERSIST

We stand at the crossroads of tradition and innovation, seamlessly blending our legacy values with a fresh vision under the dynamic new leadership. In a significant leadership transition, our founder has gracefully assumed the role of Chairman Emeritus, while the torch has been passed to the next generation. The former Managing Director now steps up as Chairman, and the Joint Managing Director takes on the mantle of Managing Director. This shift marks a new era for our Company, where the wisdom of the past meets the energy and ambition of the future, setting the stage for continued growth and success.





## CHAIRMAN EMERITUS' MESSAGE



Dear Stakeholders,

As I reflect on my tenure of over five decades as the Founder Chairman, I am filled with gratitude and pride. Your confidence and support have been instrumental in our journey and together we have achieved remarkable milestones. It is with a mix of nostalgia and excitement that I pass the baton to the next generation of leadership.

I learnt a lot from my beloved father, who believed in serving people with great humility and believed in empowering them. Initially, my elders were actively involved in the family business at Kolkata.

I was also fortunate to be involved in it during the decade of 1960-70, however, because of socio-political disturbances in the region I was forced to move out and I shifted my family and business for Manufacturing of Castings at Nagpur and thereafter I ventured into Iron & Steel Sector by focusing on manufacturing of Alloy Steel at Siltara, Raipur.

A holistic approach of my family towards implementation of projects, excellence in operations, skill development of the workforce, quality consciousness, risk identification & reduction, dedicated approach towards philanthropy has given us an opportunity to face the challenges and adversities with courage, conviction and optimise the opportunities for growth.



I am thrilled to pass on the baton to my two sons Arvind and Ramesh who have now taken the position as Chairman (erstwhile Managing Director) and Managing Director (erstwhile Joint Managing Director) respectively. They will guide our organisation into a new era of growth and innovation.

Their visionary leadership promises to build on our rich legacy and propel our Company to even greater heights. I encourage you to extend the same trust, guidance and support to them, as you have generously offered me, ensuring that we continue to thrive as a strong, enduring and sustainable business.

As I step down, I take with me cherished memories of dedicated and sincere teamwork and growth of the business. I deeply appreciate your support, trust and confidence shown in the promoter family throughout this remarkable journey. With great anticipation, I look forward to the exciting future awaiting our Company under the new leadership. I am confident that our organisation will continue to be a significant contributor to the Country's growth across multiple dimensions for decades to come. I sincerely thank you from the bottom of my heart for being an integral part of my journey.

**Basant Lal Shaw**  
Chairman Emeritus



## CHAIRMAN'S MESSAGE



Dear Stakeholders,



**As I assume the role of Chairman, I am honoured and inspired to continue the legacy established by our esteemed Chairman Emeritus, my respected father. This legacy is being carried forward with a fresh vision and renewed goals, crafted in collaboration with my beloved brother Ramesh.**

Despite a challenging global economic scenario in FY 2023-24, India has emerged as one of the world's fastest-growing major economies. This growth is driven by robust capital formation, particularly through public investment, and supported by strategic reforms, infrastructure investments, and initiatives like 'Make in India' and the Production-Linked Incentive (PLI) schemes. Our country's economic trajectory is also bolstered by a dynamic domestic consumption base, and three transformative mega-trends: global off-shoring, digitalisation, and energy transition.

In line with the National Steel Policy's ambitious goal to boost crude steel production capacity from 160 MnTPA in FY 2022-23 to 300 MnTPA by FY 2030-31, we are advancing India's growth narrative through our significant presence in the alloy steel and castings industry. Our position is further strengthened by our exceptional mining assets, a key differentiator. We are focused on reducing our financial leverage and improving our external credit rating, while promoting holistic growth through strengthening corporate governance, internal control, proactive risk assessment & mitigation, enhancing transparency and integrity, impactful CSR initiatives and a firm commitment to ESG goals. These combined efforts are aligned with our vision for sustainable and responsible growth.

**Arvind Jayaswal**

Chairman

## MANAGING DIRECTOR'S MESSAGE

Dear Stakeholders,

As I step into the role of Managing Director, I am honoured to build upon the strong legacy established by my beloved father Shri. Basant Lall Shaw, Chairman Emeritus along with my beloved brother Arvindji.

In FY 2023-24, we achieved a significant 30% increase in EBIDTA at ₹ 1,045 crores on Net Sales of ₹5,934 crores. This improvement is attributed to lower costs of key inputs, increased sale of rolled products and increased use of captive iron ore, consequently our Profit Before Tax stood at ₹ 291 crores and Profit After Tax stood at ₹ 205 crores. We have also set several production records, including the highest-ever outputs of billets and rolled products, and achieved significantly enhanced dispatch levels from our captive iron ore mines.

With our state of the art and upgraded manufacturing facilities, we are one of the lowest cost producers of Alloy Steel. With the procurement of new technologies, we strive to achieve better operational performance and quality products.



**We have successfully undertaken Blast Furnace (BF) Capital Repair and Upgradation, which would help to improve the BF productivity and reduce coal consumption. We have also successfully undertaken major repairs and maintenance of other operating units of Steel Plant Division.**

Together, we are set to navigate the future with renewed vision and purpose, driving growth and responsible stewardship with an aim to consolidate the position of our Company as one of the largest Alloy Steel manufacturers in India.

**Ramesh Jayaswal**

Managing Director



# PERFORM

We have recently achieved a significant milestone by fully repaying our secured obligations to the ACRE Trusts, a feat made possible through sustained reduction of debt by repayment and strategic refinancing initiative of the outstanding debt. This involved issuing Non-Convertible Debentures (NCDs) worth ₹3,200 crores, a move that not only strengthened our Company's financial stability but also reduced our financing cost and strengthened our Balance Sheet. This financial turnaround earned us a coveted spot back in the Investment Grade External Credit Rating category. As the year progressed, we continued our upward trajectory, achieving record-breaking production and sales across our product lines, including billets, rolled products, and bright bars. We have also set new production and dispatch records at our captive iron ore mines at Metabodeli and Chhotedongar.

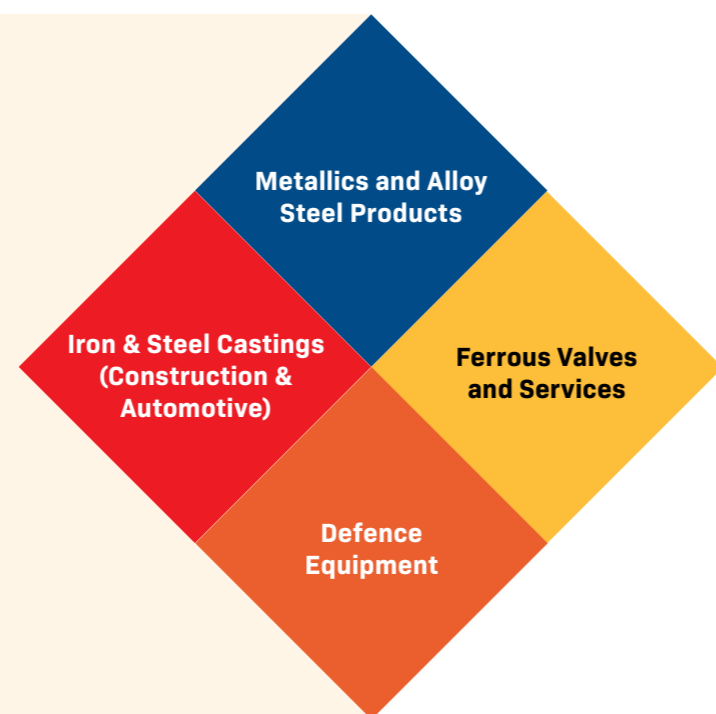


# ABOUT NECO GROUP

The NECO Group is an Indian conglomerate with manufacturing capabilities in iron and steel castings, specialty steel products, mining, ferrous valves and defence equipment. Jayaswal Neco Industries Limited's Steel Plant Division manufactures long steel alloy products for the automotive and engineering applications. It also has mining division that focuses on Iron Ore and Limestone extraction and has set-up waste heat, gas & thermal based captive power plants.

## Our Vision

To be an organisation that continuously achieves economic value by optimising resources through operational excellence, powered by technology, driven by innovation, creating delight, producing value added quality products that enhances customers satisfaction and to be a globally admired organisation that enhances sustainable industrial and business development and be the global benchmark in the field of:



Inside view of New Corporate Office

## Mission

Sustainable Growth and Return on Investment by continuous improvement of Human Resources, Environment, Technology and Products with constant engagement with all the stakeholders. We intend to achieve this through:

### Our People

- Adopting cleaner and greener technologies
- Providing a safe and healthy work environment
- Caring for the communities in which we work
- Demonstrating high ethical standards
- Enhancing the capabilities of the workforce by imparting trainings for skill upgradation in technical and managerial areas

### Our Society

- Giving back to the environment what we take
- Adopting cleaner and greener technologies, promoting circular economy
- Providing a safe and healthy work environment
- Caring for the communities in which we work
- Demonstrating high ethical standards

### Our Suppliers

- Quality starts from sourcing of material: We believe in developing supply chain to our level of competence, requirements and quality assurance
- Ensuring fairness and equitable transactions with all our suppliers in accordance with internally established procedures
- Ensuring our procurement activities comply with all relevant laws, social norms, standards and treaties worldwide
- Building a relationship of trust with all our suppliers

### Our Customers

- By helping them stay ahead of the curve by delivering innovative and quality products and services
- By helping them grasp every opportunity by delivering on-time
- By ensuring transparency in our dealings and addressing their grievances in proactive manner

### Our Lenders

- By prompt servicing of debt ensuring timely return on investments
- Ensuring timely submission of reporting compliances

### Our Equity Shareholders

- By providing transparent and regular updates through constant engagement with the shareholders
- Through good governance and consistent performance

## Core values

Our values define who we are. They guide our daily actions and behaviour. They influence the way we work with each other and how we serve our customers and engage with our communities.

We demonstrate integrity and respect for our stakeholders and continually strive for improvements in the way we carry out our activities. We strive to contribute to the core values with dedicated, sincere and

committed workforce. We exhibit great energy and enthusiasm and have the courage to be the leader in our sphere of activities. We take pride in doing the right thing, even in the face of adversity.

Our values, formed over the course of our fifty plus year history, make up the character of NECO. It helps to instil in our workforce the outlook and approach that we need to achieve our Mission.

## Businesses

Metallica and Alloy Steel Products

Ferrous Valves and Services

Iron & Steel Castings (Construction & Automotive)

Defence Equipment

# JAYASWAL NECO INDUSTRIES LIMITED AT A GLANCE



Since our inception in 1972, JNIL has evolved from a modest iron foundry in Nagpur to the forefront of the alloy steel industry, specialising in long products in bar and wire rods in multiple grades and sizes, iron and steel auto castings, pipes, fittings, manhole covers etc. As the flagship company of the Group, we have played a pivotal role in shaping the nation's industrial landscape.

## Presence

Our facilities ensure proximity to raw material sources, facilitating efficient supply chains and enabling prompt delivery of products and services to meet customer demands.

**5**

Manufacturing units

**7**

Countries Exported to

**2**

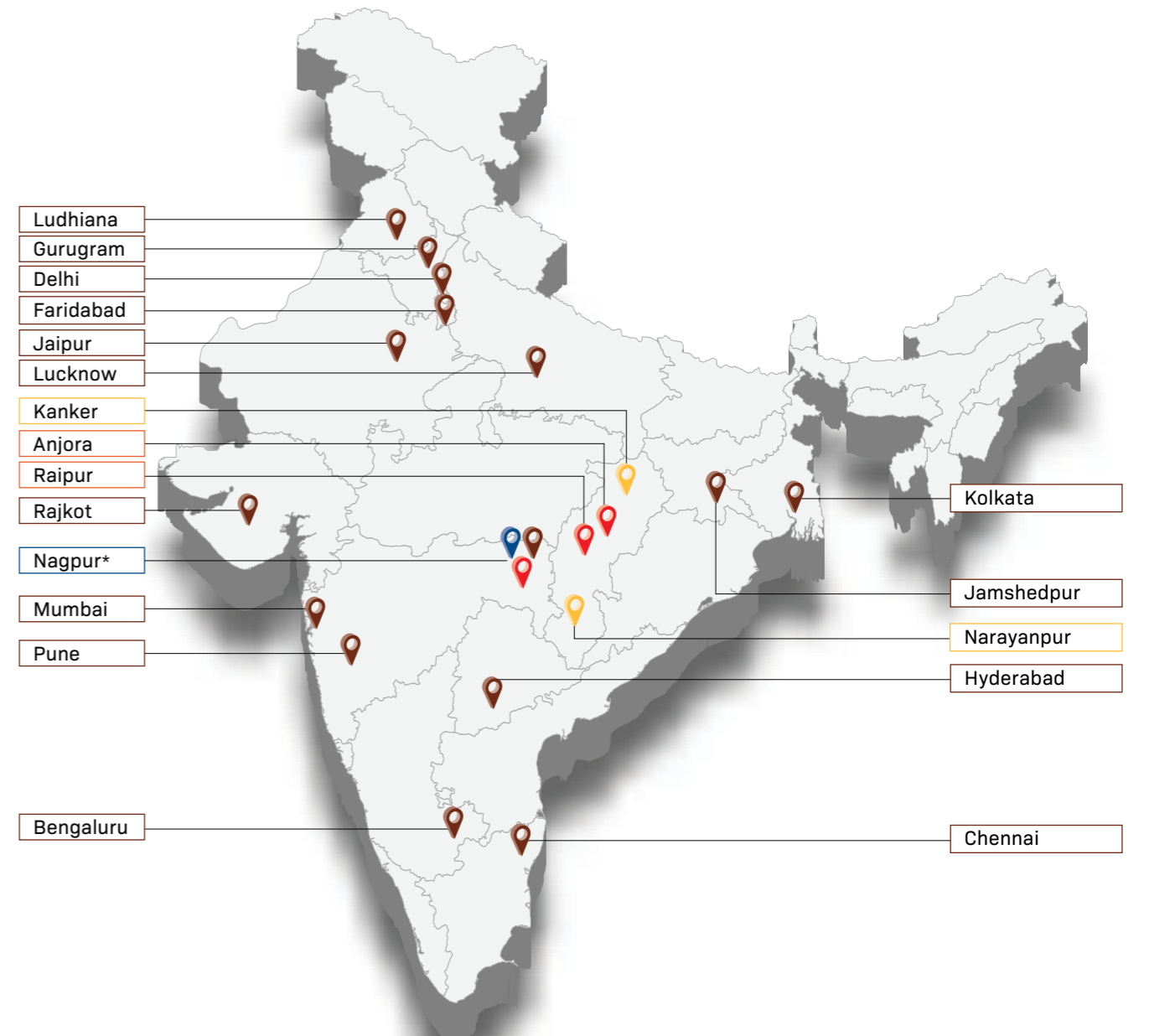
Major Iron Ore Mines

**15**

Offices

**28 States and 8 UT**

Presence across



**Manufacturing Units**



**Offices**



**Head Office**



**Iron Ore Mines**

## Business segments:



**Steel Plant Division**



**Castings Division**

\*Three Manufacturing Units are located in and around Nagpur.

# BUSINESS MODEL



**Financial capital**  
 ₹ 2,213.68 cr Tangible Net Worth  
 ₹ 3,197.63 cr Secured Debt Outstanding

**Manufacturing capital**  
 5 Manufacturing units  
 15 Offices  
 2 Major Iron ore Mines

**Intellectual capital**  
**New Technology Procurement**  
 Non-Destructive Testing line Machines  
**Various Process Improvement Initiatives undertaken**

**Human capital**  
 4,261 Employees  
 5,242 Workers  
 950+ training programmes conducted

**Social and Relationship capital**  
 Impact driven Targeted focus on CSR in the designated areas.  
 Engagement of Value Chain Partners

**Natural capital**  
 24.75 million GJ Energy consumed  
 5.33 million KL Freshwater used

## Vision

To be an organisation that continuously achieves economic value by optimising resources through operational excellence, powered by technology, driven by innovation, creating delight, producing value added quality products that enhances customers satisfaction and to be a globally admired organisation that enhances sustainable industrial and business development and be the global benchmark in the field of:

- Metallics and Alloy Steel Products
- Iron & Steel Castings (Construction & Automotive)

## Key product lines



Metallics and Alloy Steel Products



Iron & Steel Castings (Construction & Automotive)

**Outcomes**  
 ₹ 5,933.55 cr Revenue from Operations  
 ₹ 1,045.24 cr EBIDTA  
 ₹ 205.48 cr Profit After Tax

77% Capacity utilisation of Finished Products  
 10 New grades developed  
 1 New OEM approval

- Enhanced Process efficiency
- Risk reduction
- Cost Saving
- Elimination of Failure
- Efficient Production
- Enhancement in overall Customer satisfaction
- Elevate Brand Value

242 New Employees  
 94% Retention rate

1.5 lakhs+ CSR beneficiaries (nos.)  
 ₹ 9.46 cr CSR spent in designated areas  
**Inclusive Growth**

**Participation in PAT**  
 (Performance Achieve & Trade) Cycle-VII of Bureau of Energy Efficiency.  
 0% water discharge  
 > 10,000 New trees planted

## Our strategic priorities

Strategy 1	Strategy 2
Employ integrated operations with Full Self Sufficiency in Captive Iron Ore	Produce Value Added Finished Steel (End Product of the Industry) with emphasis on quality
Strategy 3	Strategy 4
Sustained reduction in financial leverage	Focus on sustainability

For more information, see page 36.

## Industries catered to

Auto Components	Automotive	Construction
Infrastructure	Defence	Oil and Gas

# BUSINESS SEGMENT PERFORMANCE

Through strategic investments and state-of-the-art facilities, we have positioned ourselves as one of the industry leaders while expanding our product portfolio to meet market demands. Our growth trajectory has been marked by continuous innovation, constant improvement in performance of the business segments, allowing us to stay at the forefront of the industry.

## Steel Plant Division (SPD)

We specialise in alloy steel long products for diverse industries such as automotive, engineering, construction, and railways. Our Iron & Steel Plant produces graded Alloy steels in different grades in Bar and Wire Rods to meet industry demands. Our product range find applications in carbon and alloy steels, spring, cold heading quality steels, leaf spring, connecting rod, shock absorber and crank shaft, Gears, Ball bearings alongside stabiliser bars and coils.



Pellets



Sponge Iron



Pig Iron



Billets



Alloy Steel bars and wire rods of 200+ grades

**Performance during the FY 2023-24**  
 In FY 2023-24, our Steel plant division achieved high levels of production. Our two major captive iron ore mines were able to meet our iron ore requirements fully, achieving full ramp-up from December 2022. These mines ensure cost efficiency and have licenses with long term validity.

**₹ 5,375 cr**  
 Revenue from operations

**₹ 1,017 cr**  
 EBIDTA

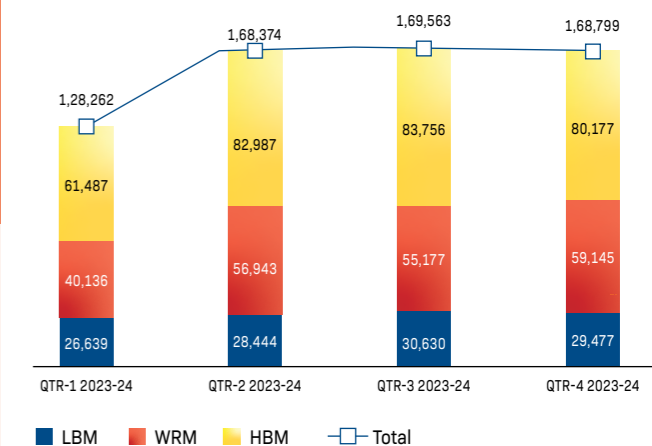
## Achievements

**Highest-ever Production** of billets (6,75,202 MT) and rolled products (6,34,998 MT)

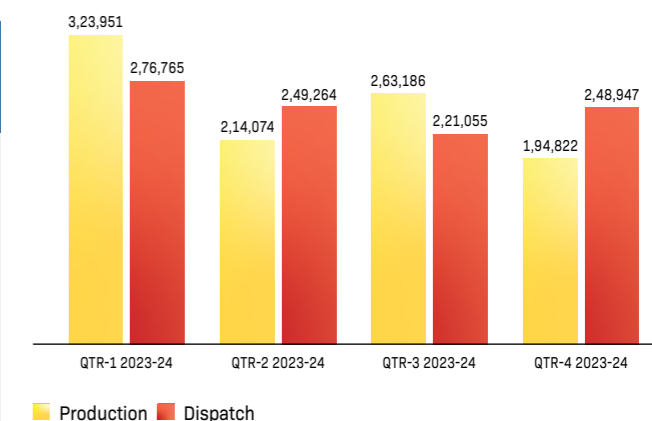
**Highest-ever Sales** of rolled products (5,67,197 MT)

**Highest-ever Production** (26,05,880 MT from Metabodeli and Chhotedongar) and highest-ever dispatches (24,64,646 MT from Metabodeli and Chhotedongar)

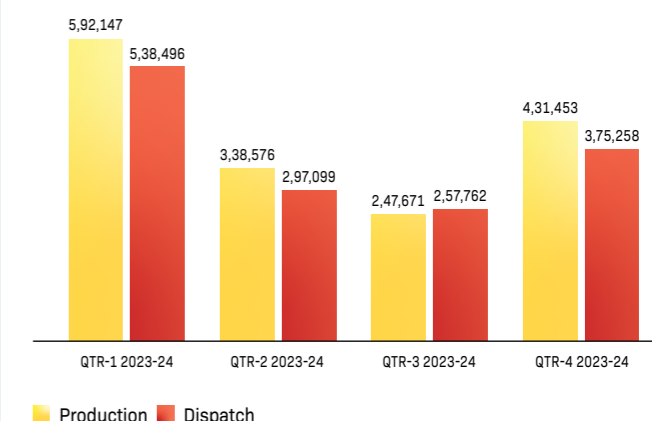
## Rolling Mills Production (MT)



## Metabodeli Iron Ore Mine (MT)



## Chhotedongar Iron Ore Mine (MT)



## BUSINESS SEGMENTS PERFORMANCE

### Castings Division

The 'NECO' group started as India's largest Sanitary Castings Group. Starting off its first unit in 1976, the Castings Division has interests in Engineering, Automobile, Construction and Sanitary Castings. We excel in manufacturing iron and steel castings that find applications in industries as diverse as automotive, agricultural machinery, generator sets, petrochemicals and refineries, railways, steel, service lines, irrigation, construction, power, sugar crushers, crane manufacturers, material handling equipment manufacturers and more. Due to global technological

changes and advancements in Drainage Systems, we have introduced 'Hubless Pipes & Fittings' to the Indian Market. Today, the Hubless Cast Iron Drainage System is world's only lifelong drainage system, manufactured in India. Our plants are in and around Nagpur, Butibori (Maharashtra), and Anjora (Chhattisgarh).

We have four subdivisions viz. Automotive Castings Division (ACD), Engineering Castings Division (ECD), CentriCast Division (CD) and Construction Castings Division (CCD).

#### Performance during the FY 2023-24

**₹ 559 cr**  
Revenue from operations

**₹ 27 cr**  
EBIDTA

### Automotive Castings Division (ACD)

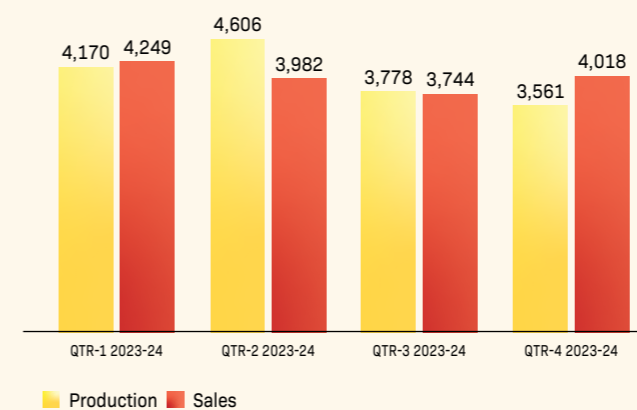
As the leading supplier of iron castings to the automotive sector, our products are extensively utilised by cars, trucks, tractors and agricultural equipment manufacturers. The plant can produce very large / heavy single piece cast beam / axle housing in high pressure moulding line. Further, the plant is one of the largest suppliers of cylinder heads in India.

#### Finished Product Portfolio



#### Performance during the FY 2023-24

##### Production & Sales (MT)



**16,116 MT**  
Production

**15,992 MT**  
Total Sales

**265 MT**  
Export Sales (out of total sales)







## BUSINESS SEGMENTS PERFORMANCE

### Engineering Castings Division (ECD)

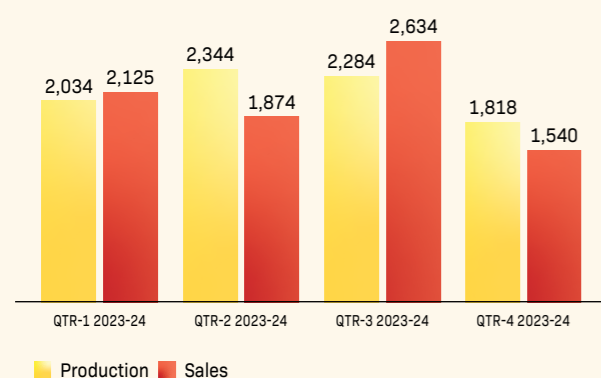
We are pioneers in manufacturing Ductile Iron and Cast Iron castings tailored for the Automotive and the Engineering Sectors.

#### Finished Product Portfolio



#### Performance during the FY 2023-24

##### Production & Sales (MT)



**8,479 MT**  
Production

**8,173 MT**  
Sales

### Centricast Division (CD)

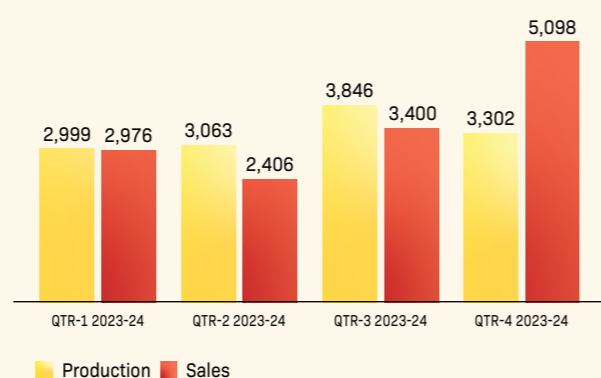
We are the market leader in India for the production of centrifugally cast iron pipes, fittings and manhole covers which principally find application in the construction and infrastructure industry. We export our finished product to around seven countries.

#### Finished Product Portfolio



#### Performance during the FY 2023-24

##### Production & Sales (MT)



**13,210 MT**  
Production

**13,879 MT**  
Total Sales

**2,473 MT**  
Export Sales (out of total sales)

### Construction Castings Division (CCD)

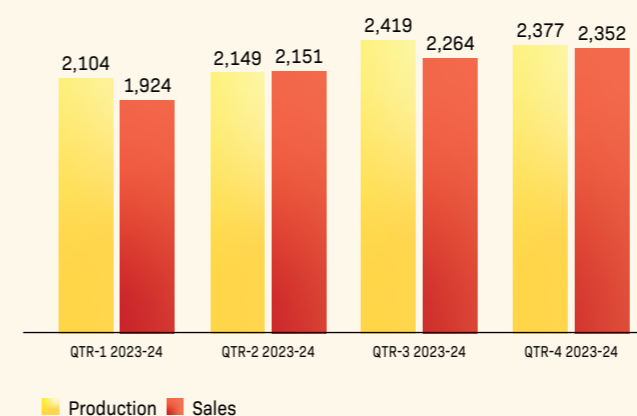
We are the market leader in India for the production of heavy Ingot Moulds and Slag Pots which principally find application in steel and construction industry. Presently, the division has a capability of manufacturing 30 MT single piece cast iron castings and 7 MT ductile iron castings.

#### Finished Product Portfolio



#### Performance during the FY 2023-24

##### Production & Sales (MT)



**9,049 MT**  
Production

**8,691 MT**  
Sales

#### Achievements

- Supply of Centricast Division products to Shri Ram Mandir at Ayodhya
- Launch of new products



Other Key Managements' Messages

## GROUP DIRECTOR'S MESSAGE



### Dear Stakeholders,

Growth and constant innovation have always been at the core of our Company's philosophy. We have made significant progress in digitalisation, transforming our business processes and IT infrastructure.



**We made significant progress in enhancing manufacturing efficiency and streamlining operations.**

**Our digital transformation extends to all the divisions, where technology has improved employee experience and ensured a secure online environment.**

With the remarkable achievement in Total Productive Maintenance (TPM) excellence, our Company is achieving excellent results in the productivity, product quality, cost reduction, safety and elimination of wastages.

By integrating advanced data analytics and automation at our SPD plant, we have boosted productivity and accuracy. To counter rising cyber threats, we have strengthened cybersecurity for advanced threat detection. Our procurement process has been streamlined with SAP Ariba, moving to a paperless system. Additionally, we are advancing towards a paperless office with cloud-based solutions across the departments. Our Human Resource (HR) development programs support career growth and professional certifications, ensuring a skilled and engaged workforce. These efforts reflect our commitment to innovation, efficiency and sustainability, paving the way for a resilient future.

### Avneesh Jayaswal

Group Director

## EXECUTIVE DIRECTOR'S MESSAGE

### Dear Stakeholders,



**This year has been exceptional for our operations, marked by several record-breaking achievements. Production and despatches from our captive iron ore mines have set new benchmarks. Steel Plant Division witnessed highest-ever production levels in billets & rolled products.**

Safety remains our top priority and we have successfully implemented TPM and 5S practices across all the departments in Steel Plant Division, ensuring zero accidents and breakdowns while maximising productivity and minimising wastages. We have also implemented comprehensive Hazard Identification and Risk Assessment (HIRA) across all departments, third-party safety audits, near miss capturing by all departments & reporting systems for corrections and Kiken Yochi Training (KYT) drills focusing on hazard predictions, determination and execution of suitable controls etc. These accomplishments reflect our focus on operational excellence and continuous improvement, driving us towards a future of sustained success.

Sustainable growth is central to our philosophy, and our Board diligently oversees our ESG performance. We are actively enhancing our ESG metrics through targeted initiatives and simultaneously strengthening our governance frameworks. Be it through environmental initiatives across our mines or uplifting communities, we consider it as our duty to create impact which goes beyond financial metrics.

As a part of the social responsibility and as a good corporate citizen, our Company regularly undertakes various programmes and projects with a view to promote and protect a congenial and eco-friendly atmosphere in and around the Plants and Mines. We pledge to serve and contribute to the welfare of the society in general and the surrounding areas of the working site in particular.



During the year we have focused our CSR initiatives in the areas of healthcare, sanitation, education & training, sports, women empowerment, environment sustainability, promotion and development of traditional art & culture, community welfare and rural development projects.

### Sangram K. Swain

Executive Director

# OPERATIONS

Our integrated manufacturing facilities, optimum utilisation of resources and strategically located captive mines enable us to create, enhance and deliver value in our business. With stringent quality controls, world class processes, very high safety standards, robust research and development, usage of latest state of the art technologies we cater to very wide range of end use applications for our products.



**Major Capital Expenditure and other initiatives are undertaken to improve operational efficiencies:**



## Steel Plant Division, Raipur

- 1 Blast Furnace upgradation and modernisation with capital repairs has been completed which is expected to augment production and reduction in coal consumption.
- 2 Various Capex were undertaken to improve operational efficiencies, add value and reduce costs:
  - Installation of additional pump assembly in Light Bar Mill
  - Modification in Coke Oven Sole plate Material of Construction (MOC)
  - Modification in Sinter breaker discharge chute
  - Multiple countermeasures and modifications in Pulverised Coal Injection (PCI).
  - Increase in slow cooling route by modification in bar selecting arm in Heavy Bar Mill
  - Non-Destructive Testing Line has been installed in Bright Bar Mill for effective Quality Check
- 3 Implemented 5S and Total Productive Maintenance (TPM) which results in higher productivity, product quality, cost reduction & company culture improvement
- 4 Skill upgradation trainings have been imparted to employees and workers which enhances the domain knowledge and productivity



## Casting Division, Nagpur & Anjora

- 1 New Moulding Line (ECD)
  - ECD has installed ARPA 900 Machine to modernise the existing moulding line resulting in productivity enhancement at lower cost.
  - ARPA machines are easy to operate and effective to produce short run castings. It has the option of pneumatic or electro pneumatic controls with high frequency, low amplitude jolting with high dynamic squeeze force for uniform and rigid moulds, hydro-pneumatic swing in & out and precisely guided pattern drawing for damage free stripping.
- 2 Induction Furnace (CD) – Old furnace has been replaced with latest technology new furnace, having efficient power consumption which has resulted in overall increase in productivity.
- 3 Paint Booth Extension (CD)
- 4 Construction of Internal Road, Security Office etc. (CD) – modernisation of internal road, entrance, security office and plant area.



## Metabodeli Iron Ore mine

Situated in Kanker district, Chhattisgarh, this mining site spans 25 hectares and boasts a capacity of 1.0 MnTPA. The mine employs zero-waste technology, ensuring efficient resource use. Low-grade iron ore fines extracted from the mine are processed at the Gidhali washery plant, with the refined products sent by Road to the Raipur plant for captive use. This mine stands out as one of the lowest-cost producers of iron ore in the region.

This year the production has reached to 0.996 MnT as result of adoption of efficient processes. The mine has received various awards from Indian Bureau of Mines (IBM) including for Overall Performance and Mineral Conservation.



## Chhotedongar Iron Ore mine

Located in Narayanpur district, Chhattisgarh, this expansive mining site covers 192 hectares and has a current capacity of 2.95 MnTPA. Positioned in the Abhujmad region, it lies 85 km from Gadchiroli, Maharashtra. Like Metabodeli, this mine has embraced zero-waste mining technology, ensuring efficient and sustainable operations.

This year the production has reached to 1.61 MnT as result of adoption of efficient processes. The mine has received various awards from IBM including for Mineral Conservation.

# TOTAL PRODUCTIVE MAINTENANCE



Total Productive Maintenance (TPM) is a holistic approach that empowers teams to take ownership of their equipment and processes, ensuring maximum uptime, reduced downtime, and higher overall equipment effectiveness (OEE).

By practicing TPM in the present highly competitive business environment, our Company is optimising manufacturing and operational practices to remain at the forefront of the industry.

Results observed during TPM practice in the operations areas are as follows:



- Productivity
- Quality
- Delivery
- Morale



- Accident
- Cost

TPM enhances operational efficiency, improves job satisfaction and boosts morale amongst the team members. By empowering our employees to take charge of their work environments, we create a culture of ownership and accountability that benefits all. Continuing TPM Journey supports in the qualitative development of the organisation in all respects for making "NECO" a preferred brand amongst global special steel suppliers. Our Company's ability to relentlessly search for solutions to problems in innovative ways has led to overall improvements.

TPM journey has helped our Company in continuous improvement of the performance of plant production, overall plant efficiency, improvement in quality, reduction in cost, timely delivery, enhancement in safety, preservation of the environment, ensuring the workers and employees adequate protection of health, increased engagement and improvement in motivation.

For 2023, Rolling Mill and Bright Bar unit received the Japan Institute of Plant Maintenance (JIPM) TPM Excellence Award which is one of the most prestigious International Manufacturing Excellence Award given by the Japan Institute of Plant Maintenance. Our Company received the award in March, 2024.

## INFORMATION TECHNOLOGY INITIATIVES

**Digitalisation is one of the key growth pillars of our Company. We have made substantive strides in our digitalisation journey by supporting the advancement of business processes and modernisation of Information Technology (IT) infrastructure across our plants.**



### SAP implementation across divisions

Our Company implemented SAP S/4 HANA in FY 2021-22 at Steel Plant Division and in FY 2023-24 at Castings Division. Business process re-engineering adopted in SAP implementation ensured increase in the efficiency of manufacturing processes, revolutionising the way it operates across our value chain.

This year saw our Company making advancements in our internal enterprise processes, using SAP (core Enterprise Resource Planning system). It has also digitalised many Human Resource processes to provide a plethora of easy-to-use, advanced digital tools to employees, improving overall employee experience and as an organisation which is committed to keep our people and business safe. Considerable investments were made to ensure Cyber Security and a safe and secure online environment for the employees.

The digitalisation of the customer and vendor communication enabled the reduction of turnaround time for business communication from 10 days to 1 hour and enhanced their satisfaction. At the Steel Plant Division, data analytics solutions and automation helped in increasing productivity of the plant. Additionally, this year our Company ensured the launch of connecting Weighbridges to SAP system directly enabling complete data accuracy and reduction of the cycle time. It also launched Advance Shipping Notification system to seamlessly control the movement of material from Mines to the Steel Plant Division and to help in tracking and receipt of the material at plant without any manual entry which enabled the reduction of truck cycle time.

As the cyber threat landscape continues to rise, our Company focussed on strengthening endpoint security, email security, external threat monitoring and employee cyber awareness. It partnered with Seqrite, a cloud-based, robust, Artificial Intelligence and Machine Language driven Managed Detection and Response (MDR) cyber security service that combines technology and human expertise to ensure continuous monitoring, detection and response against sophisticated, known / unknown cyber-attacks which increased our Company's cyber security status substantially more specifically for the endpoints.

The implementation of the MDR along with VAPT security operations provided our Company with much-needed

visibility and support to combat our fight against cyber crime. Our Company provided cyber security training to the new employees apart from mandatory cyber awareness trainings for all employees.

Our Company also provided phishing simulation drives to educate users in identifying phishing attacks, it also issued emails, banners, posters on cyber awareness, conducted cyber training sessions to build a robust cyber culture. Further, our Company collaborated with Seqrite and deployed a digital risk monitoring tool which helped it in continuous brand scan, combating fake brand pages, rogue applications and impersonating domains to preserve our Company's brand image.

The major thrust of our Company has been on cloudification and transformation of IT infrastructure to support digital initiatives. In the quest of making, IT and Digital solutions to be agile and scalable in line with the business growth and dynamism, our Company collaborated with a leading Data Centre Service Provider M/s Yott Infrastructure to establish SAP Disaster Recovery platform for hosting SAP solutions. Our Company has also charted a three-year IT roadmap for maximising the cloudification of the IT systems and solutions.

### Business Continuity Plan

The purpose of this plan is to recover the IT systems at an alternative location and to provide user access to them within a response time objective of four hours. The procedures set out in this document are used only as guidance when responding to an incident and responsibility of response. It ensures that business operations can continue in limited form until IT systems are restored and information security controls always remain in place to protect classified information. Our Company firmly believes in setting up processes and putting plans in place to enable our Company to continue the delivery of products or services at acceptable levels following a disruptive incident. Our Company has set up process of creating systems of prevention and recovery to deal with potential threats to our Company. In addition to prevention, the goal is to enable ongoing operations before and during execution of disaster recovery. Business Continuity Plans and procedures are periodically tested based on contingency test plan and audited periodically by internal and external audit agencies.

### Paperless-Office Working

With a view to leverage technology and to reduce paper consumption, our Company has adopted a leading cloud-based application for digitising various business process

which will create a work environment which will use minimal physical paper and instead use primarily digital documents of various processes. It ensures to convert various documents into electronic files and centrally stored with linking to various systems including SAP for performing business transactions. Our Company plans to cover following processes as part of this project –

- Procure-to-Pay covering Material receipt, Service, Work Order, Cash Purchase and Gate Pass automation of contract employees
- Order-to-cash including Customer Portal
- Internal Approvals
- HR Process Automation

Going paperless in the above processes has enabled access to digitised documents through system for processing through system (including SAP) and all digitised documents are kept in a safe centralised repository on Cloud which can be accessed anywhere as per the access provided. It has substantially reduced the document handling cycle time.



### Procurement Digitisation

As a part of our green procurement and digitalisation initiative, our Company has implemented leading procurement solution from SAP i.e. SAP Ariba which enables an online supplier portal for day-to-day operational management of purchasing and supplier quality management activities. The supplier portal features various modules covering – Online Vendor On-boarding, Raw Material Schedules and supply monitoring system, Raw Material Specification, Audit Report, Supplier Rating, and other quality related requirements. All the purchase orders are generated through the SAP system and communicated to the supplier base globally through a paperless electronic medium. To maximise the use of digital information technology, it encourages the use of video conferencing, telephonic conferencing, and other latest collaborative technologies available to minimise the adverse impact on environment and promote green practices in our procurement activities.

Our Company is already using SAP-ERP to process financial transactions and maintain our books of accounts. The SAP has been setup to ensure adequacy of financial transactions and integrity & reliability of financial reporting. The financial controls are evaluated for operating effectiveness through management's ongoing monitoring and review process, and independently through Internal Audit.

# STRATEGIC PRIORITIES

Our continuous improvement is fuelled by strategic initiatives that stress sustainability and holistic progress over financial measurements. These strategies are inclusive of long-term viability and good business practices, ensuring that our growth benefits both our stakeholders and the environment.

<p><b>Strategy 1</b></p> <p><b>Employ integrated operations</b></p>	<p><b>Strategy 2</b></p> <p><b>Emphasis on superior quality</b></p>
<p>We are investing to keep our operations completely self-sufficient to meet our iron ore needs from our captive mines by adopting zero waste mining technologies and doing sustainable mining in efficient manner.</p> <p><b>26,05,880 MT</b> Production at Chhotedongar and Metabodeli iron ore mine ▲ 22%</p> <hr/> <p><b>24,64,646 MT</b> Despatch at Chhotedongar and Metabodeli iron ore mine ▲ 19%</p> 	<p>We prioritise customer satisfaction by taking several steps to produce value-added quality finished alloy steel.</p> <p><b>6,34,998 MT</b> Finished steel (Rolled Products) produced during the year ▲ 19%</p> <hr/> <p><b>76%</b> Repeat customers on an annual basis</p> 

<p><b>Strategy 3</b></p> <p><b>Sustained reduction in financial leverage</b></p>	<p><b>Strategy 4</b></p> <p><b>Focus on sustainability</b></p>
<p>We have improved our financial position by systematic reduction of debt by way of repayment, successful exit from debt restructuring through refinancing.</p> <p><b>₹ 3,198 cr</b> Secured Debt ▼ 6%</p> <hr/> <p><b>₹ 2,214 cr</b> Tangible Net Worth ▲ 10%</p> 	<p>We are implementing several Environmental, Social, and Governance (ESG) initiatives to promote holistic growth with maximum impact.</p> <p><b>₹ 8.09 cr</b> Spent on Environmental sustainability and Rural development project that benefited <b>1.1 lakhs+</b> vulnerable and marginalised beneficiaries (nos.)</p> 

# KEY PERFORMANCE INDICATORS

## CHIEF FINANCIAL OFFICER'S MESSAGE



Dear Stakeholders,



In FY 2023-24, our EBIDTA significantly improved to ₹1,045 crores reflecting 30% increase (Y-O-Y) despite decrease in net sales to ₹5,934 crores, down 6.5% from ₹6,343 crores in FY 2022-23. The improvement in EBIDTA has been driven by lower costs, increased rolled product and hot metal production, enhanced production from captive mines and greater operational efficiencies. Profit before tax surged to ₹291 crores, a remarkable rise from the previous financial year.

Our risk management framework equips us to adeptly navigate uncertainties and leverage external opportunities effectively.

Our Company has achieved its goals of successful implementation of SAP in all the Divisions, improvement in quality of management information systems, strengthening of internal controls, deleveraging, completion of critical capital expenditure, strengthening of corporate governance and successful exit from debt restructuring framework. Together, these efforts ensure we remain at the forefront of growth while adhering to our foundational values.

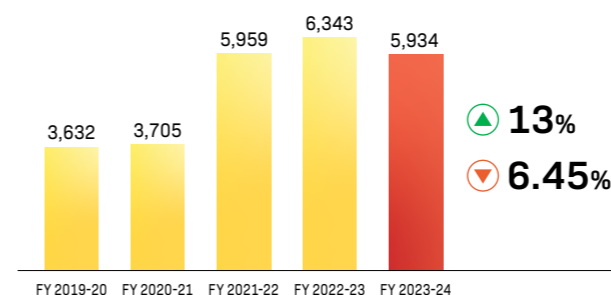
A major milestone was achieved during the year when we repaid all our Secured Obligations under Debt Restructuring framework through Debt Refinancing by issuance of secured Non-Convertible Debentures (NCDs) worth ₹3,200 crores on private placement basis. Our Company has also been able to achieve long term issuer external credit rating of 'IND BBB-' (investment grade) with stable outlook.

**Kapil Shroff**

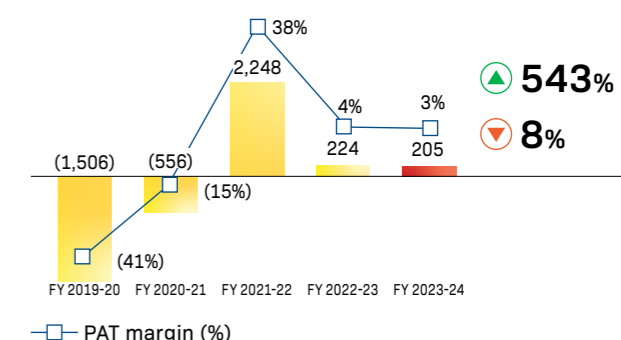
Chief Financial Officer

## Financial indicators

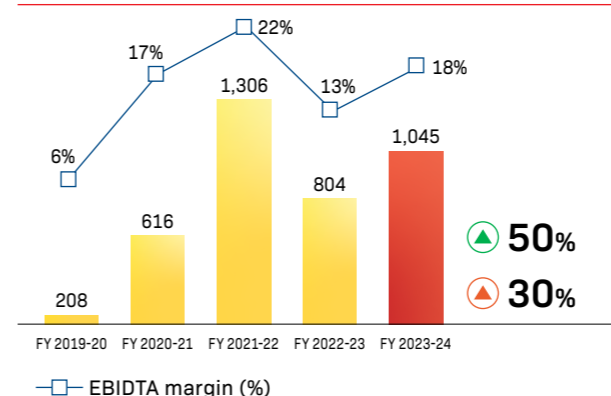
### Revenue From Operations (₹ in cr)



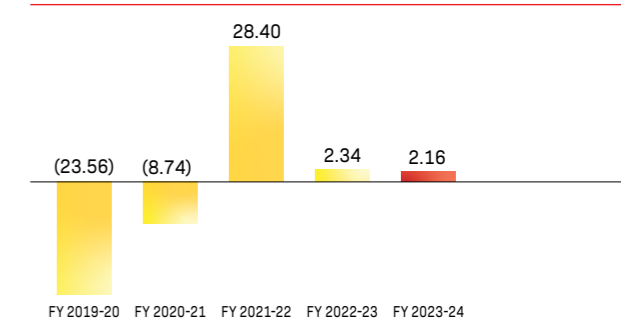
### Profit After Tax (PAT) (₹ in cr)



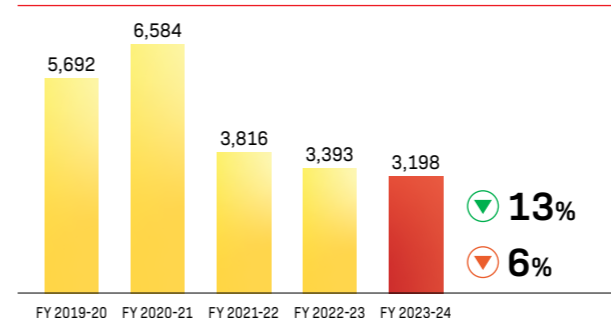
### EBIDTA (₹ in cr)



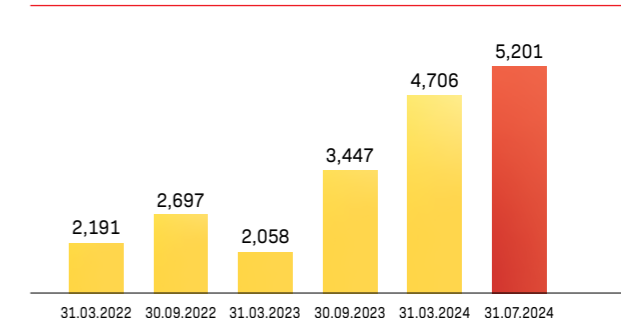
### Earnings per share (₹)



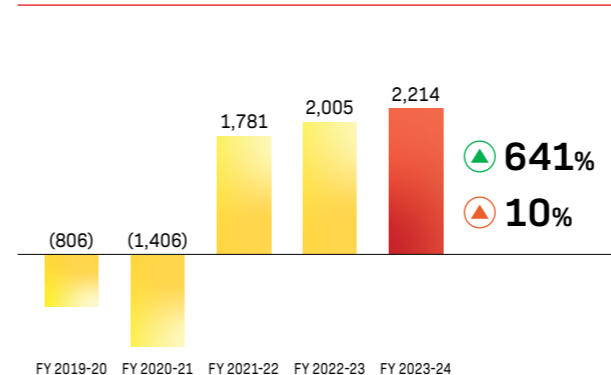
### Secured Debt Outstanding (₹ in cr)



### Market Capitalisation movement details (₹ in cr)



### Tangible Net worth (₹ in cr)

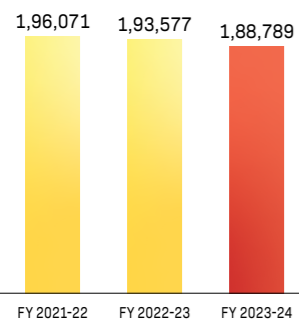


- 4-year-CAGR
- 4-year decline-CAGR
- y-o-y growth
- y-o-y decline

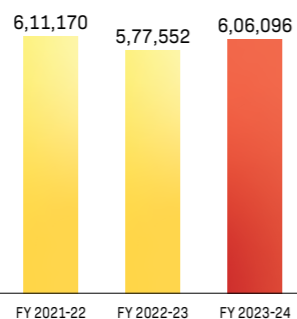
## Operational Indicators

### Production details

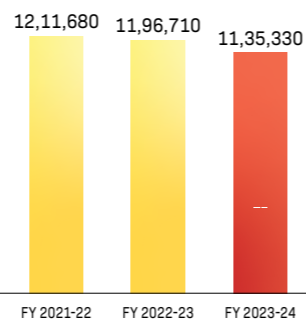
Coke oven (MT)



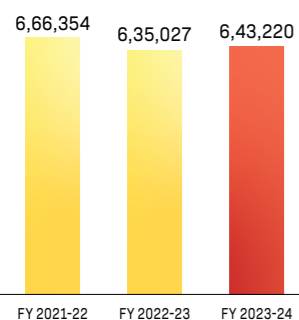
Sinter (MT)



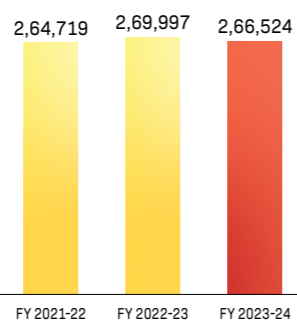
Pellet (MT)



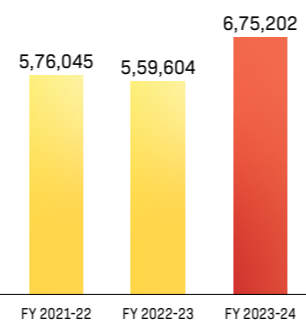
Blast furnace (MT)



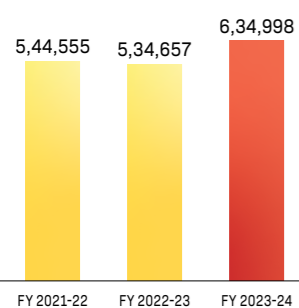
DRI (MT)



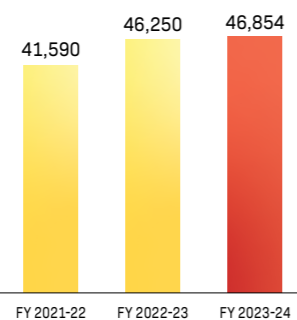
Steel melt shops (MT)



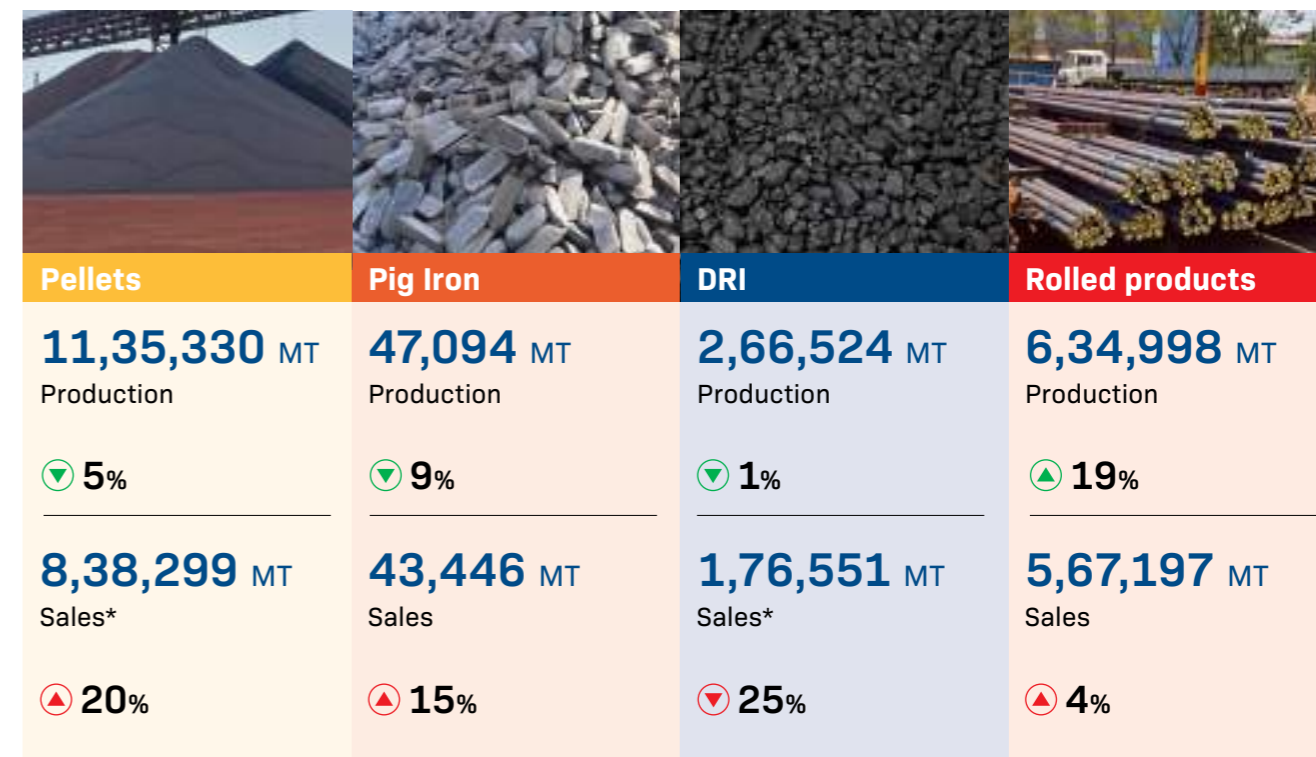
Rolling mills (MT)



Castings (MT)



### Steel Plant Division – Key Operational Highlights in FY 2023-24

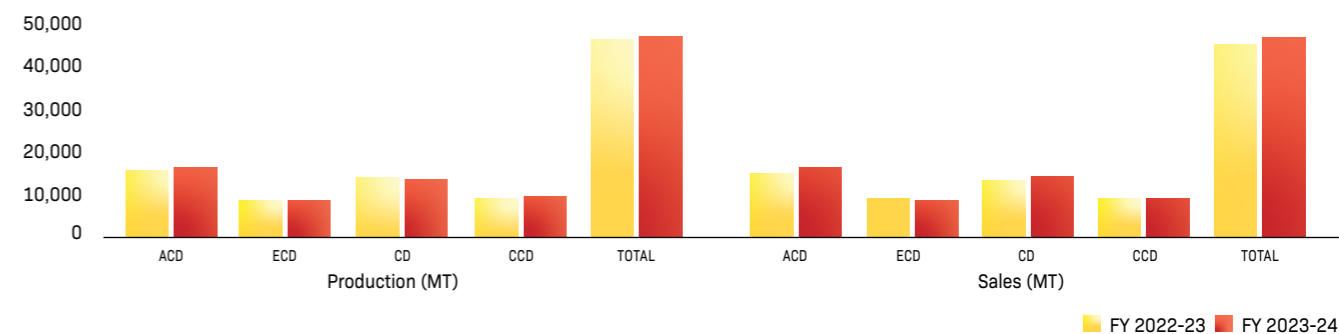


▲ y-o-y growth in Production    ▼ y-o-y decline in Production    ▲ y-o-y growth in Sales    ▼ y-o-y decline in Sales

\*Net of Captive Consumption

### Castings Division Operational Performance

PRODUCTION (MT):	FY 2022-23	FY 2023-24	y-o-y change	SALES (MT) <sup>2</sup>	FY 2022-23	FY 2023-24	y-o-y change
ACD	15,523	16,116	3.8%	ACD	14,892	15,992	7.4%
ECD	8,331	8,479	1.8%	ECD	8,187	8,173	(0.2%)
CD	13,718	13,210	(3.7%)	CD	13,313	13,879	4.2%
CCD	8,678	9,049	4.3%	CCD	8,584	8,691	1.2%
<b>TOTAL</b>	<b>46,250</b>	<b>46,853</b>	<b>1.3%</b>	<b>TOTAL</b>	<b>44,977</b>	<b>46,735</b>	<b>3.9%</b>



<sup>2</sup> Including exports



# PROGRESS

We have made remarkable strides in our IT initiatives, with a particular focus on the successful implementation and stabilisation of SAP S/4 HANA across all our divisions. At our Steel Plant Division (SPD), the integration of SAP Ariba for reverse auctions has streamlined procurement processes, marking a significant technological advancement. Our Rolling Mills and Bright Bar Units earned the prestigious TPM Excellence Award, Category A, for 2023, presented by the Japan Institute of Plant Maintenance. This accolade, coupled with the successful 5S implementation at SPD, reflects our focus on operational excellence and continuous improvement.

# ENVIRONMENT

We undertake several initiatives to protect environment and conserve natural resources. We aim to reduce air and water pollution through a variety of projects and activities, as well as effectively manage solid and hazardous waste. Further, we ensure prompt compliance of the extant regulations. Our Company has made capital investments in various equipment like Variable Frequency Drive, Capacitor Bank etc. which leads to conservation of energy and reduction in carbon emission.

## Environment Management System

We have a robust Environment Management System (EMS) in place at Steel Plant Division which has set-up targets throughout environmental focus areas and has been certified with EMS - ISO 14001:2015. We ensure full compliance with the set targets.

EMS is a part of the integrated management systems which includes actions to address related risks and opportunities.

Our Company strives to become a globally admired organisation that enhances the quality of life of all the stakeholders through sustainable development with utmost care for the environment by ensuring compliance with the extant laws & regulations and taking care of needs of the society. It aims to be one of the most efficient and reliable Steel producers and carry out its business with utmost regard for safety.

### Guiding Principles

All business decisions to be guided by sensitivity towards the environment and needs for sustainable development.

To be sensitive to the importance of environmental impacts and corporate social welfare.

Maximise participation of employees, contractors, and customers in preserving the ecological balance.

Optimise use of natural resources like land, water, and fuel.

Strive for continuous improvement through monitoring, regular review and adaptation of latest technologies.



We ensure success of EMS our activities through our environmental cell which employs a three-tier monitoring system. EMS is a part of the integrated management systems which includes actions to address related risks and opportunities.

## Environment Cell

### Three Tier Environment Monitoring System

**4 Continuous Ambient Air Quality Monitoring System (CAAQMS)**

**14 Continuous Emission Monitoring System (CEMS)**

**1 Continuous Effluent Quality Monitoring System (CEQMS)**

Rainwater harvesting system has been strengthened to conserve the rainwater, 4 reservoirs and 5 roof top rainwater harvesting systems have been provided.

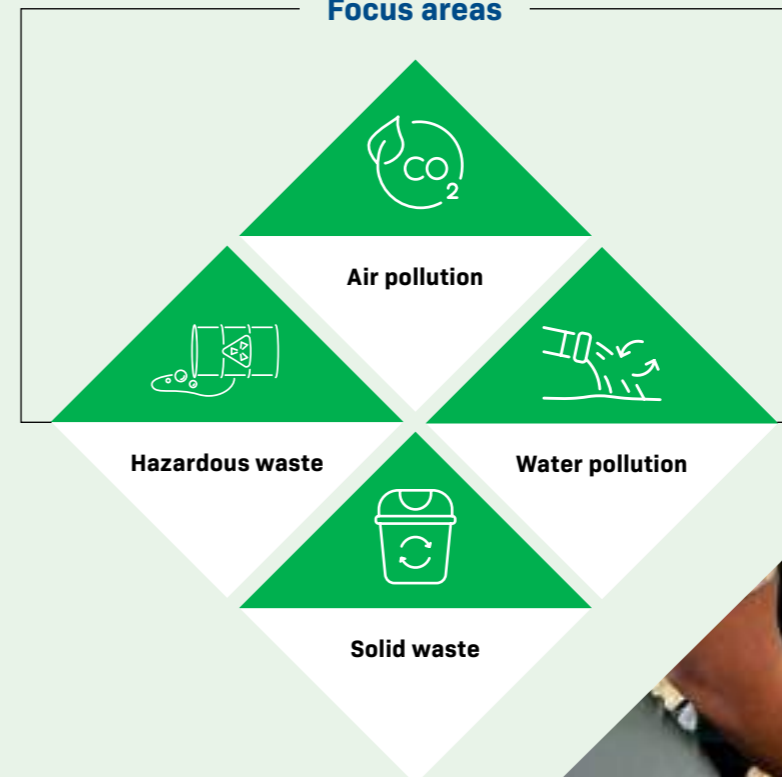
**Manual monitoring through in-house environmental lab**

Solid wastes generated from various process is utilised to the full. By-products generated are captively used and also sold to other industries.

**Monitor through NABL Accredited Lab**

An oxy-zone has been developed in seven hectare of area

### Focus areas



# ENVIRONMENT

## Air pollution

Throughout the year, we implemented several initiatives to reduce air pollution. We installed air pollution control devices such as electrostatic precipitators (ESP), fume extraction systems, dust catchers, and a two-stage wet venturi scrubber with a gas cleaning plant to keep emissions within the limitations. Bag filters and dry fogging systems keep fugitive emissions under control on all conveyor belts and transfer points.

All internal roads have been maintained and cleaned on a regular basis with sweeping equipment and water sprinklers. Vehicle speed within the factory is restricted to maximum 20 km/h, and raw materials and solid waste are delivered in covered vehicles. A large green belt along the border wall further reduces dust. 14 Continuous Emission Monitoring System (CEMS) and four (4) Continuous Ambient Air Quality Monitoring Systems (CAAQMS) keep air quality within acceptable standards, with real-time data transmitted to the Central Pollution Control Board (CPCB) and CECB.

To reduce fugitive emissions, extra bag filters were recently installed in the sinter plant and SMS unit. We also have set-up Non-Recovery Coke Oven Plants, which are environmentally benign. Furthermore, Waste Heat Recovery Power Plants have been developed in accordance with government policy to use waste heat and ensure reduction of greenhouse gas (CO<sub>2</sub>) emissions.



### Tree plantations

CO<sub>2</sub> sequestration is enhanced by plantation of around 6,00,000 trees in the Steel plant division and Mines.

Period	Cumulative number of trees planted
Upto FY 2021-22	5,74,178
Upto FY 2022-23	5,81,877
Upto FY 2023-24	5,92,652

## Water pollution

We understand the importance of water and have undertaken initiatives during the year to ensure our conservation. To conserve water, all wastewater generated from the process is treated in the Effluent Treatment Plant (ETP), completely recycled, and utilised for cooling, dust suppression, and green belt development, maintaining a “Zero Discharge” condition.

Effluent quality is kept well within prescribed standards and treated effluent is recycled for cooling and dust suppression. Continuous online effluent quality monitoring systems are in place. Additionally, four reservoirs and five rooftop rainwater harvesting systems to conserve rainwater are in place.



### 5 ZLD Plants

All five plants are Zero Liquid Discharge (ZLD) Plants (i.e. Steel Plant Division and four casting sub-divisions)

### Treatment of wastewater

Effective reuse of water through wastewater treatment plants

## Solid waste

As we grow as an environmentally conscious corporate, we ensure that we can dispose of solid wastes in a proper manner. We ensure that solid waste generated from various processes is 100% utilised. Further, we sell blast furnace slag to cement industries, while blast furnace dust and blast furnace sludge are reused for in-house sinter making.

### 100% processed

Solid waste generated from various processes is fully utilised

## Hazardous waste

Hazardous waste, such as used/spent oil generated from processes, is sold to authorised recyclers. Generated e-waste is recycled or sent to authorised recyclers, and bio-medical waste is collected regularly by designated agencies.

### 25.85 MT

of Hazardous waste is timely disposed off

### 4

Partnered with four Recyclers

### Other initiatives



#### Awareness campaigns

We undertook various initiatives around key days including World Environment Day, Earth Day, and Ozone Day to raise awareness about the need of having a cleaner and greener planet.



#### Trainings

To raise staff awareness, we conducted training programmes on environmental sustainability.

### Sustainability initiatives for mines

A comprehensive sustainability development study has been conducted for Chhotedongar and Metabodeli iron ore mines.

Additionally following study has been undertaken for Chhotedongar Iron Ore Mine:

- Research on wildlife conservation & management
- Involvement of forest land
- Distance from protected area
- Details of flora and fauna in the mine area

Further, following study has been undertaken for Metabodeli Iron Ore Mine:

- Research on wildlife conservation



# SOCIAL

We value the comprehensive well-being of our employees. We provide congenial and healthy working environment to ensure that our personnel have an enriching, happy, productive & satisfactory experience. We also ensure regular health check-up camps, safety checks, training programmes, sports, religious and cultural activities.

## Employees



Culture



Our Company's culture prioritises employee well-being. We actively seek employee feedback for improving our operations through suggestion box approach and have built an unbreakable link with our employees through a variety of initiatives, establishing a workplace where they feel appreciated and satisfied.



Engagement



We engage with our employees during various occasions and festivals. Additionally, we offer bus services across some of our locations. To support our employees further, we facilitate the purchase of vehicles and houses by organising frequent camps with automobile showrooms and real estate firms. We also host numerous activities, such as cricket tournaments, motivational / recreational activities to encourage employee involvement.



Healthcare

We offer a broad range of health and insurance benefits to safeguard our employees' well-being. This includes a group personal accident insurance policy for those who are no longer covered by ESIC, as well as term insurance for all employees opting for it. We undertake frequent health check-up camps on our industrial grounds in collaboration with other reputed hospitals in Raipur. We have also partnered with prominent hospitals in Raipur to provide customised treatment and discounts. To further support our employees, we have created a generic medical shop in the factory premises.

> 4,000

Employees benefited from our healthcare initiatives

12

Hospitals partnered with



Safety

As an initiative towards occupational health and safety management, we are already complying with the IMS Audit System (ISO 9001, ISO 14001 & ISO 45001 standard requirements), 5S and TPM system are followed and covers all the workforce including transporters, visitors, and suppliers. There are safety policies and procedures in place as per statutory norms and ISO standards as a regular monitoring and review mechanism for continual improvement on occupational health & safety of our work force.

Our Company has adopted various processes to identify work related hazards and assess risks on a routine and non-routine/event based as under:

On Routine Basis:

- Comprehensive Hazard Identification and Risk Assessment (HIRA) ensures hazards and risks are mitigated.
- Hazards identification is carried out through Safety Walk, Safety Patrolling, Daily Safety Rounds and Cross-Functional Audits.
- Third-Party Safety Audits are conducted by external competent agency and control measures being taken for the suggestions given in the report.
- Near-Miss capturing by various departments and reporting system for corrections are in place.
- Kiken Yochi Training (KYT): Kiken means Hazard and Yochi means Prediction. KYT drills are conducted by a small group of people before start of a job and hazards are predicted by the workers themselves.

On Non-routine Basis/Event Based:

- System to obtain permit before commencing to work, maintenance, repair, shutdown is in place.
- Job Safety Analysis with suitable control measures is adopted.
- Safety Manual is available for Major Shutdown.
- Accident Investigation & Corrective and Preventive Action (CAPA) compliance to prevent its recurrence is adopted.

We have also successfully developed a web-based online portal to cover important aspects related to Safety. It contains various features like:

- Online Reporting of Safety Observations/Inspections/ Audits
- Near-miss Incident Reporting
- Safety Suggestions/new ideas
- JNIL Safety Standards
- Safety Checklists/Formats
- Cardinal Safety Rules

It also enables to report the behaviour-based safety observations which will make a tremendous impact on how safety is valued and perceived within the work environment. The main objective is to reduce workplace injuries by addressing maximum individual behaviour. It is a step forward towards digitisation and making our plants "Accident-Free Zone".

# Corporate Social Responsibility



We believe businesses should make significant contributions to the society, and this commitment to Corporate Social Responsibility (CSR) is deeply embedded in our corporate ethos. Our CSR recognitions validate our efforts, motivating us to continue making a positive impact through initiatives that support local charities, promote environmental sustainability, and foster diversity and inclusion within our organisation.

### CSR focus areas

Healthcare	Women Empowerment	Rural Development Projects	Sanitation	Drinking water Facility
Sports	Promotion & Development of Traditional Art & Culture and Community Welfare	Education	Skill Development Training	Environment Sustainability

### CSR activities at mines and peripheral areas

We have implemented various initiatives to support the local communities around our mining operations. These include:



- Providing drinking water through boring and solar overhead water tanks and installing iron removal plants to ensure safe drinking water.
- Installed solar street lights and high mast lights to improve public lighting.
- Regular health check-up camps are organised,
- Round-the-clock ambulance service is available.
- Support local infrastructure development, offer skill development programs, and distribute school bags to children.
- Financial assistance is provided for local festivals, and annually we contribute for developmental activities to the multiple local panchayats surrounding the mine.
- Employment opportunities have been created for over 400 local villagers, and a tailoring centre for women offers free training.
- We have provided large-scale employment to local people in Narayanpur District. Additionally, we have supported many villagers within 50-kilometre radius in acquiring trucks for transporting iron ore to SPD.

Further, to promote green energy and for minimising the dependency on electricity, we have additionally facilitated the following:

- LED lights have been installed in the mines.
- BS4 engine with low energy efficiency motors have been set up for crusher and screening.
- 30 KVA Solar power plant installed in the Mine to fulfil the requirement of electricity for office, illumination etc.
- Installed Solar Pump of 5 HP to draw water for drinking purpose at mine site.
- Installed small Solar Power Plant for the office, guest house and hostel.
- Installed Solar Dual pump under CSR Activity in the nearby villages.



# GOVERNANCE

Amidst transition in our leadership within promoter family, we continue to grow while maintaining our core legacy values. We are working towards long-term success and consistently seek new ways to create value for our stakeholders.

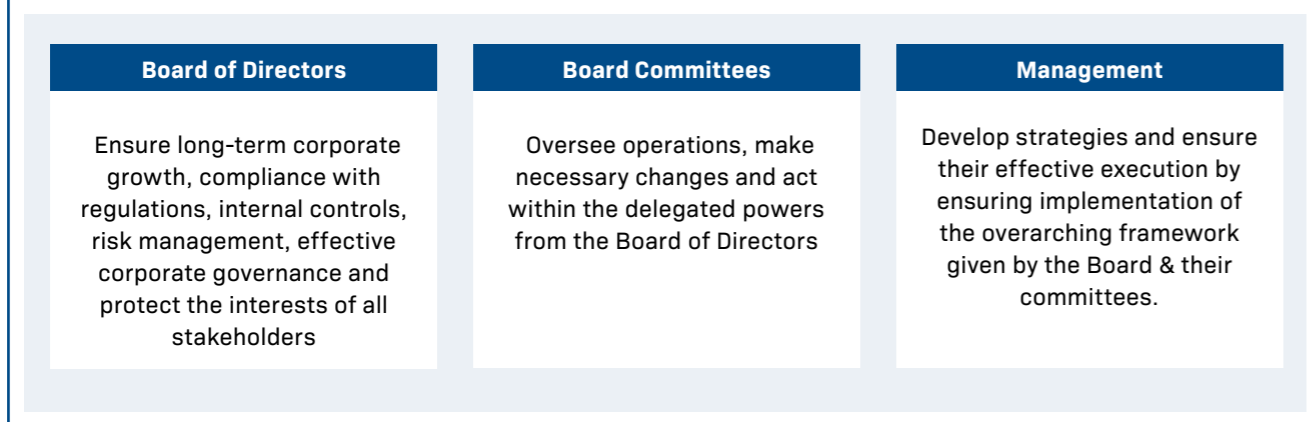
## Philosophy

For more than five decades, we have kept the values of integrity and respect while seeking constant improvement in our operations. Our leadership team is made up of a seasoned and knowledgeable Board of Directors, majority as independent directors with diverse backgrounds, as well as a Senior Management team of skilled professionals. The Board and Senior Management work together to uphold our basic values and principles, acting as guardians of our governance system.






## ESG Governance

Sustainable growth is deeply rooted in our belief and capacity to provide long-term value to all stakeholders, with oversight at the Board level. To ensure the social and environmental performance of our Company, we have undertaken several actions towards improving our scores across ESG metrics.

### Governance Framework



## Board Committees<sup>3</sup>

 <p><b>Audit Committee</b></p> <p>3 Members 66% Independent Directors</p>	 <p><b>Nomination and Remuneration Committee</b></p> <p>3 Members 100% Independent Directors</p>	 <p><b>Share Transfer-Cum-Stakeholders Relationship Committee</b></p> <p>3 Members 33% Independent Directors</p>	 <p><b>Risk Management Committee</b></p> <p>3 Members 33% Independent Directors</p>	 <p><b>Corporate Social Responsibility Committee</b></p> <p>4 Members 25% Independent Directors</p>
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# COMPANY SECRETARY AND COMPLIANCE OFFICER'S MESSAGE

## Dear Stakeholders,

We maintain the highest standard of corporate governance and transparency and consider compliance to be our top priority. We strengthen and enhance corporate governance on an ongoing basis to meet the expectations of all our stakeholders, including investors, regulatory bodies, stock exchanges, auditors and external agencies.



**We have a robust system of disseminating timely information and addressing stakeholders' requirements. We regularly impart training on policies, extant regulations & compliances to keep all the concerned top management & employees updated.**

We are dedicated to operate with integrity and responsibly to facilitate effective decision-making through timely information to Board & its Committees, robust risk management, timely compliance and prompt maintenance of relevant statutory records. We regularly review our CSR and ESG goals to match with the best industry standards.

## Ashish Srivastava

Company Secretary and Compliance Officer



## Board Demographics<sup>3</sup>

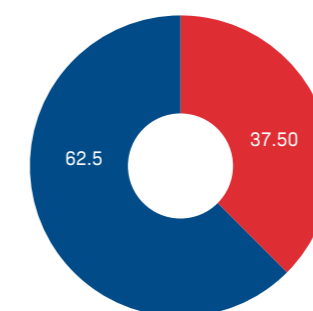
**97%**  
Average attendance in Board meetings

**3 years**  
Average tenure of Independent Directors

**5**  
Independent Directors on the Board

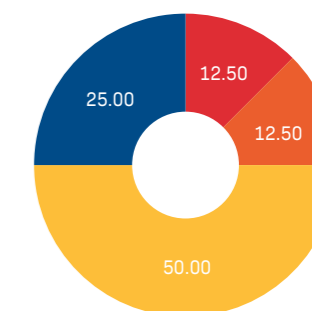
<sup>3</sup> w.e.f. 22<sup>nd</sup> September, 2024.

Type of Director (%)



Executive Non-Executive

Age profile (%)



41-50 51-60 61-70 70+

## Board of Directors<sup>4</sup>



**Shri. Arvind Jayaswal**  
Chairman

Shri. Arvind Jayaswal, associated with the Company since its inception has an exemplary career of over five decades. He looks after the overall Management of the Company. He is spearheading the Foundry Division of the Company. An active member of various social organizations.

C R S



**Shri. Ramesh Jayaswal**  
Managing Director

Shri. Ramesh Jayaswal, with an impressive career spanning around four decades in the Iron & Steel industry, he looks after the Steel Plant Division of the Company. He leads several business areas including planning, liasioning, project implementation, accounts, finance, operations, legal and information systems.

A S C



**Shri. Sangram Keshari Swain**  
Executive Director

Shri Sangram Keshari Swain has done graduation in Engineering (Metallurgy) from Govt. Engineering Collage, Raipur in the year 1991 and has more than three decades of experience in the Steel Industry and Mining.

C



**Shri. Manoj Shah**  
Independent Director

Shri. Manoj B. Shah, a distinguished professional, is a Fellow Chartered Accountant and has around four decades of extensive experience in the fields of management of infrastructure projects, financial advisory, PPP structure projects, formulation of state infrastructure development policies, urban local bodies reforms, project feasibility and viability analysis, BOT policy finalization, institutional support, project analysis etc.

A N



**Shri. Vinod K. Kathuria**  
Independent Director

Shri. Vinod K. Kathuria, a former Executive Director of Union Bank of India, having an unblemished banking service record of around four decades in key banking areas of Corporate Credit, Recovery, Retail Lending, Treasury Operations, International Banking Business, Agriculture, Financial Inclusion etc.

N



**Shri. B. K. Agrawal**  
Independent Director

Shri. B.K. Agrawal, a highly esteemed and experienced Practicing Chartered Accountant, with an illustrious career spanning around five decades and has expertise in the areas of Accounting, Auditing, Taxation and Corporate Advisory.



**Shri. Rajendraprasad Mohanka**  
Independent Director

Shri. R.P. Mohanka, a highly accomplished Practicing Chartered Accountant, with a remarkable career spanning five decades, he has amassed extensive expertise in the areas of Accounts and Finance within the industry.

S A N R C



**Shri. Ashwini Kumar**  
Independent Director

Shri. Ashwini Kumar, a former CEO of Rourkela Steel Plant (RSP), a Unit of Steel Authority of India Limited, is a graduate in Metallurgy and a Gold Medallist of IIT Roorkee. Former Member of the Board of Steel Authority of India Limited (SAIL).



**Smt. Kumkum Rathi**  
Independent Director

Smt. Kumkum Rathi, a Commerce graduate from the Calcutta University and a Fellow member of the Institute of Company Secretaries of India. She has a rich experience spanning over two decades in the field of Corporate and SEBI Laws.

<sup>4</sup>a) Shri. B.K. Agrawal shall hold the office of Independent Director up to 21<sup>st</sup> September, 2024, thereafter on his retirement he shall cease to be a member of the Board and its Committees.

<sup>4</sup>b) Shri. Manoj Shah shall be the Chairman of Audit Committee and Nomination and Remuneration Committee with effect from 22<sup>nd</sup> September, 2024.

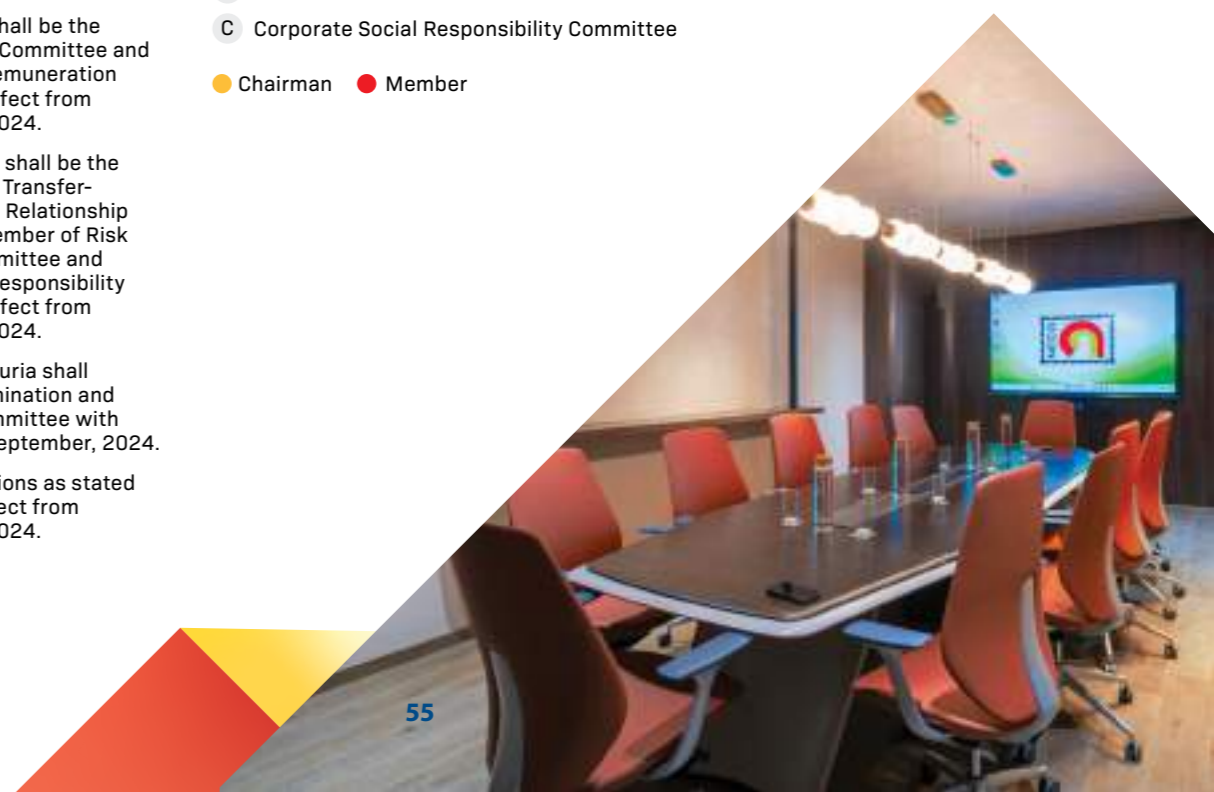
<sup>4</sup>c) Shri. R.P. Mohanka shall be the Chairman of Share Transfer-Cum-Stakeholders Relationship Committee and Member of Risk Management Committee and Corporate Social Responsibility Committee with effect from 22<sup>nd</sup> September, 2024.

<sup>4</sup>d) Shri. Vinod K. Kathuria shall be Member of Nomination and Remuneration Committee with effect from 22<sup>nd</sup> September, 2024.

<sup>4</sup>e) Committee's positions as stated above are with effect from 22<sup>nd</sup> September, 2024.

- A Audit Committee
- N Nomination and Remuneration Committee
- R Risk Management Committee
- S Share Transfer-Cum-Stakeholders Relationship Committee
- C Corporate Social Responsibility Committee

● Chairman ● Member



# AWARDS, CERTIFICATES AND ACCOLADES



## Mines



- JNIL has received five star rating from IBM (Indian Bureau of Mines, Ministry of Mines, for two of our Mines i.e. Metabodeli (3<sup>rd</sup> consecutive year) and Dhobitola (5<sup>th</sup> consecutive year). Out of more than 200 Iron Ore Mines in the entire country, only 15 Mines got five star rating.
- Metabodeli Mine has won "Paryavaran Bandhu" award and got First Prize Award for Sustainable Development and Systematic and Scientific Development & Second Prize Award for Overall Performance and Mineral Conservation.
- Chhotedongar mine has won Second Prize Award for Environmental Monitoring & Third Prize Award for Mineral Conservation.
- Manpur mine has won First Prize Award for Environmental Monitoring and Mineral Beneficiation, Second Prize for Afforestation and & Third Prize Award for Systematic and Scientific Development and Overall Performance.
- Mines, Environment & Mineral Conservation Awards by the Indian Bureau of Mines (IBM) received in 2023 for Metabodeli Iron Ore Mine, Chhotedongar Iron Ore Mine and Manpur Limestone Mine.

## ESG & CSR



- JNIL has received 'Platinum Award' from Apex India Foundation in CSR Excellence Award - 2023 for Steel Plant and Mining Division.
- JNIL has received Odisha Ideas Excellence Award - 2023' from Odisha CSR Forum.
- JNIL has received Prestigious 'Global CSR & ESG Award' for 'Best Covid-19 initiative' from brand honchos in 2024.

## Human Resources



Our Company has received Great Place to Work Certificate for the third consecutive year from the Great Place to Work Institute, India.

## Operations and Corporate



- Steel Plant Division of our Company has received Certifications for Quality Management System (ISO 9001:2015) & (IATF 16949:2016), Environment Management System (ISO 14001:2015), Occupational Health Safety Assessment System (ISO 45001:2018), Energy Management System (ISO 50001:2018).
- Award for TPM Excellence Category A - 2023 received for Rolling Mills and Bright Bar Units from Japan Institute of Plant Maintenance (JIPM) for remarkable results in productivity, product quality, cost reduction & company culture improvement.
- League of American Communication Professionals (LACP) for the FY 2022/23
- Vision Awards has presented our Company with (a) GOLD Award for excellence within our Industry on the development of the organisation's Annual Report, (b) developing one of the TOP 100 REPORTS WORLDWIDE ranking at #85 among all reports reviewed and (c) the TECHNICAL ACHIEVEMENT Award for overall excellence in the art and method of Annual Report communications.
- 'Par Excellence Award' (Highest Award of the convention) and 'Excellence Award' (Second Highest Award of the convention) has been bagged by our Company's 10 teams & by 4 teams respectively in the National Convention on Quality Concept (NCQC) organised by the Quality Circle Forum of India (QCFI).
- Foundry Division has received BIS certifications for its efforts in continuously maintaining quality as a quality conscious manufacturer and source of inspiration as ISO 15905:2011 for Hubless Centrifugally Spun Cast Iron Pipes & Fittings and ISO 3989:2009 for Centrifugally Spun Cast Iron Pipes & Fittings.
- IAPMO Research and Testing has given prestigious Product Certification for US market for 'Hubless Cast Iron Pipe Couplings' towards compliance with the Quality Assurance System in accordance with the applicable Code (Uniform Plumbing Code) and Standards (ASTM C1277-2020).





**MANAGEMENT**

**DISCUSSION AND ANALYSIS**

**Economic Overview**

**Global Economy**

During the year, global markets faced challenges due to conflicts in Europe and the Middle East, leading to financial and commodity market volatility. Despite these challenges, the US economy remained resilient, avoiding fears of recession. Inflation eased slightly from historic highs, but monetary authorities did not adopt a dovish stance.

Significant changes in the technology landscape, including the rise of Artificial Intelligence, increased digitisation, and a focus on sustainability, transformed business operations. Progress in embedded finance and digitisation enhanced financial service accessibility and efficiency can be witnessed.

Businesses and financial institutions prioritised innovation, efficiency, and sustainability to meet evolving customer demands. Remarkably, the global economy remained resilient, with steady growth despite ongoing geopolitical tensions and economic disruptions. Markets reacted exuberantly to the prospect of central banks exiting from tight monetary policy. Financial conditions eased, equity valuations soared and capital flows to most emerging market economies excluding China have been buoyant.<sup>1</sup>

<sup>1</sup> World Economic Outlook, April 2024

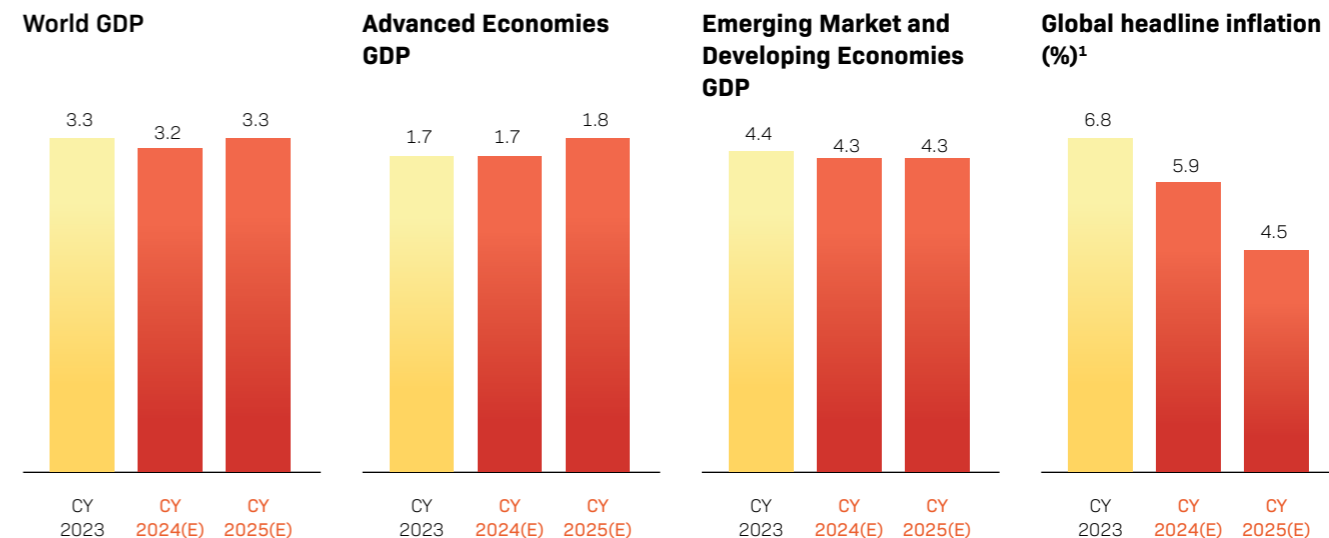
<sup>2</sup> Morgan Stanley, 2024 Global Economic Midyear Outlook

**Outlook**

The International Monetary Fund (IMF) forecasts global growth to remain steady, signalling a stabilising global economy as monetary policies seek equilibrium. The year ahead is expected to see divergent growth trajectories across economies, particularly in major developed economies. While US growth is projected to remain stable, uncertainties loom over the Euro Zone's outlook, and China's growth outlook is also uncertain as authorities struggle to boost domestic consumption. Developing Asian economies are poised for accelerated growth, while regions like the Middle East & North Africa and Sub-Saharan Africa anticipate more modest growth.

Huge global investments are needed for a green and climate-resilient future. The pace of expansion is low due to high borrowing costs, withdrawal of fiscal support, long-term effects from the COVID-19 pandemic, Russia's conflict with Ukraine, weak productivity growth, and increasing geoeconomic fragmentation. Global headline inflation is expected to decrease from 6.8% in CY 2023 to 5.9% in CY 2024 and 4.5% in CY 2025, with advanced economies meeting their inflation targets sooner than emerging markets. Despite data volatility and shifting rate expectations in the first half, global growth remains steady, and inflation is slowing.<sup>2</sup>

**Global GDP Growth (%)<sup>3</sup>**



**Largest economies of the world as of CY2023<sup>4</sup> (in US\$)**

Rank	Country	GDP at the end of CY2023	Forecasted GDP by the end of CY2024
1	United States of America	27.35 trillion	28.78 trillion
2	China	17.66 trillion	18.53 trillion
3	Germany	4.46 trillion	4.59 trillion
4	Japan	4.21 trillion	4.11 trillion
5	India	3.57 trillion	3.94 trillion
6	United Kingdom	3.34 trillion	3.49 trillion
7	France	3.03 trillion	3.13 trillion
8	Italy	2.26 trillion	2.33 trillion
9	Brazil	2.17 trillion	2.33 trillion
10	Canada	2.14 trillion	2.24 trillion

**Indian Economy**

Despite the challenging global environment in FY 2023-24, India emerged as the fastest-growing major economy, driven by a robust increase in capital formation, particularly through public investment. The country's large domestic consumption base also contributed to growth, although it showed signs of moderation compared to previous years. Strategic reforms, significant investments in infrastructure, and initiatives like 'Make in India' and the Production-Linked Incentive (PLI) schemes bolstered India's growth, resilience, and self-sufficiency.

India's economy carried forward the momentum it built in FY 2022-23 into FY 2023-24 despite a gamut of

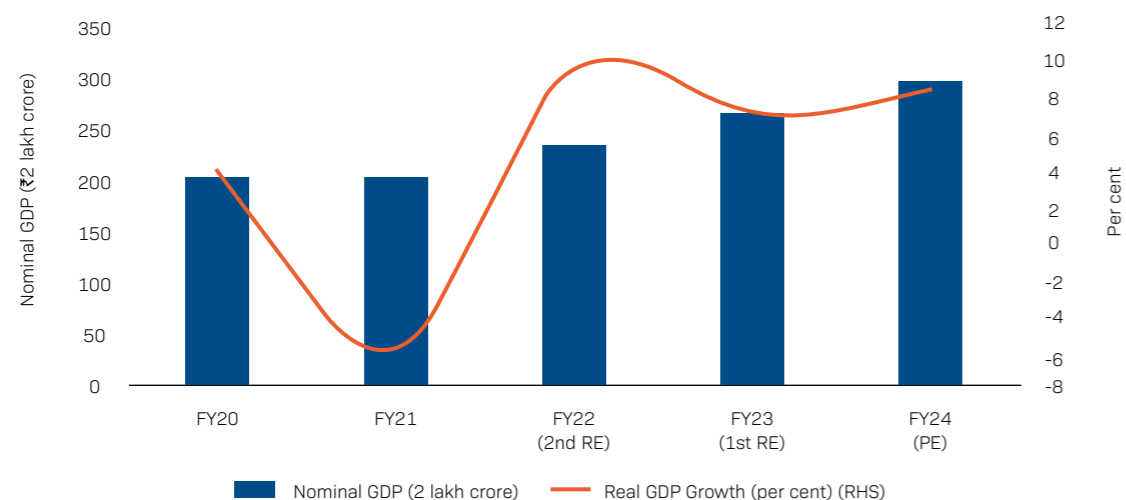
global and external challenges. The focus on maintaining macroeconomic stability ensured that these challenges had minimal impact on India's economy. As a result, India's real GDP grew by 8.2% in FY 2023-24, posting growth of over 7% for a third consecutive year, driven by stable consumption demand and steadily improving investment demand. On the supply side, gross value added (GVA) at 2011-12 prices grew by 7.2% in FY 2023-24, with growth remaining broad-based. Net taxes at constant (2011-12) prices grew by 19.1% in FY 2023-24, aided by reasonably strong tax growth, both at the centre and state levels and rationalisation of subsidy expenditure. This led to the difference between GDP and GVA growth in FY 2023-24.<sup>5</sup>

<sup>3</sup> IMF Datamapper

<sup>4</sup> IMF

<sup>5</sup> GOI - Economic Survey 2023-24

### Carry-forward of momentum in economic growth



Source: Statement 13: Annual and Quarterly Estimates of GDP at Constant Prices, and Annual and Quarterly Estimates of GDP at Current Prices 2011-12 Series, National Accounts Data, MoSPI; Note: RE - Revised Estimates, PE- Provisional Estimates

The RBI is confident about domestic growth momentum, noting improvements in GST collection, PMIs, credit growth, and two-wheeler sales. The labour market has improved, with a falling unemployment rate and contracting MNREGA job demand. While high-frequency indicators suggest a recovery in consumption demand, this has not yet been reflected in GDP numbers. A good monsoon is expected to boost consumption demand by moderating food inflation and supporting farm income. However, the distribution of the monsoon will be a critical factor to monitor.<sup>6</sup>

#### Outlook

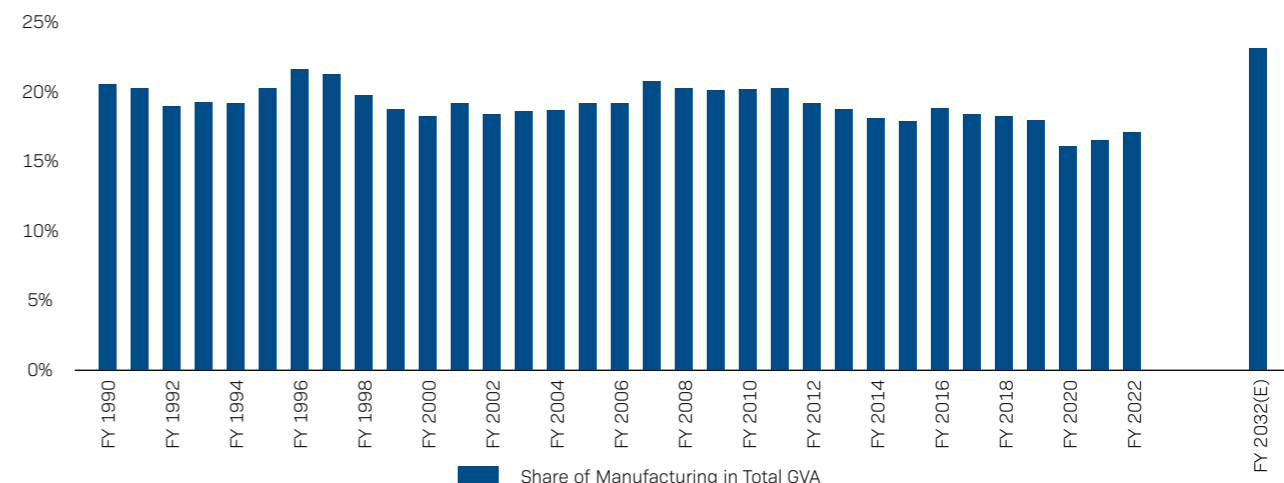
The Indian economy is on the cusp of sustained growth, fuelled by public and private investments and strong domestic consumption. India, the fastest-growing economy globally, has achieved an average GDP growth of 5.5% over the past decade. Today, three megatrends (global offshoring, digitalisation, and energy transition), are poised to drive unprecedented economic growth in the nation of over 1 billion people. Multinational corporations' sentiment on the investment outlook in India is at an all-time high. Manufacturing's share of GDP in India could increase from 15.6% currently to 21% by CY 2031 and, in the process, double India's export market share.<sup>7</sup>

While inflation remains above target, a favourable monsoon season offers prospects for control. Public policies are set to boost infrastructure development and gross fixed capital formation, with initiatives like the PM Garib Kalyan Anna Yojana increasing rural demand. The banking sector and the rapidly evolving fintech space are expected to enhance financial inclusion, supporting manufacturing, job creation, income generation, and infrastructure investment.

<sup>6</sup> RBI MPC June 2024

<sup>7</sup> Morgan Stanley – India's impending economic boom

### India's Share of Manufacturing is expected to increase to 21% of GDP by 2031



Source: Morgan Stanley – India's impending economic boom

India aims to strengthen its role in global value chains through policy reforms and market nurturing, with increased FDI and digital infrastructure expansion creating an enabling environment for global tech and e-commerce firms. Ongoing reforms in healthcare, energy, and MSMEs underscore India's commitment to sustained economic growth within the global landscape.

Sustaining India's growth momentum will require an improvement in private consumption. While higher-income groups are spending, lower-income groups remain cautious due to high inflation and low wage growth. A significant pick-up in the private capital

expenditure cycle is anticipated, contingent on a broad-based revival in consumption. With capacity utilisation in the manufacturing sector at 75%, India's exports are likely to improve in FY 2024-25.<sup>8</sup>

FY 2023-24 also marked the year GDP reached levels projected by the pre-pandemic trajectory. A trend analysis as given below details how the overall economy and most supply and demand-side sectors have grown at a pace to erase any permanent losses in output and demand.<sup>9</sup>

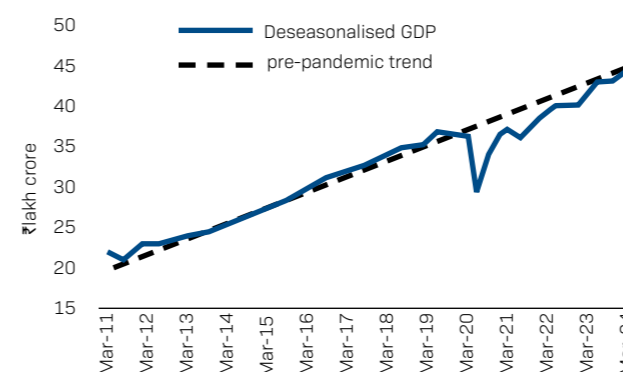
<sup>8</sup> CareEdge ratings, Foresights – June 2024

<sup>9</sup> GOI – Economic Survey 2023-24

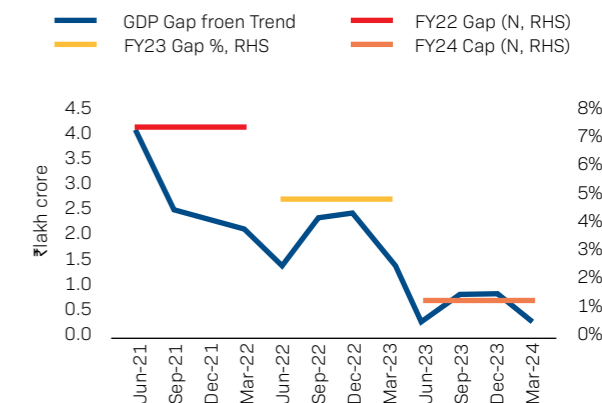
### Growth in GDP, GVA, and their components ensure no permanent losses in demand and output

A permanent output loss refers to a downward level shift in the observed variable due to the loss in output capacity. This box item visualises the pre-pandemic and post-pandemic trends in India's aggregate macroeconomic variables such as GDP, GVA, private consumption and the subcomponents of GVA

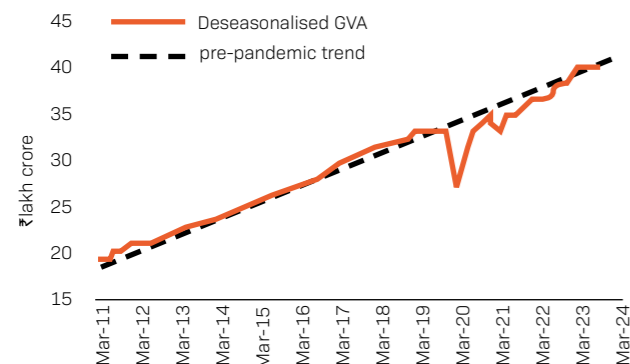
#### A recovery to pre-pandemic trajectory in GDP



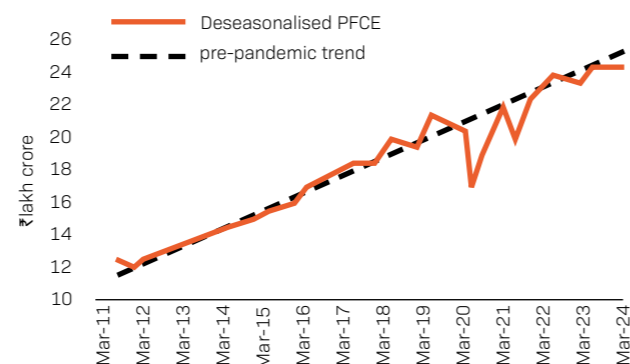
#### Gap from trend reducing steadily



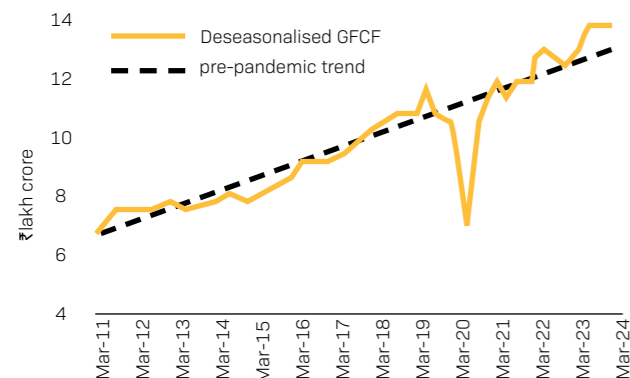
### No permanent losses in output capacity



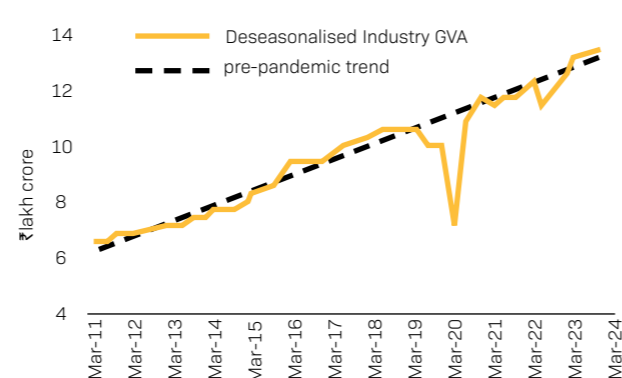
### No permanent consumption losses



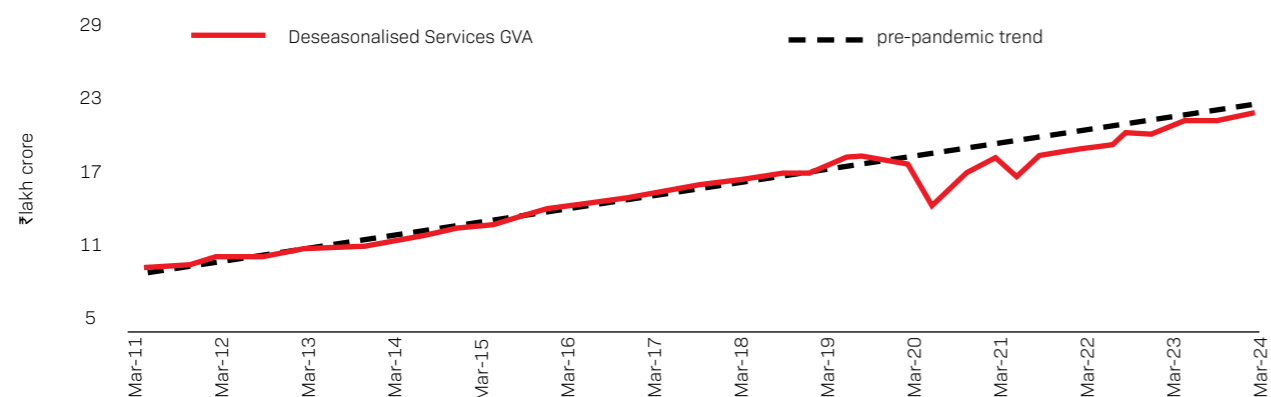
### Investment has taken off



### Industrial GVA growing faster than pre-pandemic trajectory



### Services GVA lagging



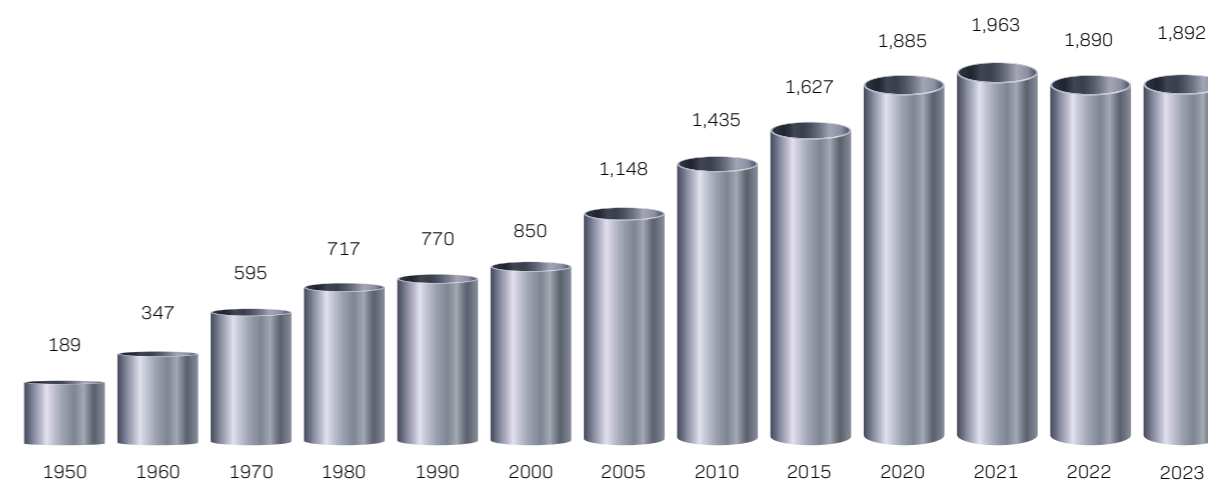
Source: Charts are using calculations based on Annual and Quarterly Estimates of GDP at Constant Prices, 2011-12 Series, National Accounts Data, MoSPI

In the analysis, six key macroeconomic variables at constant (2011-12) prices, i.e., GDP, GVA, PFCE, GFCF, industry GVA, and services GVA of quarterly frequency, have been de-seasonalised. This trend reflects the approximate projection of the variable in each quarter from June 2020 to March 2024 had the pandemic induced contraction of economic activity not occurred.<sup>10</sup>

## Steel Industry Overview

### Global Steel Performance

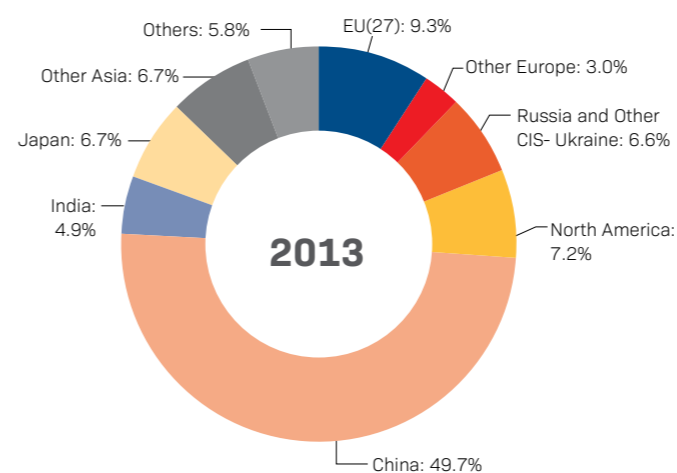
<sup>11</sup>In CY 2023, the world crude steel production reached 1,892 million tonnes (Mt).



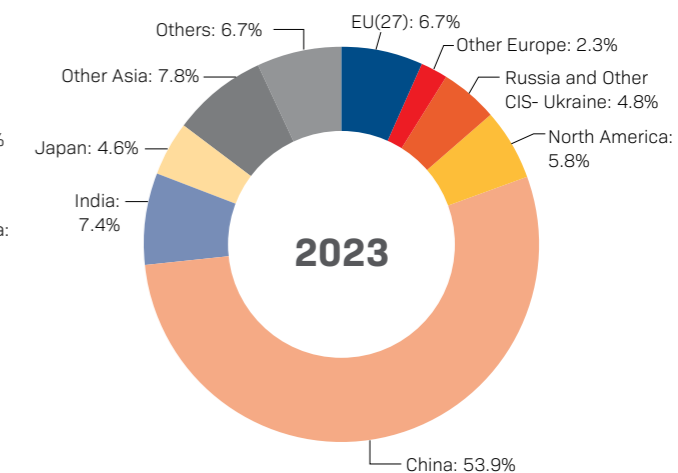
World Crude Steel Production CY 1950 to CY 2023

### Steel Production and use: geographical distribution in CY 2013 & CY 2023

**Crude steel production**  
World total: 1,654 million tonnes



**Crude steel production**  
World total: 1,892 million tonnes

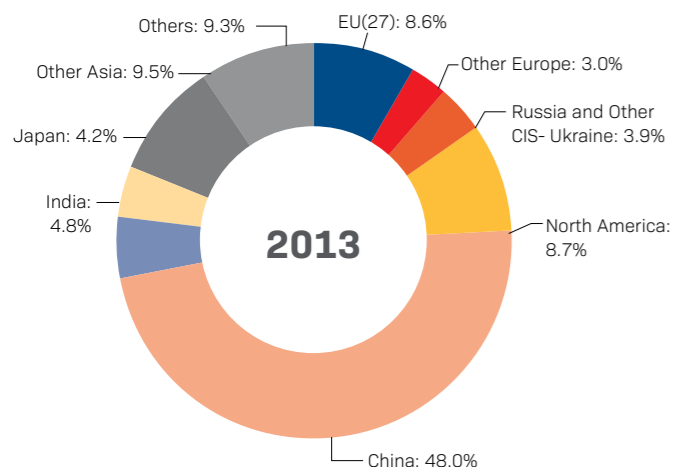


<sup>10</sup> GOI – Economic Survey 2023-24

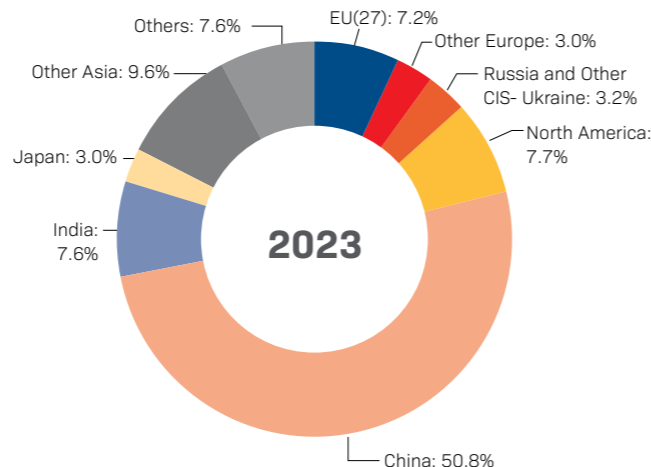
<sup>11</sup> World Steel in Figures 2024 - worldsteel.org

### Apparent steel use: finished steel products in CY 2013 & CY 2023

World total: 1,654 million tonnes



World total: 1,892 million tonnes



Global Steel demand is expected to see a 1.7% rebound to reach 1,793 MnT in CY 2024. Steel demand is forecasted to grow by 1.2% in CY 2025 to reach 1,815 MnT. While it seems the world economy will experience a soft landing from the monetary tightening cycle, it is expected that global steel demand growth remaining weak and market volatility remaining high on lagged impact of monetary tightening, high costs and high geopolitical uncertainties. Steel demand for the world excluding China, suggest a broad-based growth at a relatively strong level of 3.5% p.a. over CY 2024 and CY 2025.

Weakness in global manufacturing activity on high costs and uncertainties, tight financing conditions and weak global demand also hampered global steel demand in CY 2023. Leading indicators suggest the start of a recovery in global manufacturing activity in CY 2024. Automotive was the notable exception to overall weakness in manufacturing, as the sector finally showed the long-awaited strong recovery in CY 2023 on pent-up demand and easing supply chain constraints.

However, strong investment activity in manufacturing facilities and public infrastructure have underpinned global steel demand in CY 2023. Investment in manufacturing facilities is driven by major economies' ambition to develop strategic sectors and ensure supply security for strategic components and materials against a backdrop of increasing geopolitical tensions. The green transition of the world economy, which requires an economic transformation of unprecedented magnitude and scope, is one of the major factors behind the strength in public infrastructure investments.

### Top 10 steel-producing countries CY 2023 and CY 2022<sup>12</sup>

#### MnT, crude steel production

Country	2023		2022	
	Rank	Tonnage	Rank	Tonnage
China	1	1 019.1	1	1 019.1
India	2	140.8	2	125.4
Japan	3	87.0	3	89.2
United States	4	81.4	4	80.5
Russia	5	76.0	5	71.7
South Korea	6	66.7	6	65.8
Germany	7	35.4	7	36.9
Türkiye	8	33.7	8	35.1
Brazil	9	31.8	9	34.1
Iran	10	31.0	10	30.6

<sup>12</sup> world steel Short Range Outlook April 2024 - worldsteel.org

### Indian Steel Industry

Being the second-largest producer of crude steel globally, the Indian steel sector recorded incredible growth during FY 2023-24, achieving its highest levels of production and consumption compared to previous years. Crude steel production reached 143.6 MnT, finished steel production was 138.5 MnT, and finished steel consumption stood at 135.9 MnT, marking growth rates of 12.9%, 12.4%, and 13.4% respectively over FY 2022-23. This growth was driven by robust domestic demand from government infrastructure and housing projects, manufacturing, and the automotive segment. Despite this growth, domestic steelmakers faced margin pressure due to volatile commodity and energy costs and a surge in low-cost imports.

**143.6 MnT**

Crude steel production in FY 2023-24

↑ 12.9% y-o-y growth

**138.5 MnT**

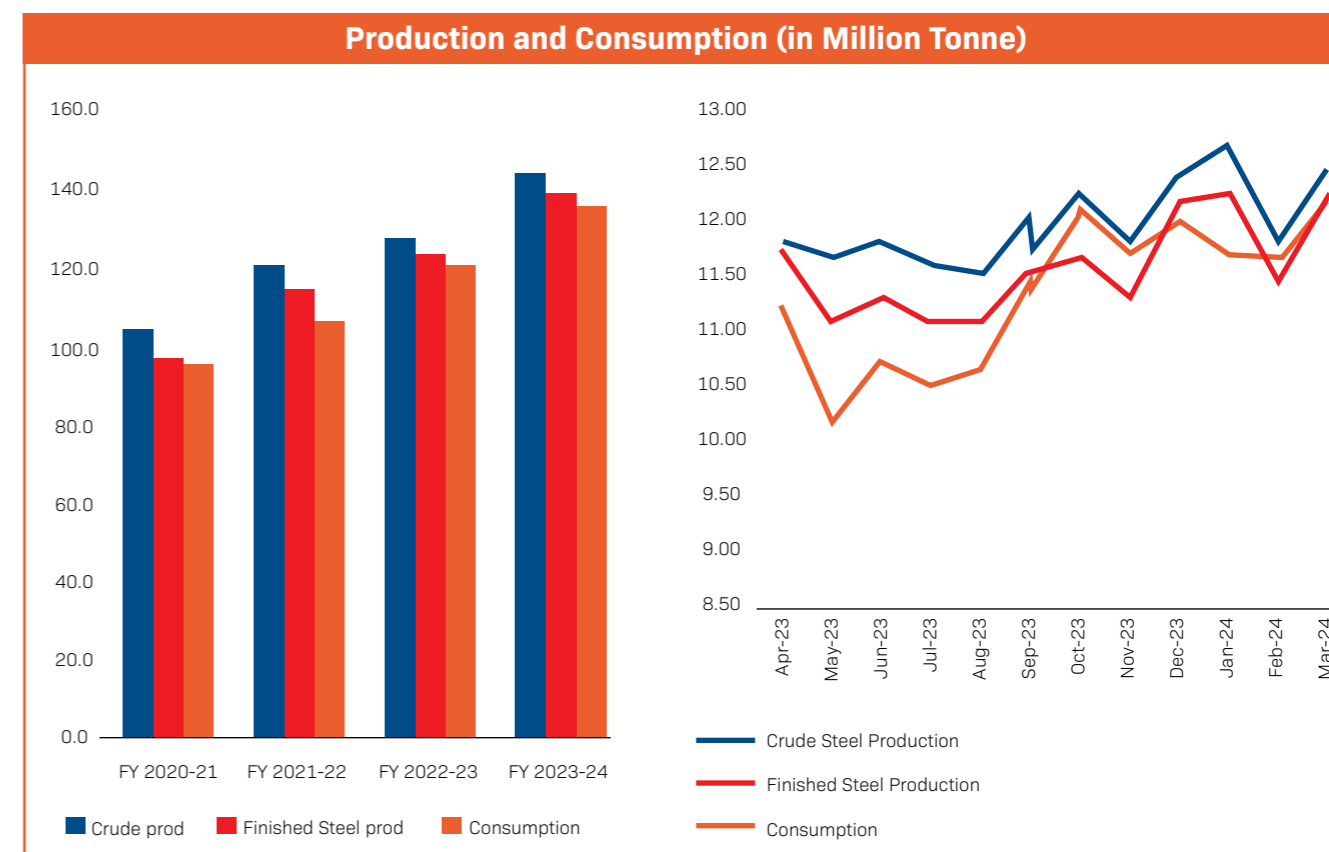
Finished steel production in FY 2023-24

↑ 12.4% y-o-y growth

**135.9 MnT**

Finished steel consumption in FY 2023-24

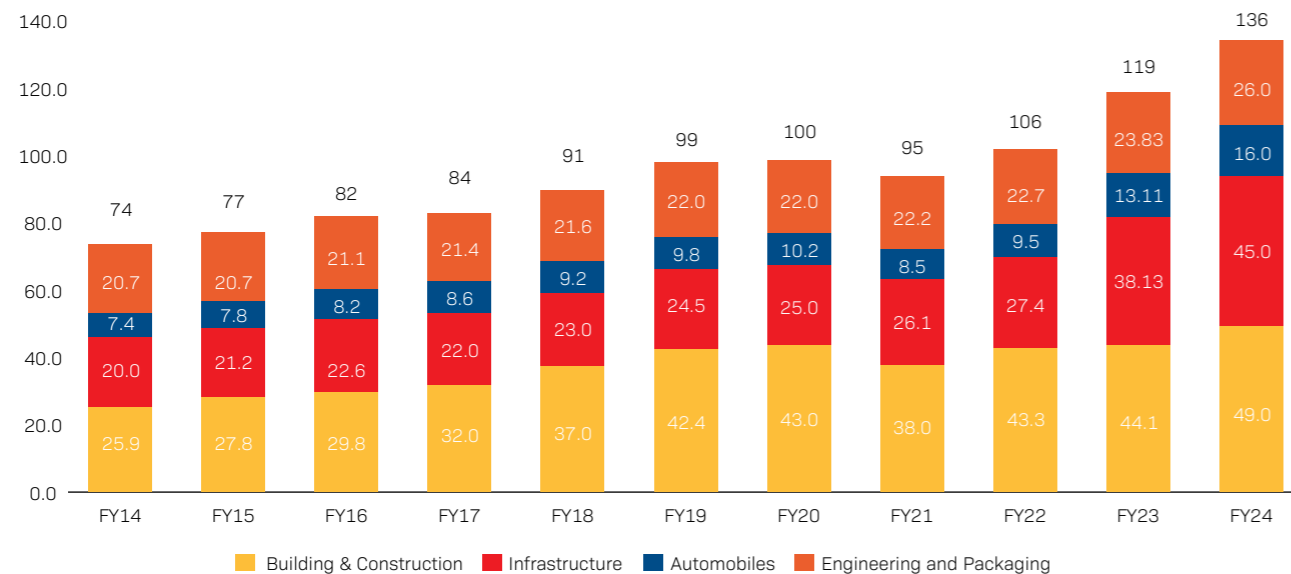
↑ 13.4% y-o-y growth



India's steel consumption has been increasing steadily, driven by the country's expanding infrastructure and related sectors. Over the past couple of years, India's finished steel consumption has defied global trends, even as global steel consumption recorded a 1.1% contraction in CY 2023. This rise in India's steel consumption was supported by its GDP growth in FY 2023-24 and a significant increase in government capital expenditure. The growth was fuelled by broad-based growth in end-use sectors like construction, housing, automobiles, and consumer durables.

The government's ongoing emphasis on infrastructure projects, including highways, ports, airports, and railways, also contributed to the high growth in steel consumption. From FY 2019-20 to FY 2023-24, domestic steel consumption grew at a CAGR of 6.7%. The country's per capita finished steel consumption has steadily increased due to sustained government spending on infrastructure projects. Per capita steel consumption rose from 74.7 kg in FY 2019-20 to 97.7 kg in FY 2023-24, registering a CAGR of 5.6%.

### Historical steel demand trend in the last decade (MnT)<sup>13</sup>



### Broad category of factors during growth<sup>13</sup>



The rapid infrastructure development in India and urbanisation have led to a rise in demand for steel products.



In the past 10-12 years, India's steel sector witnessed rapid growth driven by strong local demand. GDP has posted a 7.6% CAGR, boosting disposable incomes and the demand for steel-intensive goods.



Population growth and urbanisation have increased the demand for infrastructure, housing and transportation.



Renewable energy projects and initiatives such as PM GatiShakti Masterplan, Smart Cities Mission, AMRUT and Housing for All, have also propelled steel demand.

#### Outlook

India remains a bright spot in the global steel industry, with steel demand expected to grow healthily in CY 2024 and CY 2025, according to the World Steel Association. This growth is driven by government spending on infrastructure, recovery in private investment, and strong momentum in the automotive sector. The Indian government aims to increase crude steel production capacity from 160 MnTPA in FY 2022-23 to 300 MnTPA by FY 2030-31 and has set the targets of achieving total crude steel demand of 255 MnTPA by 2030-31 under the National Steel Policy. Additionally, NITI Aayog has stated that India will become the world's production centre for green steel, paving the way for its worldwide adoption. The Indian steel industry is leveraging Machine Learning (ML), artificial intelligence (AI), and smart manufacturing to improve efficiency and strengthen sustainability.

### 300 MnTPA

Forecasted domestic crude steel production capacity by FY 2030-31

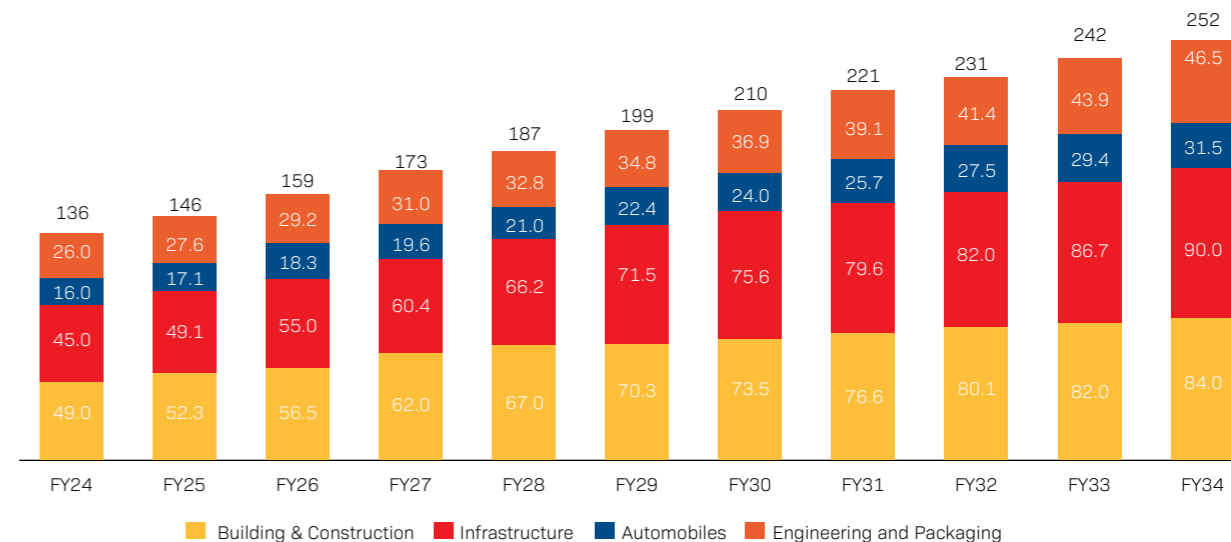
### 255 MnTPA

Forecasted domestic crude steel demand by FY 2030-31

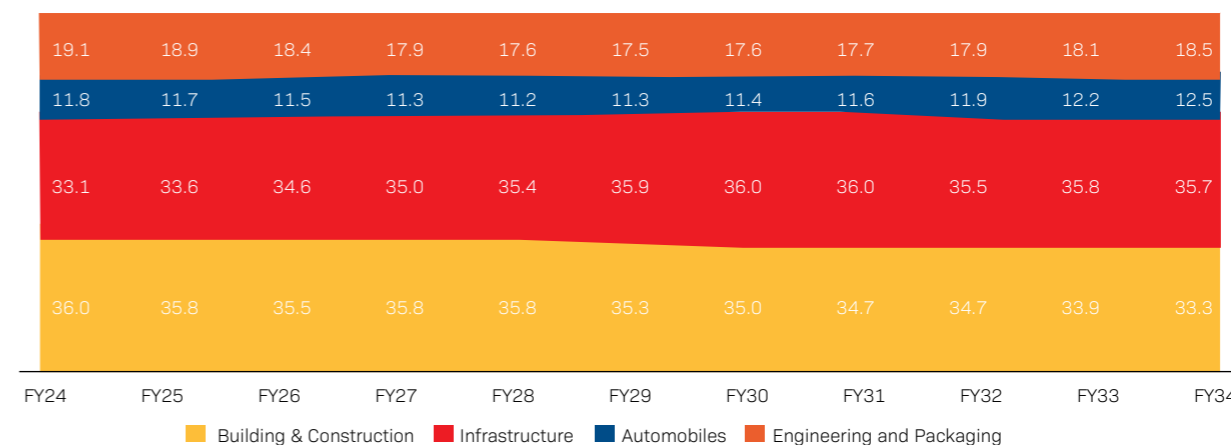


### End use sector wise demand forecasts for the next decade<sup>13</sup>

Projected sector wise demand (in MnT)



### Projected sector wise demand (%)



13 Deloitte ISA Steel InfraBuild Summit 2024

### Key takeaways based on analysis

Steel demand in the construction sector will likely post a CAGR ~5.5% over the next decade (FY 2023-24 to FY 2033-34). Simultaneously, the demand for steel in the infrastructure sector is expected to register a CAGR of ~7.2% during the period.

Combining the demand from both sectors, the overall steel demand is projected to stand at a CAGR of ~6.35% from FY 2023-24 to FY 2033-34. The construction and infrastructure sectors are anticipated to account for 69% of the total steel demand by FY 2033-34.

The demand for steel in automobile sector is anticipated to grow from 16.0 MT in FY 2023-24 to 31.5 MT in FY 2033-34, nearly doubling over the period at a CAGR of 7%. The automobile sector's share of the total steel demand is stable, fluctuating between 11% and 12% during the forecast period. This stability suggests that while the overall market grows, the automobile sector maintains a consistent portion of the demand.

The engineering and packaging sector is expected to witness a moderate increase in steel demand from 26.0 MT in FY 2023-24 to 46.5 MT in FY 2033-34 growing at a CAGR of 6%. However, its share of total steel consumption is projected to decrease from 19% to 18%. This suggests that while the sector will grow, other sectors, particularly infrastructure, will capture a larger market share.



### Indian Automotive Industry

India emerged as the third-largest market for passenger vehicles by volume, following China and the United States. The Indian auto industry has shown resilience and strong recovery post-COVID. By FY 2023-24, passenger vehicle sales hit an all-time high of 4.2 million units, while commercial vehicle sales showed marginal growth. The industry excluding two-wheelers achieved its highest-ever sales of 5.88 million units, reflecting a 10.1% y-o-y growth.

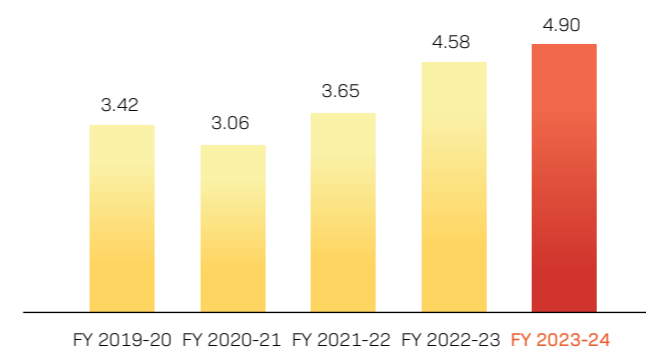
Over the past decade, the Utility Vehicle (UV) segment has been a significant driver of passenger vehicle growth, with UV sales growing at a CAGR of 17% compared to 5.4% for the overall passenger vehicle segment. The share of UVs in the passenger vehicle market increased from 21% in FY 2013-14 to nearly 60% in FY 2023-24, driven by increased customer preference for UV-styled vehicles and a surge in new UV launches.

The year also demonstrated the sustainability commitments of the Auto Industry as it commenced producing vehicles which are material compliant to 20% Ethanol and witnessed growth of 90% in Electric Passenger Vehicles and 30% in Electric Two-Wheelers.<sup>14</sup>

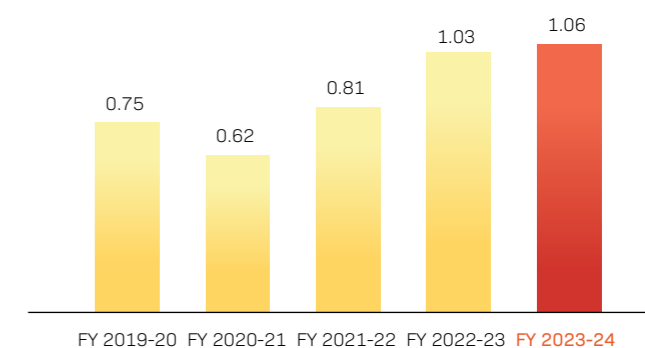


### Automobile production trends (in million)<sup>15</sup>

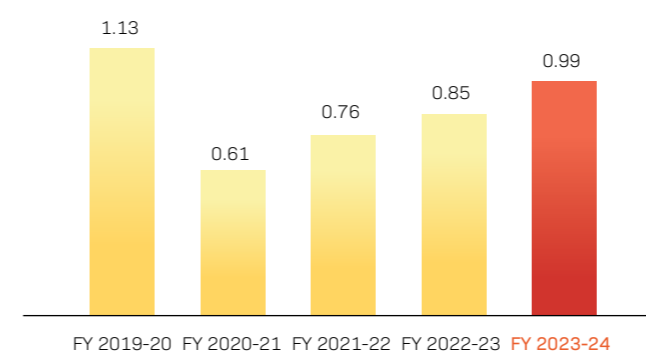
Passenger vehicles



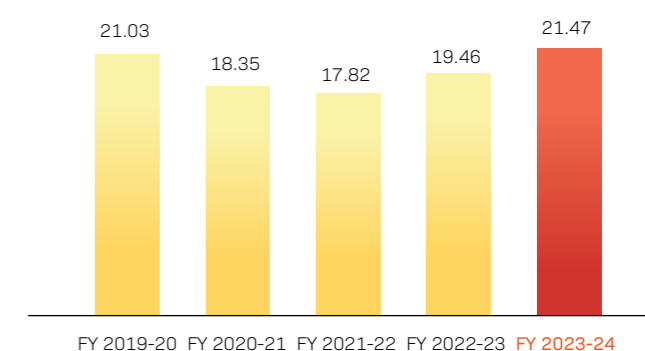
Commercial vehicles



Three wheelers



Two wheelers

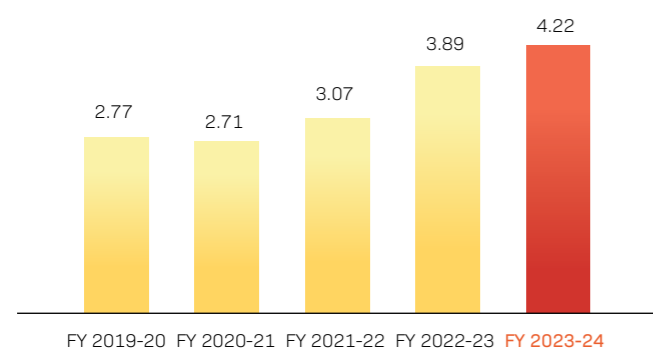


<sup>14</sup> FADA estimates

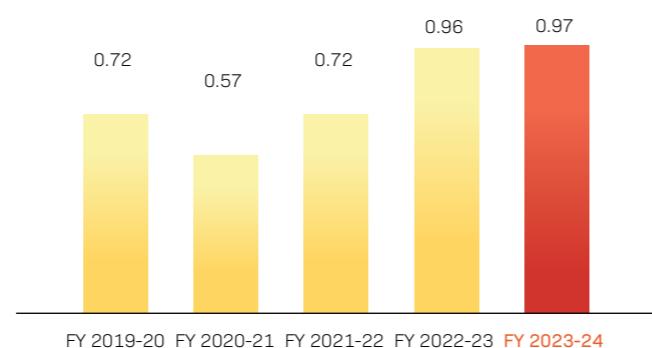
<sup>15</sup> Society of Indian Automobile Manufacturers (SIAM)

### Automobile domestic sales trends (in million)<sup>15</sup>

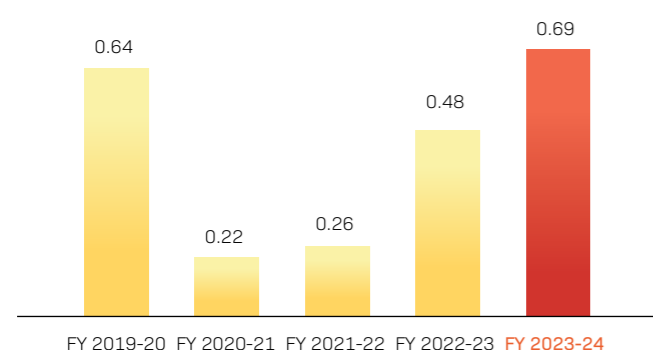
#### Passenger vehicles



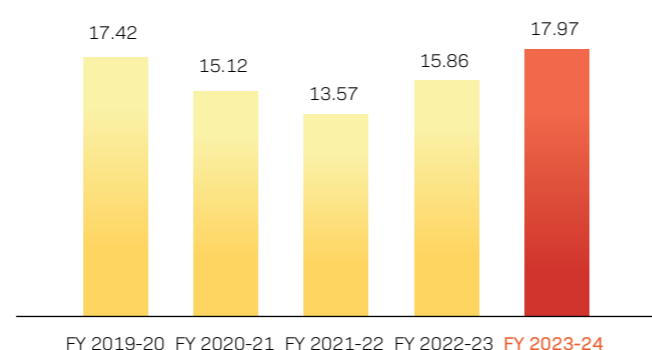
#### Commercial vehicles



#### Three wheelers

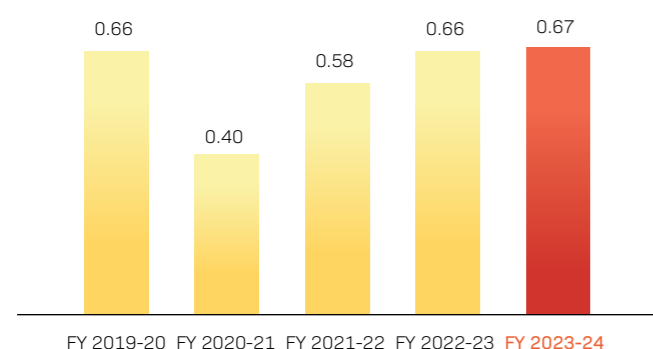


#### Two wheelers

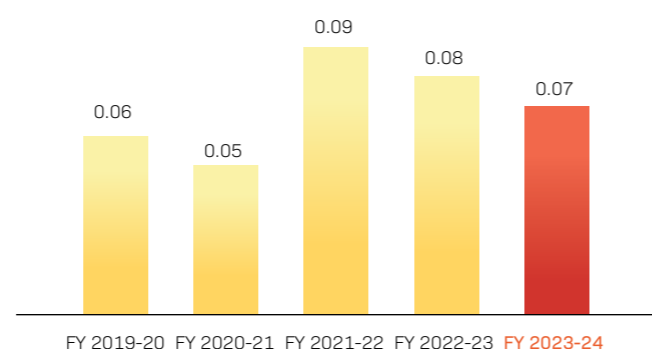


### Automobile exports trends (in million)<sup>15</sup>

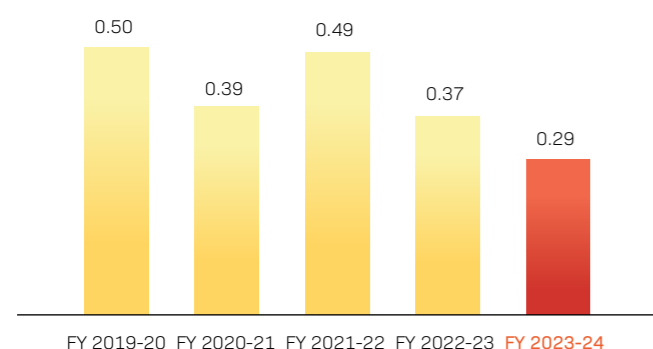
#### Passenger vehicles



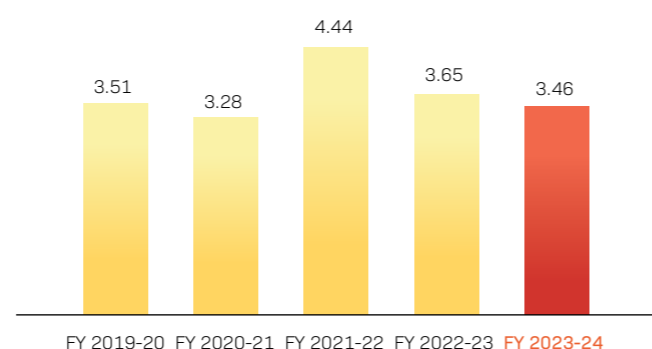
#### Commercial vehicles



#### Three wheelers



#### Two wheelers



15 Society of Indian Automobile Manufacturers (SIAM)

Domestic tractor volume pick up is driven by expectation of a normal monsoon supporting rural sentiment, higher farm income and good replacement demand. Successive years of normal monsoon over fiscals 2021-23 have led to positive rural income, resulting in a compound annual growth rate (CAGR) of 10% in tractor sales against the long-term average growth rate of 6% in the past decade.<sup>16</sup>

#### Outlook

The long-term outlook for the Indian auto industry remains positive, driven by robust economic growth, strategic government policies aimed at 2047, and targeted infrastructure development. Key factors contributing to this optimistic outlook include rising income levels, low vehicle penetration, rapid urbanisation, and a large youthful population. To reduce reliance on imported oil, improve road safety, and ensure cleaner air, the industry has heavily invested in domestic technologies, achieving BS-VI emission standards within three years. Government initiatives, such as the Production Linked Incentive (PLI) scheme and the E-Vehicle policy, aim to position India as a global hub for electric vehicle manufacturing, fostering innovation, production efficiency, and environmental sustainability.

The PLI scheme, with a \$ 3.5 billion outlay, offers financial incentives up to 18% to boost domestic manufacturing of advanced automotive technologies and attract investments. Major growth drivers for the industry include a 35.12% increase in per capita Net National Income from ₹ 72,805 in FY 2014-15 to ₹ 98,374 in FY 2022-23, India becoming the youngest nation by CY 2025 with an average age of 25 years and expected vehicle penetration reaching 72 vehicles per 1,000 people by CY 2025. Additionally, 8% of the country's R&D expenditure is dedicated to the automotive sector, further supporting industry growth.<sup>17</sup>



16 Domestic tractor volume to pick up 3-5% next fiscal (crisilratings.com)

17 Invest India – Automobile sector

### Indian Infrastructure Sector

India's ambitious goal of becoming a \$ 26 trillion economy by 2047 hinges heavily on its robust infrastructure development plans. Recent initiatives and investments are aligned with India's commitment towards constructing world-class infrastructure capable of supporting diverse sectors and driving the nation towards its economic objectives. Notably, the allocation of ₹ 2.78 lakh crores for highway development in FY 2024-25, a 2.8% increase from the previous year, highlights India's emphasis on enhancing transportation infrastructure to bolster trade and connectivity nationwide.<sup>18</sup>

Central to these efforts is the Gati Shakti national master plan, launched with a significant allocation of \$ 1.3 trillion. This initiative aims to revolutionise the infrastructure sector by implementing systemic reforms that integrate various modes of transportation and logistics. The goal is to streamline freight movement, reduce costs, and enhance operational efficiency across the infrastructure network.

In parallel, the National Infrastructure Pipeline (NIP) aligns with initiatives like 'Make in India' and the production-linked incentives (PLI) scheme, aiming to catalyse infrastructure development further. Historically, a substantial majority of India's infrastructure spending has targeted critical areas such as transportation, electricity,

and water. These sectors play a pivotal role in supporting economic growth and addressing infrastructure deficits nationwide. Additionally, the Smart Cities Mission and Housing for All program are pivotal in transforming urban landscapes by modernising city infrastructure and addressing housing shortages through affordable housing solutions, thus contributing significantly to India's development trajectory.<sup>19</sup>

The overall infrastructure capex is estimated to grow at a CAGR of 11.4% over 2021-26 driven by spending on water supply, transport, and urban infrastructure. Investment in infrastructure contributed around 5% of the GDP in the tenth five-year plan as against 9% in the eleventh five-year plan. Further, US\$ 1 trillion investment in infrastructure was proposed by the India's planning commission during the 12<sup>th</sup> five-year plan, with 40% of the funds coming from the private sector.<sup>20</sup>

**\$1.3 tn**

Allocated towards Gati Shakti national master plan

**₹2.78 lakh cr**

Allocated towards highway development in FY 2024-25



## Company Overview

Jayaswal Neco Industries Limited (JNIL), the flagship company of the NECO Group, is one of the largest manufacturers of iron and steel castings, pipes, and fittings. Established in 1972 as a small-scale iron foundry in Nagpur, our Company expanded in 1996 by setting up a pig iron manufacturing unit in Siltara, Raipur, Chhattisgarh. Our Company specialise in the production of alloy steels, including wire rods, bars, bright bars, as well as steel billets, pig iron/skull, sponge iron, pellets, and iron & steel castings. These products serve a wide range of industries such as automotive, engineering, power, railways, oil and gas, defence, and construction within the domestic & international market.

The year witnessed transition in the leadership in the promoter family with the Founder Chairman retiring to become Chairman Emeritus, while the next generation steps up to lead our Company into a new era. The Managing Director has now taken on the mantle of the Chairman, and the Joint Managing Director has ascended to the role of Managing Director. This seamless transition ensures the continuity of the cherished legacy values while infusing our Company with fresh thoughts under the new leadership.

### Segment-wise performance

#### Steel Plant Division (SPD)

In FY 2023-24, SPD achieved notable production and sales figures from its 1 MnTPA Integrated Steel Plant, which includes a blast furnace, steel melt shops, coke ovens, sinter plants, sponge iron plants, pellet plant, power plants, and rolling mills. The plant benefits from two captive iron ore mines that fully meet our iron ore needs, enhancing cost efficiency, with mining licenses valid until 2055. Our Company's products, mainly alloy steel in various grades, shapes, and sizes, primarily serve the automotive sector and also has applications in engineering, defence, power, railways and construction. SPD is approved by leading automotive original equipment manufacturers and maintains a diverse customer base.

In FY 2023-24, our Company achieved highest-ever production of billets at 6,75,202 MT, surpassing the previous record of 5,76,045 MT by 17%. Rolled products production also reached a record high of 6,34,998 MT, up by 17% from the previous peak. Additionally, sales of rolled products, including annealed and bright bars, hit a new high of 5,67,197 MT, a 4% increase, while production and dispatches from the captive iron ore mines reached record levels, with production up 22% and dispatches up 19% from the previous year.



18 Invest India  
 19 Press Information Bureau  
 20 Infrastructure Development in India: Market Size, Investments, Govt Initiatives | IBEF



## Installed Capacity Overview

### Steel Plant Division (SPD) – Plants

<b>Blast Furnace (BF)</b>	<b>0.75</b>	<b>Steel Melt Shop - II</b>	<b>0.65</b>	<b>DRI-(500 TPD)</b>	<b>0.15</b>	<b>SMS &amp; Rolling Mill - Flat products</b>	<b>0.30</b>
Y Nov-1996		Y Dec-2014		Y May-2007		Y Nov-2013	
<b>Sinter-I</b>	<b>0.40</b>	<b>Coke Oven-I</b>	<b>0.10</b>	<b>Bar Mill</b>	<b>0.13</b>	<b>Pellet</b>	<b>1.50</b>
Y May-2004		Y Apr-2006		Y Sep-2008		Y Nov-2014	
<b>Sinter-II</b>	<b>0.40</b>	<b>Coke Oven-II</b>	<b>0.10</b>	<b>Wire Rod Mill</b>	<b>0.28</b>	<b>340 TPD Air Separation</b>	<b>340 TPD</b>
Y Aug-2008		Y May-2012		Y Sep-2009		Y Aug-2008	
<b>Steel Melt Shop - I</b>	<b>0.33</b>	<b>DRI-(350 TPD)</b>	<b>0.11</b>	<b>Bar &amp; Section Mill</b>	<b>0.55</b>	<b>70 TPD Air Separation</b>	<b>70 TPD</b>
Y Oct-2004		Y Jul-2006		Y Dec-2014		Y Jun-2023	

**C** Capacity (MnTPA) **Y** Month and year of commissioning

### Captive Power Plants

<b>15.5 MW</b> (BF Gas Based)	<b>12.0 MW</b> (from 500 TPD DRI Waste Heat Recovery Boiler)
Y Nov-1996	Y May-2007
<b>15.0 MW</b> (7.0 MW from 350 TPD^ DRI* Waste Heat Recovery Boiler (WHRB)) & (8.0 MW from 350 TPD DRI Atmospheric Fluidised Bed Combustion Boiler (AFBC))	<b>12.0 MW</b> Coke Oven Waste Heat Recovery Boiler (6.0 MW in Feb 2012 and 6.0 MW in July 2012)
Y Jul-2006	Y Feb-2012   Jul-2012

**C** Captive power plants **Y** Month and year of commissioning

### Foundries (FD) - Iron & Steel Castings

<b>Centricast Division (CD)</b>	<b>0.020</b>	<b>Automotive Casting Division (ACD)</b>	<b>0.020</b>
Y 1976		Y ACD-I-1991 ACD-II-1998	
<b>Engineering Casting Division (ECD)</b>	<b>0.020</b>	<b>Construction Casting Division (CCD)</b>	<b>0.015</b>
Y 1985		Y 1991	

**C** Capacity (MnTPA) **Y** Year of commissioning

### Mines

Our Company believes in self-sufficiency and always strives for having full backward integration. The development of mine is instrumental in cost-efficiency and self-dependency. Apart from two major Iron Ore mines, our Company also owns titaniferous ore and limestone mines in Maharashtra and Chhattisgarh. Our mines have consistently received various awards in different categories.

#### Metabodeli Mine

Located in Kanker district, Chhattisgarh and spread over 25 hectares, the mine with a capacity of 1.0 MnTPA uses zero-waste technology and is one of the lowest cost producers of iron ore.



#### Chhotedongar Mine

Located in Narayanpur district of Chhattisgarh, this 192-hectare mine with a capacity of 2.95 MnTPA has adopted zero-waste mining technology, making us self-sustainable in iron ore requirements.



**Dhobitola & Manegaon Mine**

Dhobitola mine is located at village Dhobitola, Tahsil Amgaon, District Gondia(MH). Annual Mining Capacity of mine is 7500 TPA. This mine is being operated manually by opencast method. This mine producing Titaniferous Iron Ore.

Manegaon mine is located at village Manegaon, Tahsil Amgaon, District Gondia (MH). Annual Mining Capacity of mine is 20000 TPA. This mine is being operated by opencast method. This mine is producing Titaniferous Iron Ore.



**Manpur Mine**

Chhattisgarh State Government had granted Mining Lease for the extraction of Limestone mineral at Village Manpur, Tehsil Sahaspur Lohara, District Kabirdham, Chhattisgarh for a period of 50 year. Mining Lease is valid up to 17.10.2050. Available reserves of Limestone is 34,20,152 tonnes.



**Locational Advantage**

Steel Plant Division is situated in Siltara, Raipur, Chhattisgarh, while our Casting Division operates facilities in Anjora (Chhattisgarh), Nagpur (Maharashtra), and Butibori (Maharashtra). Most of steel plant division plant's power needs are met through captive power generation.

The central location of our operations allows easy access to Auto Component Manufacturers and OEMs across India, and the Vishakhapatnam Sea Port, about 550 km away, facilitates the transportation of overseas raw

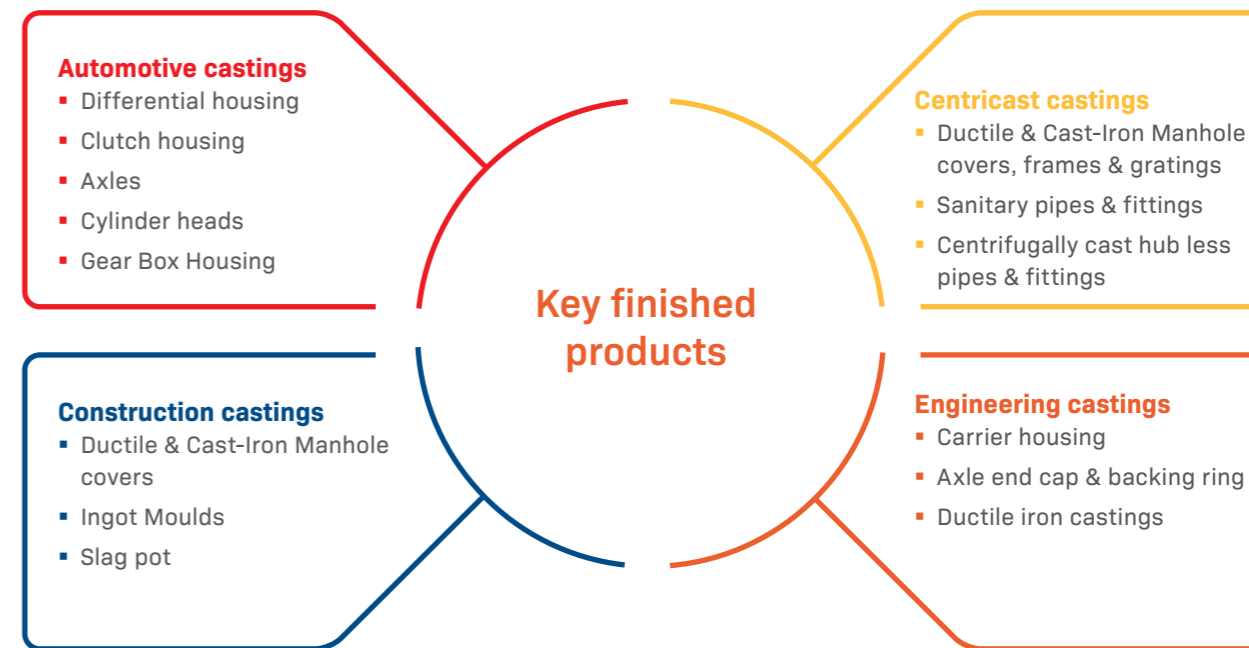
materials. Additionally, the steel plant division features a 13 km railway siding that reduces transportation costs for incoming raw materials.

Our facilities are in a well-developed industrial area with essential infrastructure such as land, roads, power, and water. The availability of skilled personnel and labour from nearby cities and villages supports operations. Furthermore, the proximity to key raw material sources, including iron ore, coal, and scrap, along with strong connectivity via airports, roads, and railways, enhances operational efficiency.



**Castings Division**

In FY 2023-24, the Casting Division reported stable performance with revenues of ₹ 558.97 crores. Production and sales increased by 1.3% and 3.9% y-o-y, respectively, with notable growth in the Automotive Casting Sub-Division, which saw a 3.8% rise in production and a 7.4% increase in sales.



## Performance and Financial Review

In FY 2023-24, we reported a decrease in net sales to ₹ 5,934 crores from ₹ 6,343 crores in FY 2022-23, marking a 6.5% decline principally on account of fall in selling prices. However, EBIDTA saw a significant increase to ₹ 1,045 crores from ₹ 804 crores, up by 30%, attributed to lower costs of coking coal, steam coal, and met coke, increased use of captive iron ore, and higher dispatches of pellets and rolled products. Despite these efficiencies, selling prices across all products decreased, impacting profitability. Profit before tax surged to ₹ 291 crores from ₹ 34 crores, a 753.5% rise, while profit after tax declined to ₹ 205 crores from ₹ 227 crores, down by 7.4%, reflecting varied sales volumes and pricing challenges across different product categories.

The year has been nothing short of remarkable for our mines, marked by several record-breaking achievements. We reached the highest ever production of billets and rolled products, and our sales of rolled products, including annealed and bright bar, also hit an all-time high. Additionally, our captive iron ore mines at Metabodeli and Chhotedongar achieved their highest ever production levels. We also set a record for dispatches from these mines.



## Key Financial Information

### Abridged balance sheet comparison (in ₹ cr)

Particulars	FY 2023-24	FY 2022-23	y-o-y
Non-current Assets	3,734	3,818	-2.17%
Current Assets	2,366	2,236	5.81%
<b>TOTAL ASSETS</b>	<b>6,100</b>	<b>6,054</b>	
Net Worth	2,263	2,058	9.96%
Non-Current Liabilities	3,091	31	9870.97%
Current Liabilities	746	3,965	-81.19%
<b>TOTAL LIABILITIES</b>	<b>6,100</b>	<b>6,054</b>	

### Abridged profit and loss comparison (in ₹ cr)

Particulars	FY 2023-24	FY 2022-23	y-o-y
Revenue from Operations	5,934	6,343	-6%
Total EBIDTA	1,045	804	30%
Profit Before Tax	291	34	753%
Profit After Tax	205	224	-8%

### Abridged cash flow comparison (in ₹ Cr)

Particulars	FY 2023-24	FY 2022-23	y-o-y
<b>Cash Flow from Operating Activities</b>			
Profit / (Loss) before tax as per Profit and Loss Account	291	34	755.88%
Add / (Less): Adjustments for Non-Cash and Non-Operating Items	740	755	-1.99%
Add / (Less): Adjustments for Working Capital Changes, Direct Taxes (Paid) / Refund and Exceptional Items	(350)	(50)	-600.00%
A] Net Cash Flow from Operating Activities	681	739	-7.85%
B] Net Cash Flow from Investing Activities	(177)	(57)	-210.53%
C] Net Cash Flow from Financing Activities	(486)	(792)	38.64%
Net Increase / (Decrease) in Cash and Cash Equivalents	17	(110)	115.45%
Add: Opening Cash and Cash Equivalents	72	182	-60.44%
Closing Cash and Cash Equivalents	89	72	23.61%

### Key financial ratios

Ratios	As on March 31, 2024	As on March 31, 2023	Change (%)	Remarks
Interest Coverage Ratio	2.23	1.77	25.46	The ratio has increased due to increase in EBIDTA margins in FY 2023-24 as compared to FY 2022-23. EBIDTA margins were increased in FY 2023-24 due to: (1) decrease in prices of coking coal, steam coal, met coke. (2) increased use of captive Iron Ore. (3) increased Quantity of dispatches of Pellet and Rolled Products. (4) Increased Contribution Margin in FY 2023-24. The finance cost for FY 2023-24 remained more or less at similar level as it was in FY 2022-23
Current Ratio	3.17	0.56	462.16	The ratio has significantly increased as Current Liabilities in FY 2022-23 included the entire amount of ACRE Trusts led Principal Term Loan Outstanding as Current, in view of IND AS-1 (Presentation of Financial Statements) requirement, which had to be refinanced on or before 15th December 2023. Our Company has successfully refinanced ACRE Trusts led debt with Financial Closure achieved on 14th December 2023 (in FY 2023-24) with the issuance of Secured long term Non-Convertible Debentures (NCDs) (for five years) under Debt Refinancing. With achievement of refinance new principal payment terms of NCDs is applicable to our Company and accordingly the current liabilities are at normal levels in FY 2023-24. There is some increase in the Current Assets of our Company in FY 2023-24 as compared to FY 2022-23 which has also improved the Current Ratio.
Operating Profit Margin (%)	17.30%	12.33%	40.37	The ratio has increased due to improved Operating Profits in FY 2023-24 on account of: (1) decrease in prices of coking coal, steam coal, met coke. (2) increased use of captive Iron Ore. (3) increased Quantity of dispatches of Pellet and Rolled Products. (4) Increased Contribution Margin in FY 2023-24.

**Other key ratios**

Particulars	FY 2023-24	FY 2022-23
EBIDTA to Net Sales Ratio	17.62%	12.68%
PAT (+ OCI) to Net Sales Ratio	3.46%	3.54%
Fixed Asset Coverage Ratio (FACR)	1.09	1.07
Current Ratio	3.17	0.56
Total Outside Liabilities to Tangible Net Worth Ratio	1.73	1.99
Total Debt / Equity Ratio (Total Debt / Net Worth)	1.44	1.64
Total Secured Debt / EBITDA Ratio	3.06	4.22

**Debt Refinancing**

Our Company has successfully completed debt refinancing of the ACRE Trusts led restructured debt in December 2023 by issuance of secured Non-convertible Debentures (NCDs) of ₹ 3,200 crores on private placement basis. The NCDs have been issued for sixty months with early repayment option after twenty-four months.

The Debt of our Company, which was restructured by ACRE Trusts in March 2022 from the cut-off date of

April 2020 has been successfully repaid by regular debt repayment, excess repayment through Cash Sweep and issuance of NCDs, which has reduced the debt of our Company in December 2023.

The above strategies have led to improvement in the cash flow position of our Company, reduction in financial leverage levels and resulted in the elimination of financial stress. It has also led to realignment of debt to sustainable level.

**Debt Refinancing Stages**

**Debt Restructuring Obligation**

As per the Restructuring Support Agreement (RSA) dated 23<sup>rd</sup> August, 2021, the Company had to refinance its outstanding amount of Principal Term Loans and Interest Accrued but not due on Borrowings from ACRE Trusts on or before 15<sup>th</sup> December, 2023.

**Debt Refinancing through NCD Issuance**

The Company has duly repaid its entire Secured Obligations to the ACRE Trusts on 14<sup>th</sup> December, 2023 through Debt Refinancing by way of issuance of Non-Convertible Debentures (NCDs).

**Issue Details**

On 14<sup>th</sup> December, 2023, the Company has made allotment of 3,20,000 Unlisted, Secured, Redeemable, NCDs with 14.50% per annum as Scheduled Coupon Rate and 3.00% per annum as Additional Coupon Rate, having face value of ₹ 100,000/- each aggregating to ₹ 3,200 crores on private placement basis to the various Debenture holders with a tenor of sixty months from the Date of Allotment, commencement of Principal Repayment from 31<sup>st</sup> July, 2024 with Vistra ITCL (India) Limited as the Debenture Trustee.

**Strengths**

**Cost and quality control**  
We have a competitive advantage in the industry due to integrated operations, a robust distribution network, ideal plant locations, cost advantage, a strong brand, a varied business portfolio, and experienced professional management.

**Cost savings with locational advantage**  
Our central India manufacturing facilities benefit from proximity to raw materials, a continuous supply of power and water, and a 13 km railway siding for raw material transport, with operational captive iron ore mines nearby.

**Self Sufficiency in Iron Ore**

**Our Company is self Sufficient** in meeting its Iron Ore requirements from captive iron ore mines.

**Experienced, knowledgeable, and professional leadership**  
Neco Group, a prominent Indian conglomerate, has diverse business interests and leadership with 4 to 5 decades of experience in the casting and steel sectors.

**Diversified product portfolio**  
We offer customised casting products in various grades and types of alloy steels.

**Long-standing customer base**  
Our businesses have consistently attracted new customers and built a loyal base over the years.

**Challenges**

**Cyclicality of the steel industry**  
The sector experiences cyclical changes in demand and pricing, which, along with coal price volatility, can impact our Company's earnings.

**Regulatory risk related to mining activities**  
Compliance with environmental, labour, and safety standards can affect profitability, but our superb compliance record and captive mining operations mitigate some regulatory risks.

**Highly competitive industry**  
Fierce competition in the alloy steel business can restrict our Company's market share and pricing power.

**Raw material sourcing costs**  
Dependence on internationally procured coking and non-coking coal makes us vulnerable to supply and price fluctuations, potentially affecting profitability.

**Infrastructure bottlenecks**  
Operating in rural regions with poor infrastructure impacts our logistics and supply chain.

**SCOT**

**Opportunities**

**Growing steel demand**  
The auto sector, a principal end-user of finished steel, has seen a strong revival and, alongside rapid urbanisation, industrialisation, and infrastructure development, is expected to drive up demand for alloy steel.

**Increasing focus on innovation**  
Innovations in manufacturing techniques, product design, and technology enable us to develop new products and enter new markets, producing high-value customised grades of alloy steel.

**Expansion into international markets**  
There are opportunities to broaden our business activities internationally, particularly in emerging nations with rising steel demand.

**New business segment**  
We have opportunities to tap into new sectors such as oil and gas, marine engineering, transmission line towers, the ball bearing steel market, and defence.

**Sustained reduction in debt**  
Improvement in the financial position of our Company by systematic reduction of debt by way of repayment, successful exit from debt restructuring through refinancing.

**Upgradation Blast Furnace**  
The upgradation and Capital Repairs of Blast Furnace has improved efficiency.

**Threats**

**Economic uncertainty/ unforeseen events**  
Events like economic recessions, inflation, pandemics, or wars can impact steel product demand, affecting our sales and profitability.

**Cheap imports**  
The dumping of steel from other countries can reduce domestic demand for steel.

**Technological advancements**  
Keeping up with rapid technological improvements in the steel sector is essential to remain competitive; failing to do so may result in losing market share to technologically advanced rivals.

**Aggressive ESG goals**  
Transitioning to environmental, social, and governance standards is capital-intensive, requiring expensive niche technologies, significant capital investment, and competency building.

## Human Resources and Industrial Relations (HR & IR)

We prioritise fostering a healthy work environment and providing ample opportunities for professional growth. The health and safety of our employees are paramount, and we have taken significant measures to ensure their well-being.

### HR Connect

To address the concerns and challenges faced by our workers on the shop floor, we introduced the HR Connect initiative. This program includes monthly shop floor meetings to promote effective communication and increase awareness. Additionally, we have implemented punching machines at all our locations as part of our HRMS solutions to enhance employee life cycle management.

### Recruitment of Trainees

As part of our commitment to talent development, we initiated trainee programs and initiated appointment of apprentice across 58 institutions in states of Chhattisgarh, Madhya Pradesh and Maharashtra. Our recruitment activities attracted around 200 students and 101 individuals have been selected and joined our Company.

## Training and Development

We recognise the importance of investing in the training and development of our Human Resources (HR) to enhance their effectiveness and career growth. Our Company offers a variety of HR development programs, both in-house and external, to help employees acquire new skills and knowledge. These programs cover areas such as performance management, recruitment and selection, employee engagement, retention strategies, and career development opportunities like job rotations, stretch assignments, coaching, and mentoring. Additionally, we encourage employees to pursue relevant professional certifications to enhance their credentials and expertise.

### Paperless Office Working

To leverage technology and reduce paper usage, our Company has adopted a leading cloud-based application for digitising various business processes. This initiative aims to convert documents into electronic files, centralising them and linking to systems like SAP for efficient transactions. The project will cover processes such as Procure-to-Pay, Order-to-Cash, Internal Approvals, and HR Process Automation. Digitised documents will be stored securely on the cloud, allowing for easy access and reducing document handling cycle time. This transition will create a predominantly paperless work environment, enhancing operational efficiency.



## Risk Management

At our Company, we implement a robust risk management framework to tackle various risks that may affect our business. Through a comprehensive process and a Risk Management framework, we identify, assess, monitor, and mitigate potential risks, ensuring a proactive approach to safeguarding our operations and interests.

To ensure the effectiveness of our risk management efforts, we have a dedicated Risk Management Committee and active involvement of Audit Committee and the Board. They regularly review our risk assessment and Action taken report, aligned with our well-defined Risk Management Policy and Plan. This ensures that our management can make informed decisions and implement appropriate measures to address potential risks promptly and efficiently. By fostering a culture of risk awareness, preparedness and management, we strive to protect the stability and growth of our Company, always looking ahead to secure a promising future.

The identified risk areas are as under:

1. Macro-Economic and Market conditions
2. Fluctuations in Foreign Exchange
3. Political Environment
4. Competition
5. Revenue Concentration
6. Inflation and Cost Structure
7. Technological Obsolescence and Cyber security Risk
8. Financial Reporting and Financial Leverage Risk
9. Risk of Corporate Accounting Fraud
10. Legal Risks
11. Quality and Project Management
12. Environmental Risk and Pandemic/Epidemic Risk Management
13. Human Resource Management Risk

## Internal Control System & their Adequacy

Our Company believes that internal controls is one of the key pillars of governance, which provides freedom to the management to operate, within a framework of appropriate checks and balances. Our Company has a robust internal control framework, which has been established considering the nature, size and complexity of our operations and risks in the business. The framework comprises, inter alia, a well-defined organisation structure, roles and responsibilities, documented policies and procedures, financial delegation of Authority, ERP controls, etc. Information Technology (IT) policies and processes also ensure that they mitigate the current business risks. These policies are complimented by a management information and monitoring system, which ensures compliance with internal processes, as well as with applicable laws and regulations. Our Company's internal control environment ensures efficient conduct of operations, security of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information.

Our Company uses SAP as its core Enterprise Resource Planning (ERP) software. The ERP controls are regularly evaluated, and systems and processes are continuously improved by adopting best-in-class processes & automation and implementing the latest IT tools. Our Company has a strong culture of internal controls such that the Operating Management Team is not only responsible for revenue and profitability, but also for maintaining financial and commercial discipline within an internal control framework.

Our Company is using SAP-ERP to process financial transactions and maintain our books of accounts. The SAP has been setup to ensure adequacy of financial transactions and integrity & reliability of financial reporting. The financial controls are evaluated for operating effectiveness through management's ongoing monitoring and review process, and independently Audited by In-house Internal Audit Department. The testing of controls by Internal Audit department is divided into three separate categories viz.

- a) Automated controls within SAP,
- b) segregation of duties within SAP and restricted access to key transactions,
- c) manual process controls.

## Board's Report

Dear Members,

Your Directors are pleased to present their 51<sup>st</sup> Annual Report on the affairs of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2024.

### 1. FINANCIAL RESULTS:

The summarised financial results for the year vis-a-vis the previous year are as follows:

Particulars	₹ in crores)	
	31.03.2024	31.03.2023
Revenue from Operations	5,933.55	6,342.86
Other Income	18.45	22.07
<b>Total Income</b>	<b>5,952.00</b>	<b>6,364.93</b>
Operating Expenses	4,906.77	5,560.91
<b>EBIDTA</b>	<b>1,045.23</b>	<b>804.02</b>
Finance Costs	469.41	453.02
Depreciation and Amortisation Expenses	265.92	265.71
Exceptional Items	18.86	51.19
<b>Profit/(Loss) before tax</b>	<b>291.04</b>	<b>34.10</b>
Tax Expenses	81.06	(192.77)
<b>Profit/(Loss) after Tax carried to Balance Sheet</b>	<b>209.98</b>	<b>226.87</b>

During the financial year 2023-24, your Company achieved total revenue from operations of ₹ 5,933.55 crores as compared to revenue from operations of ₹ 6,342.86 crores in the previous financial year ended 31<sup>st</sup> March, 2023. The Profit before interest, depreciation, exceptional items and tax for the current year is ₹ 1,045.23 crores as against ₹ 804.02 crores in the previous year. The Profit after tax for the year ended 31<sup>st</sup> March, 2024 is ₹ 209.98 crores as compared to ₹ 226.87 crores of the previous financial year ended 31<sup>st</sup> March, 2023. The operational performance of the Company and other business details has been comprehensively covered in the Management Discussion and Analysis Report.

Your Company has not carried any amount to reserves, the amount of Profit after tax of ₹ 209.98 crores have been carried to Balance Sheet and adjusted against retained earnings.

### 2. DIVIDEND:

In order to meet the continuous working capital, critical and need based capital expenditure requirement of the Company, the Board of Directors of the Company deemed it prudent not to recommend any dividend for the financial year ended on 31<sup>st</sup> March, 2024.

The Board of Directors of the Company had approved a Dividend Distribution Policy on 30<sup>th</sup> June, 2021, in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Policy is available on the Company's website at <https://www.necoindia.com/images/investor/corporate-governance/Dividend-Distribution-Policy.pdf>

In terms of the Policy, equity shareholders of the Company may expect dividend if the Company has surplus funds and after taking into consideration the relevant internal and external factors enumerated in the Policy for declaration of dividend.

### 3. CHANGE IN NATURE OF BUSINESS OF COMPANY:

Your Company primarily is in the business of manufacturing of alloy steels – wire rods, bars, bright bars along with steel billets, pig iron/skull, sponge iron, pellets and iron & steel castings. There is no change in the nature of business of your Company during the year.

### 4. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report for the year, as stipulated under the Listing Regulations is presented in a separate section forming part of this Annual Report.

### 5. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY SUBSEQUENT TO THE CLOSE OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT:

No material changes and commitments have occurred subsequent to the close of the financial year till the date of this Report which may affect the financial position of the Company.

### 6. EXTERNAL CREDIT RATING:

The India Ratings and Research Private Limited vide its Press Release dated 24<sup>th</sup> May, 2024 has issued Long-Term Issuer Rating of "IND BBB-" (Investment Grade) with "Stable" Outlook to the Company.

### 7. CAPITAL REPAIRS:

The Blast Furnace at Steel Plant Division of the Company had taken scheduled shutdown from 10<sup>th</sup> May, 2024 for undertaking category-one capital repairs cum upgradation which will result in higher productivity and reduction in fuel rate. The Blast Furnace facilities have successfully recommenced operations from 1<sup>st</sup> August, 2024.

### 8. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the financial year 2023-24, following were the changes in the Board of Directors and Key Managerial Personnels (KMPs) of the Company:

#### Change in Director & KMP due to cessation/resignation:

- Shri Basant Lall Shaw (DIN: 00249729), stepped down from the position of Chairman & Non-Executive Director of the Company w.e.f. 24<sup>th</sup> November, 2023 and appointed on the honorary position of 'Chairman Emeritus' w.e.f. 25<sup>th</sup> November, 2023.
- Shri Megh Pal Singh (DIN: 02635073), ceased as an Executive Director & Chief Operating Officer (COO), Steel Plant Division of the Company due to completion of his term on 12<sup>th</sup> November, 2023.

#### Change in Director & KMP due to appointment/re-appointment:

- Shri Sangram Keshari Swain (DIN: 10368704) was appointed as an Executive Director of the Company for the period of 5 (Five) years w.e.f. 13<sup>th</sup> November, 2023.
- Shri Rajendraprasad Shrinivas Mohanka (DIN: 00235850) was re-appointed as an Independent Director of the Company for the second term of 5 (Five) years w.e.f. 27<sup>th</sup> July, 2023.
- The designation of Shri Arvind Jayaswal (DIN: 00249864) was changed from Managing Director & CEO (Foundry Division) to Chairman & Whole-time Director of the Company w.e.f. 25<sup>th</sup> November, 2023 to hold such office up to the original term ending on 31<sup>st</sup> December, 2025.
- The designation of Shri Ramesh Jayaswal (DIN: 00249947) was changed from Joint Managing Director & CEO (Steel Plant Division) to Managing Director of the Company w.e.f. 25<sup>th</sup> November, 2023 to hold such office up to the original term ending on 31<sup>st</sup> December, 2025.
- Shri Ashish Srivastava was appointed as Company Secretary of the Company w.e.f. 15<sup>th</sup> April, 2023.

In accordance with the provisions Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Shri Arvind Jayaswal (DIN: 00249864), Chairman & Whole-time Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

Further, the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee, recommended for the approval of Members at the ensuing Annual General Meeting, the re-appointment of Shri Manoj Balkrishna Shah (DIN: 00010473), Smt. Kumkum Rathi (DIN: 03128864) and Shri Vinod Kumar Kathuria (DIN: 06662559), as Independent Directors of the Company for the second term of 5 (Five) years.

The necessary resolutions for re-appointment of Shri Arvind Jayaswal, Shri Manoj Balkrishna Shah, Smt. Kumkum Rathi and Shri Vinod Kumar Kathuria along with the brief profile and other related information seeking re-appointment forms part of the Notice convening the ensuing Annual General Meeting.

After the end of financial year, Shri Davinder Kumar Chugh (DIN: 09020244) and Shri Atul Gupta (DIN: 09314224), Nominee Directors representing various trusts declared and managed by Asset Care & Reconstruction Enterprise Limited (ACRE) on the Board of the Company have resigned from the Company with effect from 2<sup>nd</sup> May, 2024 and 9<sup>th</sup> May, 2024 respectively.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149 (6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, all the Independent Directors are persons of high repute, integrity and possess the relevant expertise and experience in their respective fields.

#### Key Managerial Personnel

In terms of the provisions of Section 203 of the Companies Act, 2013, during the financial year the Company had following whole-time Key Managerial Personnel:

- Shri Arvind Jayaswal (DIN: 00249864), Chairman & Whole-time Director;
- Shri Ramesh Jayaswal (DIN: 00249947), Managing Director;
- Shri Megh Pal Singh (DIN: 02635073), Executive Director & Chief Operating Officer (COO), Steel Plant Division (Up to 12<sup>th</sup> November, 2023);
- Shri Sangram K. Swain (DIN: 10368704), Executive Director (w.e.f. 13<sup>th</sup> November, 2023);
- Shri Kapil Shroff, Chief Financial Officer;
- Shri Ashish Srivastava, Company Secretary & Compliance Officer (w.e.f. 15<sup>th</sup> April, 2023).

#### Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out an annual evaluation of its own performance, Board Committees,

individual Directors including the Independent Directors and the Chairman of the Company on the basis of the criteria of Board Evaluation devised by the Company with the aim to improve the effectiveness of the Board and the Committees.

The performance evaluation of the Board and its Committees focused on various factors, including their functions, responsibilities, competencies, strategy, risk identification and control, diversity and nature of the business. A comprehensive questionnaire was circulated to Board Members, covering multiple aspects of the Board's functioning, culture, execution of duties, professional obligations and governance. The questionnaire aimed to assess Directors' knowledge, independence in decision-making, involvement in business planning, constructive engagement with colleagues and understanding of the Company's environment and its risk profile. Additionally, the Chairman of the Board and/or Executive Directors was evaluated based on leadership, co-ordination and steering skills.

During the year, formal evaluation of performance of Directors including Independent Directors, the Board and its Committees was made by the Independent Directors and the Nomination and Remuneration Committee in their respective meetings and the evaluation result was placed before the Board for its information and consideration.

The appointment/ re-appointment/ continuation of Directors on the Board is based on the outcome of evaluation process.

#### Remuneration Policy

Pursuant to Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee constituted under the provisions of Section 178(1) of the Companies Act, 2013, recommended to the Board of Directors of the Company, a Policy on Director's appointment and remuneration, including, criteria for determining qualifications, positive attributes, independence of a Director and other matters. The extract of the said Policy is covered in Corporate Governance Report which forms part of this Annual Report.

#### Meetings

During the year 6 (Six) Board Meetings and 5 (Five) Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013/ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### Related Party Transactions

During the year, all related party transactions that were entered were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the

Company with Promoters, Directors, Key Managerial Personnels or other designated persons which may have a potential conflict with the interest of the Company at large.

Pursuant to the provision of Regulation 23 of Listing Regulations, all related party transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee has been obtained for transactions which are foreseen and repetitive in nature. A statement providing details of all related party transactions is presented to the Audit Committee and the Board of Directors on a quarterly basis.

The Policy on Related Party Transactions duly approved by the Board on the recommendation of the Audit Committee has been posted on the Company's website and can be accessed at the link: <https://www.necoindia.com/pdf/Policy%20on%20Related%20Party%20Transactions.pdf>

#### 9. CORPORATE SOCIAL RESPONSIBILITY:

As part of its initiatives under "Corporate Social Responsibility" (CSR), the Company has undertaken projects and programmes in the areas such as Healthcare, Sanitation, Provision of Safe Drinking Water, Mitigate Malnutrition, Promotion of Education and Imparting Training, Women Empowerment, Promotion of Traditional Art and Culture, Community Welfare, Environmental Sustainability, Development of Rural Sports, Programmes and Training for development and upliftment of rural masses especially women, youths and girls and Development of Infrastructural facilities in rural areas.

The Company's CSR Policy is available on the website of the Company and it is available at <https://www.necoindia.com/images/investor/corporate-governance/Corporate-Social-Responsibility-Policy-1.pdf>

During the financial year 2023-24, the Company spent ₹ 1,104.81 lakhs (including amount of ₹ 158.85 lakhs carried forward as set-off available from previous year) against the CSR budget of ₹ 1,070.71 lakhs. Pursuant to Rule 7(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has approved to set-off of excess amount spent in FY 2023-24 of ₹ 34.10 lakhs against the CSR requirement up to immediate succeeding three financial years.

The Annual Report on CSR activities is attached as "Annexure - A" and forms part of this report.

#### 10. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is attached as "Annexure - B" and forms part of this report.

#### 11. SUBSIDIARY COMPANY AND ASSOCIATE COMPANY:

During the year, the Company did not have any Subsidiary Company. Further, Statement in respect of Maa Usha Urja Limited, an Associate Company under Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 in Form AOC-1, is attached as "Annexure - C" and forms part of this report.

The Company has formulated a Policy for Determining 'Material Subsidiary' in terms of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the said Policy has been posted on the website of the Company and is available at: <https://www.necoindia.com/pdf/Material-Subsidiaries.pdf>

#### 12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

#### 13. CORPORATE GOVERNANCE REPORT:

The report on Corporate Governance as stipulated under Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with the requisite certificate from the Practicing Company Secretary confirming compliance with the conditions of Corporate Governance is appended and forms part of this Annual report.

#### 14. RISK MANAGEMENT:

In terms of the Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors had constituted Risk Management Committee to assist the Board with regard to the identification, evaluation and mitigation of strategic, operational, external environment, cyber security and other risks, in fulfilling its corporate governance oversight responsibilities and to develop policy for actions associated to mitigate the risks. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness through Action Taken Reports. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continual basis. The updated risk management policy of the Company is available on the website of the Company at the link: <https://www.necoindia.com/pdf/Risk-Management-Policy.pdf>

#### 15. VIGIL MECHANISM / WHISTLE-BLOWER POLICY:

The Company has established a Vigil Mechanism/ Whistle-Blower Policy that enables the Directors and Employees to report genuine concerns. The Vigil Mechanism provides for (a) adequate safeguards against victimisation of persons who use the Vigil Mechanism; and (b) direct access to the Chairperson of the Audit Committee of the Company in appropriate or exceptional cases. Details of the Vigil Mechanism/ Whistle-Blower Policy are made available on the website of the Company at: <https://www.necoindia.com/pdf/Vigil-Mechanism-Whistle-Blower-Policy.pdf>

[com/pdf/Vigil-Mechanism-Whistle-Blower-Policy.pdf](https://www.necoindia.com/pdf/Vigil-Mechanism-Whistle-Blower-Policy.pdf) and have also been provided in the Corporate Governance Report forming part of this Annual Report.

#### 16. DIRECTORS RESPONSIBILITY STATEMENT:

As required under Section 134 (3) (c) of the Companies Act, 2013, your Directors confirm and state:

- that in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Note 1 of the Notes to the Financial Statements have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2024 and of the profit and loss of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls have been in place and that the internal financial controls are adequate and have been operating effectively;
- that systems to ensure compliance with the provisions of all applicable laws have been in place and are adequate and operating effectively.

#### 17. INTERNAL FINANCIAL CONTROL SYSTEMS:

The Company has formulated its SOPs & Policies related to Internal Financial Control over Financial Reporting. There are sufficient controls and checks and balances established for all the material transactions. The Company has also fixed process flows for all the transactions. The Company has also designed strong Management Information System (MIS) for proactive controls and monitoring.

The Company has in place adequate internal financial controls with reference to Financial Statements. During the year, such controls were operating effectively.

#### 18. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013 ("the Act"), copies of the Annual Returns of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company and is accessible on the

website of the Company at <https://www.necoindia.com/financial-results-annual-reports-annual-returns.php>

#### 19. STATUTORY AUDITORS AND THEIR REPORT:

The Statutory Auditors M/s. Chaturvedi and Shah LLP, Chartered Accountants, Mumbai hold office for the period of 5 years from the Annual General Meeting (AGM) held on 30<sup>th</sup> December, 2021.

The Auditors Report on the financial statements of the Company for the year ended 31<sup>st</sup> March, 2024 is self-explanatory and with unmodified opinion.

The Statutory Auditors Report for the financial year 2023-24 does not contain any qualification, reservation, or adverse remark. However, the Statutory Auditors have placed emphasis on certain matters in the audit report related to the attachment of properties of the Company. These matters are self-explanatory and have been adequately disclosed in Note No. 2.07 of the financial statements. The Report is enclosed with the financial statements in this Annual Report.

#### 20. COST AUDITOR:

In accordance with Section 148 of the Companies Act, 2013, the Company maintains cost records as required and a Cost Accountant conducts an audit of these records.

The Board of Directors of the Company on the recommendation of the Audit Committee, at its meeting held on 30<sup>th</sup> April, 2024 has re-appointed M/s. Manisha & Associates, Cost Accountants, Nagpur (FRN: 000321), as the Cost Auditors of the Company, to conduct the audit of the Cost Accounting records for the financial year 2024-25 on the remuneration of ₹ 1,75,000/- (Rupees One Lakh Seventy-Five Thousand Only) for Cost Audit and ₹ 9,000/- (Rupees Nine Thousand Only) for XBRL documents preparation plus applicable taxes and reimbursement of out-of-pocket expenses at actuals.

As required under Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders. Therefore, the Board of Directors recommend the remuneration payable to M/s. Manisha & Associates, Cost Auditors for the financial year 2024-25 for the ratification by the Members at the ensuing Annual General Meeting.

#### 21. SECRETARIAL AUDITOR AND THEIR REPORT:

In accordance with Section 204 of the Companies Act, 2013 read with the Rule 9 of Companies (Appointment

and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to submit along with its Board's Report, a Secretarial Audit Report, given in the prescribed form, by a Company Secretary in practice.

The Board of Directors of the Company on the recommendation of the Audit Committee, at its meeting held on 30<sup>th</sup> April, 2024 has re-appointed M/s. R. A. Daga and Co., Company Secretaries, Nagpur (FCS No.: 5522 C. P. No.: 5073) to conduct the Secretarial Audit for the financial year 2024-25.

The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2024 in Form MR-3 is attached as "Annexure - D" and forms part of this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### 22. REPORTING OF FRAUD BY AUDITORS:

The Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds, committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Companies Act, 2013, the details of which need to be mentioned in this Report.

#### 23. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended in respect of employees of the Company forming part of Boards' Report is given in "Annexure - E" to this Report.

#### 24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

No significant or material orders were passed by the Regulators or Courts or Tribunal which impact the going concern status and Company's operations in future.

#### 25. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year, M/s Abhiruchi Vision Private Limited (AVPL) had filed an appeal before the Hon'ble NCLAT, New Delhi, against the order of the Hon'ble NCLT, Mumbai Bench, Court- II dated 9<sup>th</sup> February, 2023, dismissing the petition filed by AVPL under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) claiming an alleged amount of ₹ 437.60 crores (Principal amount of ₹104.44 crores plus accrued interest @ 18.00% p.a.).

The Hon'ble NCLAT, New Delhi, by its Order dated 4<sup>th</sup> July, 2023, held that there was no merit in the Appeal and dismissed the Appeal filed by AVPL. Then AVPL filed an Appeal with the Honourable Supreme Court which by its Order dated 20<sup>th</sup> November, 2023 dismissed the appeal.

#### 26. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

As per the amendment to Regulation 34(2)(f) of the Listing Regulations and the National Guidelines on Responsible Business Conduct (NGRBC) issued by the Ministry of Corporate Affairs, Government of India, the top one thousand listed companies (by market capitalisation) are required to prepare and present a Business Responsibility and Sustainability Report (BRSR) to the stakeholders. This replaces the previous Business Responsibility Report (BRR) and follows internationally accepted reporting frameworks on Environmental, Social and Governance (ESG) Reporting. This Report enable the shareholders to have an insight into environmental, social and governance initiative of the Company.

The BRSR requires listed entities to disclose their performance against the nine principles of the NGBRC, with reporting divided into essential and leadership indicators. Essential indicators are mandatory to report, while reporting leadership indicators is voluntary. Your Company has reported both on essential and leadership indicators.

The BRSR describing the initiatives taken by the Company from an environmental, social and governance perspective, in the format as specified by the Securities and Exchange Board of India, forms a part of this report.

#### 27. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

As per the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH), the Company has placed adequate mechanism to provide safe and congenial working environment to all the female employees.

The Company has constituted location wise Internal Complaints Committees (ICC) to redress the complaints of female workers. The ICCs are composed of internal Members and an external Member who has extensive experience in the field. During the year, no cases have been filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### 28. (A) SHARE CAPITAL:

There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued shares with differential voting rights or sweat equity shares.

#### (B) NON-CONVERTIBLE DEBENTURES:

The Board of Directors at its meeting held on 3<sup>rd</sup> November, 2023, had accorded its approval for raising of funds up to an amount of ₹ 3200,00,00,000/- (Rupees Three Thousand and Two Hundred Crores only) for, *inter alia*, refinancing of the existing debt of the Company, by way of issuance of Unlisted, Secured, Redeemable, Non-Convertible Debentures in one or more series/ tranches, on private placement basis.

The Committee of Directors at its Meeting held on 14<sup>th</sup> December, 2023, approved the allotment of 3,20,000 Unlisted, Secured, Redeemable, Non-Convertible Debentures (NCDs) having face value of ₹100,000/- each aggregating to ₹ 3200,00,00,000/- (Rupees Three Thousand and Two Hundred Crores only) on private placement basis at a coupon rate of 17.50% p.a. for the tenure of 60 months from the date of allotment, subject to early repayment option/mandatory redemption option in accordance with the Debenture Trust Deed and the other Transaction Documents (ISIN: INE854B07033).

The subscription proceeds of the NCDs has been utilised for (a) repayment of the existing facility availed from identified ACRE trusts; and (b) payment of costs, fees and expenses incurred in connection with the issue of the NCD.

Further, the Board of Directors at its meeting held on 25<sup>th</sup> January, 2024, had accorded its approval for the issue of 28,08,766 Unlisted, Unsecured, Redeemable, Non-Convertible Debentures by converting outstanding balance of ₹ 28,08,76,600/- (Rupees Twenty Eight Crore Eight Lakhs Seventy Six Thousand Six Hundred only) in the Company's Books of Account in relation to Maa Usha Urja Limited (MUUL), Related Party of the Company.

Accordingly, the Committee of Directors at its Meeting held on 10<sup>th</sup> February, 2024, approved the allotment of 28,08,766 Zero Coupon, Unlisted, Unsecured, Redeemable, Non-Convertible Debentures having a face value of ₹ 100/- (Rupees One Hundred) each aggregating to ₹ 28,08,76,600/- (Rupees Twenty Eight Crore Eight Lakhs Seventy Six Thousand Six Hundred only) ("Debentures/ NCDs"), on private placement basis, for the tenure of 96 months from the date of allotment, subject to Call Option exercised by the Company and Put Option exercised by MUUL after redemption of Existing NCDs (having allotment dated 14<sup>th</sup> December, 2023), on such terms and conditions as maybe agreed between the Company and MUUL (ISIN: INE854B08023).





There was no deviation or variation in the utilisation of proceeds of the aforesaid issues from the objects stated in the offer documents of the said issues. The Company has submitted the statement(s) as required under Regulation 32 of the Listing Regulations to both the exchanges in timely manner where the shares of the Company are listed, namely, National Stock Exchange of India Limited and BSE Limited.

## 29. GENERAL:

Your Directors state that during the year:

- The Company has no deposits covered under Chapter V of the Companies Act, 2013.
- The Company has complied with the applicable Secretarial Standards under the Companies Act, 2013.

Place: Nagpur  
Date: 14<sup>th</sup> August, 2024

## 30. ACKNOWLEDGEMENTS:

Your Directors' place on record, their sincere appreciation and gratitude for all the co-operation extended by Government Agencies, Lenders, Business Associates and Shareholders. The Directors also record their appreciation for the dedicated services rendered by all the Executive Staff and Workers of the Company at all levels in all units and for their valuable contribution in the working of the Company.

For and on behalf of Board of Directors

**Arvind Jayaswal**  
Chairman  
(DIN: 00249864)

**Ramesh Jayaswal**  
Managing Director  
(DIN: 00249947)

## ANNEXURE – A

### Annual Report on Corporate Social Responsibility (CSR) activities

#### 1. Brief outline on CSR Policy of the Company –

Corporate Social Responsibility (CSR) lies within the functioning of the corporate operations itself, which caters to the needs of the community and the regions in which it operates. It has now been realised and accepted that the government alone would not be able to ameliorate the dilapidated condition of the weaker sections of the society. A combined endeavour is needed from all who dwell in the society including the Corporates.

CSR has become a global concern. But, Jayaswal Neco Industries Limited (JNIL) has always been aware of its Corporate Social Responsibility and has been fulfilling the aspirations of the society since long. It has adopted CSR as a strategic tool for the sustainable development of the society. For JNIL, CSR is not simply investment of funds for the social cause but linking of the business activity with the social activity.

The Corporate Social Responsibility for JNIL entails much more than social outreach programmes and is an integral part of the way the Company conducts its business. As a part of the social responsibility and as a good corporate citizen, the Company regularly undertakes various programmes and projects with a view to promote and protect a congenial and eco-friendly atmosphere in and around the Plants and Mines. We pledge to serve and contribute to the welfare of the society in general and the surrounding areas of the working site in particular.

**Objective and Philosophy** - The key objective of the CSR policy is to frame guidelines for JNIL to adopt CSR as a part of its business process for the sustainable growth of the society, work towards elimination of all hurdles for the social inclusion of the disadvantaged group such as the poor and the disabled, work for the economic and socio-cultural growth of the communities around which the Company operates. The objective will be to build a self-sustainable habitat that surrounds the units of the Company and to provide utmost attention to the children as in their hands lies the country's future and it is for their sake that the health, education and environment get the topmost priority in our CSR policy. Our ultimate aim is to serve the community in true sense.

#### 2. Composition of CSR Committee is as follows:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of Meetings of CSR Committee Entitled to attend during the year/ Number of Meetings of CSR Committee held during the Year	Number of meetings of CSR Committee attended during the year
1.	Shri Arvind Jayaswal	Chairman/ (Chairman - Whole time Director)	4	4
2.	Shri Ramesh Jayaswal	Member/ (Managing Director)	4	3
3.	Shri Brajkishore Hargovind Agrawal	Member/ (Independent Director)	4	4
4.	Shri Sangram Keshari Swain*	Member/ (Executive Director)	1	1

\*Appointed as Member of Committee w.e.f. 13<sup>th</sup> November, 2023.

#### 3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

- Composition of CSR Committee: <https://www.necoindia.com/board-n-its-committees.php>
- CSR Policy: <https://necoindia.com/images/investor/corporate-governance/Corporate-Social-Responsibility-Policy-1.pdf>
- CSR projects approved by the Board: [https://www.necoindia.com/pdf/investor/corporate-governance/CSR%20ACTIVITIES\\_2023-24.pdf](https://www.necoindia.com/pdf/investor/corporate-governance/CSR%20ACTIVITIES_2023-24.pdf)

#### 4. Executive Summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

Not Applicable

**5. CSR Obligation:**

Sr. No.	Particular	Amount (₹ in lakhs)
(a)	Average net profit of the Company as per sub-section (5) of Section 135	53,535.49
(b)	Two Percent of average net profit of the Company as per Section 135(5)	1,070.71
(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
(d)	Amount required to be set-off for the financial year, if any	158.85
<b>(e)</b>	<b>Total CSR obligation for the financial year [(b) + (c) – (d)]</b>	<b>911.86</b>

**6. Amount spent on CSR:**

Sr. No.	Particular	Amount (₹ in lakhs)
(a)	Total Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	895.52
(b)	Amounts spent in Administrative overheads	50.44
(c)	Amount spent on Impact Assessment, if applicable	Nil
<b>(d)</b>	<b>Total Amount spent for the financial year [(a)+(b)+(c)]</b>	<b>945.96</b>

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	Projects/Activities	Item from the list of activities in Schedule VII to the act	Local Area (Y/N)	Locations District (State)	Amount spent for the project (₹ in lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency (Name & CSR Reg. No.)
1.	Organised Health check-up camps, Health Awareness Talk, Eye check-up camp, Blood Donation Camp, provided Specs & Medicines to the villagers, provided ambulance services for villagers of plant peripheral areas, financial assistance to a thalassemia patient through district administration, established First Aid Centre to extend medical care facilities to the people of mines peripheral areas, provided Sanitary pad machine in School, construction of toilets for girls at School, provided garbage cleaning E-Rickshaw to Gram Panchayat, constructed Rainwater Harvesting System in village, organised Swachhata Pakhwada Karyakram, repairing of handpumps and solar pump in Village, painting work on Solar Tanks, repairing & Maintenance of ODF, digging of Borewell in Mines peripheral Villages.	Health Care, Sanitation, Safe Drinking Water	Yes	Narayanpur, Kanker, Kabirdham and Raipur (Chhattisgarh), Gondia (Maharashtra)	32.17	Yes	NA
2.	Organised Scholarship distribution programme for academic meritorious student at Govt. School, financial assistance to Radio Division for organising School Level Painting Competition, Organised Road Safety Awareness Programme in association with Police Department, financial assistance for honorarium of teachers to Shala Vikas Samiti, Siltara to extend support for promoting education, fixation of Banner and Posters for creating awareness on health & safety among the people, financial assistance to World Renewal Spiritual Trust for construction of spiritual centre in Raipur, financial assistance to District Administration for organising Anti-Drugs Campaign, financial assistance to School Development Fund, Giroud to extend support for promoting education, preparation of banners for exhibition of Safety messages to create awareness among the people, engaged teachers for providing free English & Mathematics coaching to the poor students, financial assistance given to Collector-Kanker for fee payment to students of weaker section of society selected in GGU, IIT etc., financial assistance given to Collector-Kanker for construction of Eklavya School Building at Kanker, School Bags distributed among the students.	Education, Training	Yes	Narayanpur, Kanker and Raipur (Chhattisgarh)	39.21	Yes	NA

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	Projects/Activities	Item from the list of activities in Schedule VII to the act	Local Area (Y/N)	Locations District (State)	Amount spent for the project (₹ in lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency (Name & CSR Reg. No.)
3.	Organised programmes to felicitate Women Anganwadi Karyakarta and Social Workers of plant peripheral areas for their dedicated service towards the society, established a tailoring training centre to provide free tailoring training to the unemployed women/girls.	Women Empowerment	Yes	Narayanpur, Raipur and Kanker (Chhattisgarh)	2.64	Yes	NA
4.	Provided assistance to a Sportsman/women of plant peripheral village for participating in South Asian Yoga Sports competition, provided assistance to Gram Panchayat for organising cricket and Kabbadi tournament at village, payment to a Coach for providing coaching Karate, financial assistance to Dasa Sarathiya Vanik Mahajan (DSVM) for organising State Level Cricket Tournament at Raipur to extend support for the promotion of rural sports in plant peripheral areas.	Sports Activity	Yes	Narayanpur, Kanker, Bilaspur and Raipur (Chhattisgarh)	37.17	Yes	NA
5.	Landscaping and Gardening work at Swami Vivekanand Airport, Raipur and at Civil Lines, Nagpur for Ecological Balance, financial assistance to National Tiger Conservation Authority for distributing bicycles to Cheetah Mitras of Kuno National Park, development and maintenance of nurse, plantation of sapling and trees, Watering on small plants adjacent to the roads and sprinkling of water on village roads, sponsorship of stride for sustainability walking towards greener future.	Environmental Sustainability	Yes	Narayanpur, Kanker, Kabirdham, Raipur (Chhattisgarh), Gondia, Nagpur (Maharashtra) Sheopur & Muraina (Madhya Pradesh)	80.77	Yes	NA
6.	Financial assistance for organising various traditional and cultural programmes on Festivals, financial assistance to Gram Panchayat for organising Jasgit, Cultural songs Competitions, distribution of Umbrella, Provided Mid-day meal and dinner at Bhikshuk Punarvas Kendra, Brudhasram and Missionaries of Charity, distribution of Mic System & Water Purifier to Govt. Schools, distribution of Blankets, mosquito net, Mid-Day Meals and fruits to weaker Sections of the society, operating Common Service Centre (Samadhan Kendra) for facilitation of Photocopier, Internet, Employment news, Computer work to the needy people, Financial assistance towards the establishment of Mandir, provided materials (Gamcha) for honouring Gyata, Patel, Manjhi etc., provided furniture's to administrative department for Naxal Co-ordination Centre, provided Sound System (Amplifier, Mike, Box, Tent Materials etc) to gram panchayat, Solar Light and Solar Light Battery purchased for repairing of lights installed at mines surrounding villages, provided Air Condition towards seating arrangement for community in Collector Office, construction of Rang Manch at Village.	Promotion and Development of Traditional Art and Culture, Community Welfare and Promotion of weaker sections of Society, Eradicating hunger, poverty and malnutrition	Yes	Narayanpur, Kanker, Kabirdham Bilaspur and Raipur (Chhattisgarh), Gondia (Maharashtra)	26.16	Yes	NA



(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	Projects/Activities	Item from the list of activities in Schedule VII to the act	Local Area (Y/N)	Locations District (State)	Amount spent for the project (₹ in lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency (Name & CSR Reg. No.)
7.	Construction of Community Hall, cleaning and excavation of ponds at village, construction of Shed, flooring and levelling of ground, development of government High School approach road, construction of Concrete Cement village approach road, installation of Solar Street Light, hiring charges of vehicle engaged for mobilisation of CSR activities in rural areas, painting works of village entrance gate, development and maintenance of roads and culverts in villages, financial assistance given towards seating arrangement for community, financial assistance towards village development work, renovation of community buildings, financial assistance given to Tribal Society, vehicle provided (Bus) during Conference of minor forest produce.	Rural & Infrastructure Development Projects	Yes	Narayanpur, Kanker, Kabirdham and Raipur, Bemetara (Chhattisgarh)	727.84	Yes	NA
<b>TOTAL</b>					<b>945.96</b>		

**(e) CSR amount spent or unspent for the Financial Year:**

Total Amount spent for the FY 2023-24 (₹ in lakhs)	Amount unspent (₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
945.96			NIL		

**(f) Excess amount for set-off, if any:**

Sr. No.	Particular	Amount (₹ in lakhs)
i.	Two Percent of average net profit of the Company as per Section 135(5) (Net of amount available for set-off from previous year ₹ 158.85 lakhs)	911.86
ii.	Total Amount spent for the FY 2023-24	945.96
iii.	Excess Amount spent for the FY 2023-24 [ii-i]	34.10
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Year, if any.	Nil
v.	Amount available for Set off in succeeding Financial Years [iii-iv]	34.10

**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to Section 135(5), if any.		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
NA								

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No**

**9. Specify the reason(s), if the Company has failed to spend two percent of the average Net Profit as per Section 135 (5). Not Applicable**

**Arvind Jayaswal**  
Chairman  
Chairman, CSR Committee  
(DIN: 00249864)

Place: Nagpur  
Date: 14<sup>th</sup> August, 2024

**ANNEXURE – B**

**Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as per Section 134 (3) (m) of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014.**

**A. Conservation of Energy –**

**i) The steps taken or impact on conservation of energy:**

1. Installation of Variable Frequency Drive (VFD) for Boiler feed pump -1 at Power Plant-2.
2. Installation of Variable Frequency Drive (VFD) for Boiler feed pump -1 at Power Plant-3.
3. Installation of 20 MVAR (megavolt-amperes reactive) capacitor bank at in-door substation.
4. Installation of 3 Numbers Variable Frequency Drive (VFD) for Return fines root at Sinter Plant.

**ii) The steps taken by the Company for utilising alternate sources of energy/optimising the use of energy:**

20 MVAR (megavolt-amperes reactive) Capacitor Bank commissioned in October-2023 for improving power factor resulting in energy saving.

**iii) The capital investment on energy conservation equipments:**

1. Variable Frequency Drive (VFD) Power Plant -2 (Cost of Investment: ₹ 10,00,000/-)
2. Variable Frequency Drive (VFD) Power Plant-3 (Cost of Investment ₹ 10,00,000/-)
3. 20 MVAR (megavolt-amperes reactive) capacitor bank (Cost of Investment ₹ 1,25,00,000/-)
4. Variable Frequency Drive (VFD) Sinter Plant (Cost of Investment ₹ 55,000/-)

**B. Technology Absorption –**

**i) The efforts made on technology absorption and advantages achieved:**

1. Light Bar Mill (LBM) hot saw blade tonnage/blade life increased from 15,000 to 21,000 by installing additional pump assembly to increase pressure from 2-3 bar to 8-10 bar.
2. Coke Oven Sole plate Material of Construction (MOC) changed from SS 302 to SS 316 to eliminate the coal cake discharge problem.

3. Modification in Sinter breaker discharge chute to eliminate the frequent jamming problem.
4. Multiple countermeasures and modifications done to eliminate frequent failure of Drag Chain Conveyor in Pulverised Coal Injection (PCI).
5. Heavy Bar Mill (HBM) - Slow production while rolling round bar of size 60-70 mm at slow cooling route increased by modification in bar selecting arm to increase billet transfer rate from 2 layer at a time to 4 layers at a time. 332 MT production increased in slow cooling route after modification.

**ii) Technology imported during the last three years reckoned from beginning of the financial year:**

Sr. No.	Details of Technology Imported	Technology Imported from	Year of Import
1.	i) Multi Roll Straightening Machine, Ø 50-120mm ii) Shot Blasting M/c iii) Chamfering Machine iv) Common Handling System, Ø 20-120mm for above 3 Equipment.	M/s. Yantai Haige International Trading Co., Ltd., China	2023-24
2.	Eddy Current Testing Machine (ECT for Bright Bars, 5mm-35mm)	D. Foerster GmbH & Co. KG., Germany	2023-24
3.	Automatic Billet Grinding Machine	M/s Taiyuan Hengshan Machinery Co. Ltd., China	2023-24
4.	Nikons Advance Microscope with Clemax image analyser	Nikon, Japan	2023-24
5.	Micro Hardness Tester	Mitutoyo, Japan	2023-24
6.	Peeling Machine, Ø 19-80mm	M/s Yantai Haige Machine Tools Co. Ltd.	2023-24

**iii) The above technology has been fully absorbed.**

**iv) Expenditure incurred on Research and Development: Nil**

**C. Foreign Exchange Earnings and Outgo –**

Particulars	(₹ in lakhs)
	2023-24
Foreign Exchange earned in terms of Actual Inflows	4,954.99
Foreign Exchange spent in terms of Actual Outflows	85,340.64

For and on behalf of Board of Directors

**Arvind Jayaswal**  
Chairman  
(DIN: 00249864)

**Ramesh Jayaswal**  
Managing Director  
(DIN: 00249947)

Place: Nagpur  
Date: 14<sup>th</sup> August, 2024

**ANNEXURE – C****Form AOC-I****(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)****STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES****Part “A”: Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in ₹)

**Not Applicable**

The Company do not have any Subsidiary Company as on 31.03.2024.

1. Names of subsidiaries which are yet to commence operations.	--
2. Names of subsidiaries which have been liquidated or sold during the year.	--

**Part “B”: Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

Sr. No.	Name of Associate	Maa Usha Urja Limited
1.	Latest audited Balance Sheet date	31.03.2024
2.	Date on which the Associate or Joint Venture was associated or acquired	10.03.2011
3.	Shares of Associate held by the Company on the year end	
	No.	25,30,000 shares of ₹ 10/- each. *
	Amount of Investment in Associates	Nil*
	Extent of Holding %	31.63%
4.	Description of how there is significant influence	Significant influence is through holding of 31.63% of Equity shares jointly with other Promoter Group Companies.
5.	Reason why the associate is not consolidated	The Company holds the shares in its associate jointly with Promoter Group Companies which are the beneficial owners.
6.	Net worth attributable to Shareholding as per latest audited Balance Sheet	-
7.	Profit/Loss for the year	-
	i) Considered in Consolidation	-
	ii) Not Considered in Consolidation	-

\* 4,13,600 Equity shares of ₹ 10/- each are held by the Company jointly with Anurag Sales and Services Private Limited (the beneficial owner)

\* 21,16,400 Equity shares of ₹ 10/- each are held by the Company jointly with Nine Star Plastic Packaging Services Private Limited (the beneficial owner)

1. Names of associates or joint ventures which are yet to commence operations.	--
2. Names of associates or joint ventures which have been liquidated or sold during the year.	--

For and on behalf of Board of Directors

**Arvind Jayaswal**  
Chairman  
(DIN: 00249864)

**Ramesh Jayaswal**  
Managing Director  
(DIN: 00249947)

**Kapil Shroff**  
Chief Financial Officer

**Ashish Srivastava**  
Company Secretary  
(Membership No.: A20141)

Place: Nagpur

Date: 14<sup>th</sup> August, 2024**ANNEXURE – D****Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**JAYASWAL NECO INDUSTRIES LIMITED**  
CIN: L28920MH1972PLC016154  
F-8, MIDC Industrial Area, Hingna Road,  
Nagpur – 440 016 IN.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JAYASWAL NECO INDUSTRIES LIMITED** having CIN: L28920MH1972PLC016154 (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, representation and reports provided by the Company, its Board of Directors, its designated officers, and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024,

- complied with the statutory provisions listed hereunder and
- proper Board-processes and compliance-mechanism in place

to the extent, in the manner and subject to the reporting made hereinafter:

**A.** We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024 according to the provisions of:

- The Companies Act, 2013 (“the Act”) and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB): There were no such transactions related to FDI, ODI and ECB in the Company during the period under audit.

(v) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 (SEBI Act):-

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

(vi) Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company during the audit period for the financial year ended 31<sup>st</sup> March, 2024:-

- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share-Based Employee Benefits) Regulations, 2014;
- The Securities and Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

(vii) For the other applicable laws our audit was limited to:-

- Factories Act, 1948;
- Industries (Development & Regulation) Act, 1951;
- The Electricity Act, 2003 and rules issued thereunder;
- Indian Boilers Act, 1923 and rules issued thereunder;
- Labour Laws and other incidental laws and rules issued thereunder related to Labour and employees appointed by the Company either on its payroll or on contractual basis as related to Wages, Gratuity, Provident Fund, ESIC, Compensation etc.;
- Acts and rules prescribed under Prevention and Control of Pollution;



- (g) Acts and rules prescribed under Environment Protection;
- (h) Acts and rules prescribed under Direct Tax and Indirect Tax;
- (i) Land Revenue laws of respective States;
- (j) Labour Welfare Act of respective States;
- (k) Acts and rules prescribed for mining activities;
- (l) Local laws as applicable to various Offices & Plants.

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**We report that**, during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that,**

1. The Company has obtained all necessary approvals under various provisions of the Act such as, wherever necessary;
2. The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other Companies and interest in other entities;
3. There was no prosecution initiated against or show cause notice received by the Company during the financial year under review under the Companies Act, SEBI Act, Depositories Act, and rules, regulations and guidelines under these Acts;
4. During the year, it was observed that few challans of e-forms were paid with an additional fee.

**We further report that**, the Compliance by the Company of applicable financial laws like direct and indirect tax laws has not been reviewed in this audit since the same has been subject to review/ audit by other designated professionals/ Auditors.

**B. We further report that:**

- The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors including Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013 and the Listing Regulations.

- During the period under review, it was observed that there was an appointment of Shri Ashish Srivastava as the Company Secretary and Compliance Officer (Key Managerial Personnel) of the Company w.e.f. 15<sup>th</sup> April, 2023.
- During the period under review, it was observed that Shri Megh Pal Singh (DIN: 02635073) ceased from the Directorship of the Company w.e.f. 12<sup>th</sup> November, 2023 due to completion of his tenure of appointment & Shri Basant Lall Shaw (DIN: 00249729) stepped down from the position of Chairman & Non-Executive Director of the Company w.e.f. 24<sup>th</sup> November, 2023 (close of business hours).
- During the period under review, it was observed that Shri Sangram Keshari Swain (DIN: 10368704) was appointed as Whole-time Director (Executive Director) for a period of 5 (Five) years w.e.f. 13<sup>th</sup> November, 2023.
- During the period under review, it was observed that the Company has re-designate the position of Shri Arvind Jayaswal (DIN:00249864) from Managing Director to Chairman- Whole-Time Director w.e.f. 25<sup>th</sup> November, 2023.
- During the period under review, it was observed that the Company has re-designate the position of Shri Ramesh Jayaswal (DIN: 00249947) from Joint Managing Director to Managing Director w.e.f. 25<sup>th</sup> November, 2023.
- During the period under review, it was observed that Shri Rajendraprasad Mohanka (DIN: 00235850) was re-appointed as an Independent Director of the Company for a further period of 5 (Five) years w.e.f. 27<sup>th</sup> July, 2023.
- The Board composition meets the LODR requirements. The Company has 6 Independent Directors on the Board.
- Adequate Notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting.
- Majority decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be and while the dissenting members' views if any are captured and recorded as part of the minutes.
- The Company has obtained all necessary approvals under the various provisions of the Act.

- C. We further report that**, the Company had made allotment of 3,20,000 (Three Lakh Twenty Thousand) unlisted, secured, redeemable, non-convertible debentures of a face value of

₹ 1,00,000 (Rupees One Lakh Only) each, aggregating up to ₹ 3200,00,00,000 (Rupees Three Thousand Two Hundred Crores Only) ("Debentures"), on a private placement basis, on 14<sup>th</sup> December, 2023 for, *inter alia*, refinancing of the existing debt of the Company.

Also, the Company further made private placement on 10<sup>th</sup> February, 2024 by issuing 28,08,766 (Twenty-Eight Lakhs Eight Thousand Seven Hundred & Sixty-Six) units of Zero Coupon unlisted, unsecured, redeemable non-convertible debentures having face value of ₹100 (Rupees Hundred only) each, by converting outstanding balance of ₹ 28,08,76,600/- (Rupees Twenty-Eight Crore Eight Lakhs Seventy Six Thousand Six Hundred only) in the Company's

Place: Nagpur  
Date: 24<sup>th</sup> May, 2024

**Encl. ANNEXURE I  
ANNEXURE II**

**Note:** This report is to be read with our letter of even date which is annexed as 'ANNEXURE I and ANNEXURE II' and forms an integral part of this report.

Books of Account in relation to Maa Usha Urja Limited (MUUL), Related Party of the Company.

- D. We further report that**, there are *prima facie* adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

- E. We further report that**, during the audit period, there were no other specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines etc., having major bearing on the Company's affairs.

**R.A. DAGA & Co.**  
Company Secretaries

**Rachana Daga**  
Proprietor  
Membership No.: 5522  
C. P. No.: 5073  
PR No.: 1568/2021  
UDIN: F005522F000440726

**ANNEXURE I**

To,  
The Members,  
**Jayaswal Neco Industries Limited**  
CIN: L28920MH1972PLC016154  
F-8, MIDC Industrial Area, Hingna Road,  
Nagpur.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**R.A. DAGA & Co.**  
Company Secretaries

**Rachana Daga**  
Proprietor  
Membership No.: 5522  
C. P. No.: 5073  
PR No.: 1568/2021

Place: Nagpur  
Date: 24<sup>th</sup> May, 2024

**ANNEXURE II**

- **Registered office & Corporate office:**

F-8, MIDC Industrial Area, Hingna Road, Nagpur – 440 016.

- **List of Plants and their locations:**

1. Steel Plant Division – Siltara Growth Centre, Raipur (CG).
2. Centricast Division – MIDC Area, Hingna Road, Nagpur (MH).
3. Engineering Castings Division – MIDC Area, Hingna Road, Nagpur (MH).
4. Automotive Castings Division – Butibori, Nagpur (MH).
5. Construction Castings Division – Thanod Road, Anjora, Rajnandgaon (CG).

Place: Nagpur  
Date: 24<sup>th</sup> May, 2024

**R.A. DAGA & Co.**  
Company Secretaries

**Rachana Daga**  
Proprietor  
Membership No.: 5522  
C.P. No.: 5073  
PR No.: 1568/2021



## ANNEXURE – E

**Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended and forming part of the Boards' Report for the year ended 31<sup>st</sup> March, 2024.****i) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24:**

Sr. No.	Name of Directors	Ratio
1	Shri Basant Lall Shaw (Up to 24 <sup>th</sup> November, 2023)	0.30
2	Shri Arvind Jayaswal	38.52
3	Shri Ramesh Jayaswal	38.52
4	Shri Megh Pal Singh (Up to 12 <sup>th</sup> November, 2023)	13.85
5	Shri Sangram Keshari Swain (w.e.f. 13 <sup>th</sup> November, 2023)	9.31
6	Shri Davinder Kumar Chugh	0.42
7	Shri Atul Gupta	0.36
8	Shri Brajkishore Hargovind Agrawal	0.53
9	Shri Rajendraprasad Shriniwas Mohanka	0.40
10	Shri Ashwini Kumar	0.36
11	Smt. Kumkum Rathi	0.36
12	Shri Manoj Balkrishna Shah	0.42
13	Shri Vinod Kumar Kathuria	0.36

**ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2023-24:**

Sr. No.	Name of Directors/KMP	Designation	% increase/ (decrease) in Remuneration Paid
1	Shri Basant Lall Shaw* (Up to 24.11.2023)	Chairman	25.00
2	Shri Arvind Jayaswal	Managing Director & CEO (Foundry Division) (Up to 24.11.2023) Chairman & Whole time Director (w.e.f. 25.11.2023)	7.00
3	Shri Ramesh Jayaswal	Jt. Managing Director & CEO (Steel Plant Division) (Up to 24.11.2023) Managing Director (w.e.f. 25.11.2023)	7.00
4	Shri Megh Pal Singh# (Up to 12.11.2023)	Executive Director (Steel) & COO (Steel Plant Division)	--
5	Shri Sangram Keshari Swain# (w.e.f. 13.11.2023)	Executive Director	--
6	Shri Davinder Kumar Chugh*	Nominee Director	52.17
7	Shri Atul Gupta*	Nominee Director	50.00
8	Shri Brajkishore Hargovind Agrawal*	Independent Director	41.94
9	Shri Rajendraprasad Shriniwas Mohanka*	Independent Director	50.00
10	Shri Ashwini Kumar*	Independent Director	50.00
11	Smt. Kumkum Rathi*	Independent Director	50.00
12	Shri Manoj Balkrishna Shah*	Independent Director	45.83
13	Shri Vinod Kumar Kathuria*	Independent Director	50.00
14	Shri Kapil Shroff # (w.e.f. 25.02.2023)	Chief Financial Officer	--
15	Shri Ashish Srivastava# (w.e.f. 15.04.2023)	Company Secretary and Compliance Officer	--

\*The Non-Executive Directors were paid only sitting fees based on the number of meetings held/attended during the year/previous year. There was no change in sitting fees during the year. Therefore, % increase in remuneration/sitting fees paid to these Directors are non-comparable.

#Since the remuneration of these Directors/KMP is only for part of the year/previous year, percentage increase in remuneration over previous year is not provided.

iii) The percentage increase in the median remuneration of employee(s) in the financial year 2023-24: 15.04%

iv) The number of permanent employees on the roll of the Company: 4,261 Employees as on 31<sup>st</sup> March, 2024.

v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentile increase in Salaries of Non-Managerial Personnel is 14.88%.

Average percentile increase in Salaries of Managerial Personnel is 23.16%.

The increase in remuneration is not solely based on Company's performance but also includes various other factors like individual performance, experience, relevant expertise, skills, academic background, industry trends, economic situation and future growth prospects etc. besides Company's performance. There were no exceptional circumstances for the increase in managerial remuneration in comparison to remuneration of other employees.

vi) The remuneration paid to the Directors is as per the Remuneration Policy of the Company.

**vii) Statement of Particulars of Employees as per Section 197 of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended and forming part of the Boards' Report for the year ended 31<sup>st</sup> March, 2024:**

Sr. No.	Name of the Employee	Designation/ Nature of Employment	Age/ Qualification	Experience	Remuneration (₹ in lakhs)	Last Employment	Date of Appointment	Equity holding %
1	Shri Arvind Jayaswal	Managing Director & CEO (Foundry Division) (Up to 24.11.2023) Chairman & Whole time Director (w.e.f. 25.11.2023)/ Contractual	70, B.Sc.	47	160.85	Managing Director of Jayaswals Neco Limited	01.01.1998	0.52
2	Shri Ramesh Jayaswal	Jt. Managing Director & CEO (Steel Plant Division) (Up to 24.11.2023) Managing Director (w.e.f. 25.11.2023)/ Contractual	64, B.Com.	40	160.85	Whole time Director of Nagpur Alloy Castings Limited	01.01.1998	0.52
3	Shri Avneesh Jayaswal	Group Director	38, B.B.A.	13	166.24	--	01.08.2011	--
4	Shri Sangram Keshari Swain	Associate Director (Metal Mines) (Up to 12.11.2023) Executive Director (w.e.f. 13.11.2023)	56, B. E. (Metallurgy)	32	109.49	Midwest Iron & Steel Co. Ltd.	11.09.1995	--
5	Shri Rajkamal Shrivastava	President (Material Management)	61, B.Com., LLB, PGDM & SM	39	99.53	Sunflag Iron & Steel Co. Ltd.	14.08.2003	0.01
6	Shri Prashant Laxmikant Dande	President (Marketing)	57, B.E. (Metallurgy)	34	101.11	Kalyani Steels Limited	08.10.2021	--
7	Shri Bijendra Kumar Tiwari	President (Works)	53, B.E.(METT.), M.TECH. (IND. METT.)	27	100.17	Hospet Steels Limited	12.12.2019	--
8	Shri Susanta Kumar Moitra	Associate Director (Business Development)	59, M.Com., D.B.M. and M.B.A.	33	94.45	House of Kedia, Bhilai	10.10.2001	0.00
9	Shri Kapil Shroff	Chief Financial Officer	45, B.Com., F.C.A, D.I.S.A.	24	89.65	Sunflag Iron & Steel Co. Ltd.	15.05.2004	--
10	Shri Vivek Tiwary	Vice President, Finance & Accounts	59, B.Com, CA, ICWA	37	77.06	Practising Chartered Accountant	30.04.1997	--

**Notes:**

i) Remuneration includes Salary and allowances.

ii) Shri Arvind Jayaswal, Shri Ramesh Jayaswal and Shri Avneesh Jayaswal are related to each other.

For and on behalf of Board of Directors

Place: Nagpur  
Date: 14<sup>th</sup> August, 2024

**Arvind Jayaswal**  
Chairman  
(DIN: 00249864)

**Ramesh Jayaswal**  
Managing Director  
(DIN: 00249947)

# Corporate Governance Report

[Pursuant to Part C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

## I COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's philosophy and ideology on Corporate Governance are driven by its values and principles, which are imbibed at all levels in the Company to ensure that it gains and retains the trust of our stakeholders. The Company endeavours to uphold the principles and practices of Corporate Governance to ensure transparency, integrity and accountability in its functioning, which are vital to achieve its Vision.

The vision of the Company is to be an organisation that continuously achieves economic value by optimising resources through operational excellence, powered by technology, driven by innovation, creating delight and to be a globally admired organisation that enhances sustainable industrial and business development and be the global benchmark in the field of its operation. Further, the mission of the Company is to achieve Sustainable Growth and Return on Investment by continuous improvement of Human Resources, Environment, Technology and Product.

Based on the above corporate principles (Vision and Mission), the Company considers compliance to be its highest priority and strengthen and enhance corporate governance on an ongoing basis as a priority for management, in order to meet the expectations of all of its stakeholders, including its shareholders and customers, with the aim of materialising the Company's sustainable growth and improving its medium- to long-term corporate value.

The Company is committed to sound principles of Corporate Governance with respect to all of its procedures, policies and practices. The Company has established systems, procedures and policies to ensure that its Board of Directors is well informed and well equipped to discharge overall responsibilities and provide management with the strategic direction catering to exigency of long-term shareholders value. The corporate governance principles implemented by the Company endeavour to protect,

recognise and facilitate shareholders' rights and ensure timely and accurate disclosures to them.

As we are growing day by day, we continue to raise our bar across our governance practices, ranging from our groundbreaking ESG commitments to best-in-class disclosure practices, Board independence, alignment to globally accepted norms and policies and our emphasis on digitally enabled, technology-led business.

The Company also continuously review its governance processes and systems to ensure the highest ethical and responsible standards are being practiced by the Company.

## II BOARD OF DIRECTORS

The Board of Directors of the Company comprises eminent and distinguished personalities with proficiency and vast experience in diversified sectors with an optimum mix of industrial, management and financial experts thereby ensuring the best interest of the stakeholders and the Company. The Company has a balanced and diverse Board which comprises Executive Directors, Non-Executive Directors and Independent Directors. In designing the Board's composition, several factors are considered, which include educational background, professional experience, gender, skills, knowledge, among others.

As on 31<sup>st</sup> March, 2024, the Board of the Company comprises of 11 (Eleven) Directors; with the composition of Executive, Non-Executive and Independent Directors.

During the financial year ended 31<sup>st</sup> March, 2024, 6 (Six) Board Meetings were held on i) 15.04.2023 ii) 23.05.2023 iii) 14.08.2023 iv) 03.11.2023 v) 24.11.2023 and vi) 25.01.2024.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the financial year under review and at the last Annual General Meeting and also the number of Directorships and Committee Memberships held by them in other companies and Name of Listed Entities in which they are Directors along with Category of Directorship are given below:

Sr. No.	Names of Directors and DIN	Designation and Category	Board Meetings Attended	Attended last AGM held on 26.09.2023	No. of Directorships in other Companies as on 31.03.2024*		No. of Memberships/ Chairmanship in Committee of Directors in other Companies**		Name of Listed Entity and Category of Directorship
					Director	Member	Chairman	Member	
1	Shri Basant Lall Shaw (DIN: 00249729) <sup>1</sup>	Chairman, Promoter, Non-Executive	5	Yes	3	-	-	-	-
2	Shri Arvind Jayaswal (DIN: 00249864) <sup>2</sup>	Chairman, Promoter, Executive	6	Yes	2	-	-	-	-
3	Shri Ramesh Jayaswal (DIN: 00249947) <sup>3</sup>	Managing Director, Promoter, Executive	6	Yes	3	-	-	-	-
4	Shri Sangram Keshari Swain (DIN: 10368704) <sup>4</sup>	Executive Director, Professional, Executive	2	No	1	-	-	-	-

Sr. No.	Names of Directors and DIN	Designation and Category	Board Meetings Attended	Attended last AGM held on 26.09.2023	No. of Directorships in other Companies as on 31.03.2024*		No. of Memberships/ Chairmanship in Committee of Directors in other Companies**		Name of Listed Entity and Category of Directorship
					Director	Member	Chairman	Member	
5	Shri Megh Pal Singh (DIN: 02635073) <sup>5</sup>	Executive Director (Steel) & COO (Steel Plant Division), Professional, Executive	3	No	-	-	-	-	-
6	Shri Brajkishore Agrawal (DIN: 01223894)	Independent, Non-Executive	6	No	-	-	-	-	-
7	Shri Ashwini Kumar (DIN: 07694424) <sup>6</sup>	Independent, Non-Executive	6	No	-	-	-	-	-
8	Shri Manoj Shah (DIN: 00010473)	Independent, Non-Executive	6	Yes	-	-	-	-	-
9	Smt. Kumkum Rathi (DIN: 03128864)	Independent, Non-Executive	6	Yes	-	-	-	-	-
10	Shri Vinod Kumar Kathuria (DIN: 06662559)	Independent, Non-Executive	6	No	5	2	2	1. Satia Industries Limited - Independent Director 2. A K Capital Services Limited - Independent Director 3. A. K. Capital Finance Limited - Independent Director	
11	Shri Rajendraprasad Mohanka (DIN: 00235850) <sup>7</sup>	Independent, Non-Executive	5	Yes	1	1	1	Sharda Ispat Limited - Independent Director	
12	Shri Davinder Kumar Chugh (DIN: 09020244) <sup>8</sup>	Nominee Director, Non-Executive	6	No	1	2	1	WAISL Limited - Non-Executive Director HEG Limited - Independent Director	
13	Shri Atul Gupta (DIN: 09314224) <sup>9</sup>	Nominee Director, Non-Executive	6	No	1	-	-	-	

(\*) Excluding Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.

(\*\*) Includes only Audit Committee and Stakeholders' Relationship Committee. Membership of the Directors in the Committees is including Chairmanship.

- Shri Basant Lall Shaw stepped down from the position of Chairman & Non-Executive Director of the Company w.e.f. 24<sup>th</sup> November, 2023 (close of business hours) and further appointed on the honorary position of 'Chairman Emeritus' w.e.f. 25<sup>th</sup> November, 2023. The Number of Directorships, Committee positions and shareholding details are as on the date of his cessation.
- Shri Arvind Jayaswal was re-designated from the position of Managing Director & CEO (Foundry Division) to Chairman- Whole Time Director w.e.f. 25<sup>th</sup> November, 2023.
- Shri Ramesh Jayaswal was re-designated from the position of Joint Managing Director & CEO (Steel Plant Division) to Managing Director w.e.f. 25<sup>th</sup> November, 2023.
- Shri Sangram Keshari Swain was appointed as Executive Director for a period of 5 (Five) years w.e.f. 13<sup>th</sup> November, 2023.
- Shri Megh Pal Singh ceased from the Directorship of the Company w.e.f. 12<sup>th</sup> November, 2023 due to completion of his tenure of appointment.
- Shri Ashwini Kumar was re-appointed as an Independent Director of the Company for a further period of 3 (Three) years w.e.f. 14<sup>th</sup> August, 2024.
- Shri Rajendraprasad Mohanka was re-appointed as an Independent Director of the Company for a further period of 5 (Five) years w.e.f. 27<sup>th</sup> July, 2023.
- Shri Davinder Kumar Chugh resigned from the Directorship of the Company w.e.f. 2<sup>nd</sup> May, 2024.
- Shri Atul Gupta resigned from the Directorship of the Company w.e.f. 9<sup>th</sup> May, 2024.

None of the Directors of the Company are *inter se* related to each other except Shri Arvind Jayaswal and Shri Ramesh Jayaswal, who are the brothers.

Details about Directors seeking Appointment/Reappointments at the forthcoming Annual General Meeting are given separately along with Notice convening the said Meeting.



### FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company has adopted a Policy on familiarisation programme for Independent Directors to provide them with an opportunity to familiarise themselves with the Company, its Management, its operations and the industry in which the Company operates. On appointment, an Independent Director receives a formal letter of appointment, setting out in detail the role, functions, duties and responsibilities expected of him as an Independent Director of the Company. Further, the Directors of the Company are updated on changes/ developments in domestic/ global corporate and industry scenario including those pertaining to statutes/ legislations and economic environment and on matters related to the Company covering its plants, products, marketing, competitors and other functions.

### CORE SKILLS/ EXPERTISE/ COMPETENCIES AVAILABLE WITH THE BOARD:

The Board of Directors of the Company has identified the list of core skills/ expertise/ competencies and the Directors possessing the same as required and available in the context of its business and sector for it to function effectively which are as follows:

Name of Director who has such Skills/ Expertise/ Competencies	Skills/ Expertise/ Competencies Required					
	Iron & Steel Sector Expert (Industry Experience)	Mining Expert (Industry Experience)	Accounting, Finance & Taxation, Law Expert (Technical Skills/ Experience)	Project Management, Commercial, Marketing Expert (Technical Skills/ Experience)	Board service and governance Expert (Governance Experience)	Leadership, Integrity and High ethical standards, Interpersonal relations, Mentoring, Effective Decision-Making skills (Behavioural Competencies)
Shri Arvind Jayaswal	√	--	√	√	--	√
Shri Ramesh Jayaswal	√	√	√	√	--	√
Shri Sangram Keshari Swain	√	√	--	√	--	√
Shri Brajkishore Agrawal	--	--	√	√	--	√
Shri Rajendraprasad Mohanka	--	--	√	√	--	√
Shri Manoj Shah	--	--	√	√	--	√
Shri Vinod Kumar Kathuria	--	--	√	--	√	√
Smt. Kumkum Rathi	--	--	√	--	√	√
Shri Ashwini Kumar	√	--	--	√	√	√

### CONFIRMATION OF INDEPENDENCE & REASONS FOR RESIGNATION OF INDEPENDENT DIRECTORS:

The Company has received declarations of independence as prescribed under Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") from the Independent Directors stating that they meet the criteria of Independence as provided in Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013. All requisite declarations were placed before the Board and upon perusal of such declarations, the Board viewed and took on record that the independent directors fulfil the conditions specified in Listing Regulations and the Companies Act, 2013 and are independent of the Management.

During the Financial Year 2023-24, no Independent Director resigned before the expiry of his/her tenure.

The details of Directors induction and familiarisation programme are available on the Company's Website at –

#### Details of Familiarisation Programme:

<https://www.necoindia.com/images/investor/corporate-governance/Familiarisation-Program-of-Independent-Director.pdf>

#### Details of hours spent by Independent Directors during the FY 2023-24:

[https://www.necoindia.com/pdf/investor/corporate-governance/Details%20of%20Familiarisation%20Programmes%20attended\\_Hours%20Spent%20by%20Independent%20Directors.pdf](https://www.necoindia.com/pdf/investor/corporate-governance/Details%20of%20Familiarisation%20Programmes%20attended_Hours%20Spent%20by%20Independent%20Directors.pdf)

The particulars of Members of the Committee and the number of Meetings attended by them during the year are as follows:

Sr. No.	Names of Members	Chairman/ Member	No. of Meetings attended
1	Shri Brajkishore Agrawal	Chairman	5
2	Shri Ramesh Jayaswal	Member	5
3	Shri Manoj Shah	Member	5
4	Shri Rajendraprasad Mohanka	Member	4

Shri Atul Gupta, Nominee Director, as an Observer to the Audit Committee attended all the 5 (Five) meetings of the Committee during the financial year ended 31.03.2024. He has resigned from the Directorship of the Company and consequently ceased from the position of Observer to the Audit Committee w.e.f. 09.05.2024.

The role and terms of reference of the Audit Committee are as per the provisions of Companies Act, 2013 and Listing Regulations which *inter alia* include the following:

- (1) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgement by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
- (5) reviewing, with the Management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle-blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee;



- (21) to review the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments;
- (22) to consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- (23) to seek information from employees, obtain outside legal/professional advice on the matters before it;
- (24) to perform all other functions as are required under the Listing Regulations as amended from time to time.

**IV NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee is constituted in terms of the provisions of Section 178 of the Companies Act, 2013 read with rules made thereunder and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, the Nomination and Remuneration Committee met 5 (Five) times on 15.04.2023, 23.05.2023, 03.11.2023, 24.11.2023 and 25.01.2024.

The composition and the attendance of Members at the Nomination and Remuneration Committee Meetings are as follows:

Sr. No.	Names of Members	Chairman/ Member	No. of Meetings attended
1	Shri Brajkishore Agrawal	Chairman	5
2	Shri Rajendraprasad Mohanka	Member	4
3	Shri Davinder Kumar Chugh*	Member	5

\*Shri Davinder Kumar Chugh resigned from the Directorship and consequently ceased from the position of Member of the Committee w.e.f. 02.05.2024.

Shri Manoj Shah appointed as Member of the Committee w.e.f. 11.07.2024 in place of Shri Davinder Kumar Chugh.

The Company Secretary acts as the Secretary to the Committee.

The terms of reference of Nomination and Remuneration Committee are as per the provisions of Companies Act, 2013 and Listing Regulations which *inter alia* include the following:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and

capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- (a) use the services of an external agencies, if required;
  - (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - (c) consider the time commitments of the candidates.
- (3) formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
  - (4) devising a policy on diversity of Board of Directors;
  - (5) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;
  - (6) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
  - (7) To recommend to the Board, all remuneration, in whatever form, payable to Senior Management;
  - (8) To perform all other functions as are required under the Listing Regulations as amended from time to time.

**Performance Evaluation Criteria for Directors including Independent Directors**

Pursuant to the provisions of Companies Act, 2013 and Regulation 17(10) of the Listing Regulations, an annual Board performance evaluation was conducted on 30<sup>th</sup> April, 2024 for the financial year 2023-24.

The Nomination and Remuneration Committee has devised a Policy for performance evaluation of Independent Directors, the Board, its committees and other individual Directors which include criteria for performance evaluation of the Non-Executive and Executive Directors.

The performance evaluation of the Board, its Committees and Individual Directors was conducted based on a questionnaire and feedback from all the Directors on the Board.

The evaluation of Independent Directors was carried out, by the entire Board, excluding the director being evaluated, based on their performance and fulfillment of the independence criteria prescribed under the Act and Listing Regulations, including their independence from the Company's Management. Further, all the Independent Directors of the Company have registered themselves in the Independent Directors Database of the Indian Institute of Corporate Affairs as mandated by the Ministry of Corporate Affairs.

Evaluation of the Board of Directors, its Committees and Individual Directors, including the role of the Board Chairman, was carried out by the Independent Directors in their meeting convened on 30<sup>th</sup> April, 2024. The Nomination and Remuneration Committee has also reviewed the performance of the Individual Directors based on their knowledge, level of preparation and effective participation in meetings, understanding of their role as a Director, etc.

The result of the performance evaluation was also placed/ presented before the Board of Directors in their meeting held on 30<sup>th</sup> April, 2024. The Directors have expressed their satisfaction with the evaluation process.

The appointment/ re-appointment/ continuation of Directors on the Board is based on the outcome of evaluation process.

**V SHARE TRANSFER-CUM-STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Company has a Share Transfer-Cum-Stakeholders Relationship Committee in terms of the provisions of Section 178 of the Companies Act, 2013 read with rules made thereunder and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Shri Brajkishore Agrawal, Non-Executive – Independent Director, is the Chairman of the Committee.

Shri Ashish Srivastava, Company Secretary of the Company acted as the Compliance Officer in terms of Regulation 6 of the Listing Regulations. He also acted as the Secretary of this Committee.

Investors' grievances are addressed within specified timelines from the date of receipt, provided the documents are complete in all respects. During the year, one Complaint was received from a Shareholder and the same was resolved and there were no other shareholders complaints pending/unresolved as on 31<sup>st</sup> March, 2024.

During the year, the Committee met 20 (Twenty) times on 11.04.2023, 20.04.2023, 02.05.2023, 15.05.2023, 17.05.2023, 21.06.2023, 26.06.2023, 11.07.2023, 08.08.2023, 11.10.2023, 06.11.2023, 24.11.2023, 11.12.2023, 29.12.2023, 13.01.2024, 25.01.2024, 03.02.2024, 12.02.2024, 01.03.2024 and 23.03.2024.

The composition and the attendance of Members of the Share Transfer-Cum-Stakeholders Relationship Committee meetings are as below:

Sr. No.	Names of Members	Chairman/ Member	No. of Meetings attended
1	Shri Brajkishore Agrawal	Chairman	19
2	Shri Arvind Jayaswal	Member	20
3	Shri Ramesh Jayaswal	Member	20

The terms of reference of the Committee *inter alia* include the following:

- (1) resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.;
- (2) review of measures taken for effective exercise of voting rights by Shareholders;
- (3) adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent and various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends; and
- (4) review of the various measures and initiatives taken for ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.

**VI RISK MANAGEMENT COMMITTEE**

The Board constituted the Risk Management Committee in terms of the provisions of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Risk Management Committee periodically review the risk matrix and ensure that the executive management controls risk through properly defined framework. During the year, the Risk Management Committee met 2 (Two) times on 27.04.2023 and 20.10.2023.

The composition and the attendance of Members of the Risk Management Committee meetings are as below:

Sr. No.	Names of Members	Chairman/ Member	No. of Meetings attended
1	Shri Arvind Jayaswal	Chairman	2
2	Shri Brajkishore Agrawal	Member	2
3	Shri Kapil Shroff	Member	2

The terms of reference of Risk Management Committee are as under -

- (1) To formulate and review the Risk Management Policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- (4) To periodically review the risk management policy considering the changing industry dynamics and evolving complexity.
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

## VII CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee is constituted by the Board in accordance with provisions of Section 135 of the Companies Act, 2013 read together with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The role of the Corporate Social Responsibility (CSR) Committee of the Board is to review, monitor and provide strategic direction to the Company's CSR practices. The Committee seeks to guide the Company in integrating its social and environmental objectives with its business strategies. The Committee has formulated and monitors the CSR Policy and recommends to the Board the CSR Annual Action Plan comprising the CSR Budget and CSR activities of the Company in terms of Companies Act, 2013.

During the year, the Corporate Social Responsibility Committee met 4 (Four) times on 05.05.2023, 24.07.2023, 19.10.2023 and 16.01.2024.

The composition and the attendance of Members at the Corporate Social Responsibility Committee meetings are as follow:

Sr. No.	Names of Members	Chairman/ Member	No. of Meetings attended
1	Shri Arvind Jayaswal	Chairman	4
2	Shri Ramesh Jayaswal	Member	3
3	Shri Brajkishore Agrawal	Member	4
4	Shri Sangram Keshari Swain*	Member	1

\*Appointed w.e.f. 13<sup>th</sup> November, 2023.

The terms of reference of Corporate Social Responsibility Committee are as under –

- (1) to formulate and recommend to the Board a Corporate Social Responsibility Policy which shall indicate the CSR activities that the Company shall pursue within the framework of activities mentioned in Schedule VII of the Companies Act, 2013 as amended from time to time;

- (2) to recommend the amount of expenditure to be incurred by the Company on the activities proposed to be carried out under the head CSR during the relevant financial year;
- (3) to monitor the Corporate Social Responsibility Policy of the Company from time to time;
- (4) to comply with the directions of the Board as may be given from time to time in connection with pursuing CSR activities, expenditure thereon and such other matters related thereto.

## VIII INDEPENDENT DIRECTORS' MEETING

The Statutory role of Independent Directors Meeting is to review the performance of Non-Independent Directors, the Board and the Chairman of the Company and also to assess quality, content and timeliness of the flow of information between the Company Management and the Board and its Committees.

During the year, the Independent Directors met on 25.01.2024 without the presence of Non-Independent Directors and members of the Management. The meeting of Independent Directors for performance evaluation was held on 30.04.2024.

## IX SENIOR MANAGEMENT PERSONNEL

As on the date of this Report, the particulars of Senior Management Personnel of the Company are as follows:

Sr. No.	Name	Designation
1	Shri Avneesh Jayaswal	Group Director
2	Shri Kapil Shroff	Chief Financial Officer
3	Shri Ashish Srivastava	Company Secretary
4	Shri Susanta Kumar Moitra	Associate Director (Business Development & Corporate Affairs)
5	Shri Bijendra Kumar Tiwari	President (Works)
6	Shri Rajkamal Shrivastava	President (Material Management)
7	Shri Alok Pandey	President (HRM)
8	Shri Prashant Dande	President (Marketing)
9	Shri Tembe Prasanna Kumar	President (Mines)
10	Shri Sanjay Agrawal*	Associate Director & Chief Marketing Officer

\*Appointed w.e.f. 14<sup>th</sup> August, 2024

## X POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT PERSONNEL AND THEIR REMUNERATION

The Nomination and Remuneration Committee has adopted a Policy which, *inter alia*, deals with the manner of selection of Members of the Board including Executive and Non-Executive Directors, Key Managerial Personnel and Senior Management Personnel and their remuneration. The details of the policy are as follows:

### 1. APPOINTMENT CRITERIA AND QUALIFICATION:

#### i) For Non-Executive Directors

- (a) The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- (b) In case of appointment of Independent Directors, the Nomination and Remuneration Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its functions and duties effectively.
- (c) The Nomination and Remuneration Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- (d) The Nomination and Remuneration Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:
  - i. Qualification, expertise and experience of the Directors in their respective fields;
  - ii. Personal, Professional or business standing;
  - iii. Diversity of the Board.
- (e) In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

#### ii) For Executive Directors including Managing/ Whole-time Director and Key Managerial Personnel (KMP) and Senior Management Personnel

For the purpose of selection, the Nomination and Remuneration Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria as laid down under the Companies Act, 2013 or other applicable laws.

The reappointment of the Directors including both Executive and Non-Executive Directors shall be based on the outcome of the evaluation process.

### 2. REMUNERATION:

#### i) For Non-Executive Directors

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees and reimbursement of expenses for participation in the Board/Committee meetings as detailed hereunder:

By way of sitting fees as under:

Board Meeting - ₹ 25,000/- per Meeting\*.

Audit Committee Meeting - ₹ 5,000/- per Meeting\*.

Nomination and Remuneration Committee Meeting - ₹ 5,000/- per Meeting\*.

Corporate Social Responsibility Committee Meeting - ₹ 5,000/- per Meeting\*

\*Subject to revision by the Board of Directors from time to time. The last revision was made w.e.f. 1<sup>st</sup> November, 2014.

Besides payment of sitting fee there is no pecuniary relationship or transactions of the Non-Executive Directors with the Company.

#### ii) For Executive Directors including Managing/ Whole-time Director, KMP and Senior Management Personnel

- (a) The remuneration/ compensation/ commission etc., as the case may be, to the Executive Directors including the Managing/Whole time Director shall be determined by the Nomination and Remuneration Committee in accordance with the provisions of the Companies Act, 2013 and Rules made thereunder and recommended to the Board for approval. The remuneration/ compensation/ commission, etc., as the case may be, shall be subject to the prior/post approval of the shareholders of the Company and shall be in accordance with the provisions of the Companies Act, 2013 and Rules made thereunder.

Further, the remuneration of Senior Management Personnel shall be determined by the Nomination and Remuneration Committee based on the standard market practices and HR Policies of the Company and recommended to the Board for approval.

- (b) The remuneration of the Executive Directors including Managing Director/ Whole Time Directors is broadly divided into a fixed component consisting of salary, allowances and perquisites as per Rules of the Company (within the limits approved by the Board and subject to requisite statutory approvals, if any).

No sitting fee is payable to Executive Directors of the Company for attending the Meetings of the Board and its Committees.

**3. TERM:**

The Term of the Directors including Managing/ Whole time Director/ Manager/ Independent Director shall be governed as per the provisions of the Companies Act, 2013 and Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time. The appointments of Managing/ Whole Time Directors are made under the service agreement.

**4. REMOVAL:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013 or under any other applicable Act, Rules and Regulations thereunder and/or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations, the Nomination and Remuneration Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel.

**5. DETAILS OF REMUNERATION PAID TO THE DIRECTORS:**

The details of Remuneration paid to Directors during the financial year 2023-24 and the number of Equity Shares held by them in the Capital of the Company are as follows:

Sr. No.	Names of Directors	Designation	Service Contract	Notice Period	Remuneration drawn Amount (₹ in lakhs)		No. of Equity Shares held	Stock Options Granted
					Salary, Allowances & Perquisites	Sitting fees		
1	Shri Basant Lall Shaw (Resigned on 24.11.2023)	Chairman	--	--	--	1.25	1,30,04,670	--
2	Shri Arvind Jayaswal	Managing Director & CEO (Foundry Division) (up to 24.11.2023) Chairman & Whole-time Director ( w.e.f. 25.11.2023)	01.01.2023 to 31.12.2025	3 months' notice	160.85 (*)	--	50,89,740	--
3	Shri Ramesh Jayaswal	Joint Managing Director & CEO (Steel Plant Division) (up to 24.11.2023) Managing Director ( w.e.f. 25.11.2023)	01.01.2023 to 31.12.2025	3 months' notice	160.85 (*)	--	50,89,740	--
4	Shri Sangram Keshari Swain (Appointed w.e.f. 13.11.2023)	Executive Director	13.11.2023 to 12.11.2028	3 months' notice	38.89(*)	--	--	--
5	Shri Megh Pal Singh (Retired on 12.11.2023)	Executive Director (Steel) & COO (Steel Plant Division)	13.11.2020 to 12.11.2023	3 months' notice	57.86(*)	--	--	--
6	Shri Brajkishore Agrawal	Independent Director	--	--	--	2.20	7,500	--
7	Shri Rajendraprasad Mohanka	Independent Director	--	--	--	1.65	--	--
8	Shri Ashwini Kumar	Independent Director	--	--	--	1.50	--	--
9	Smt. Kumkum Rathi	Independent Director	--	--	--	1.50	--	--
10	Shri Vinod Kumar Kathuria	Independent Director	--	--	--	1.50	--	--
11	Shri Manoj Shah	Independent Director	--	--	--	1.75	--	--
12	Shri Davinder Kumar Chugh (Resigned on 02.05.2024)	Nominee Director	--	--	--	1.75	--	--
13	Shri Atul Gupta (Resigned on 09.05.2024)	Nominee Director	--	--	--	1.50	--	--

Note: Company has not issued any Convertible Instruments.

**(\*) Break up of Remuneration of Executive Directors**

Sr. No.	Names of Directors	(Amount ₹ in lakhs)			
		Salary and Allowances	Prov. Fund	Perks	Total
1	Shri Arvind Jayaswal	151.13	9.72	--	160.85
2	Shri Ramesh Jayaswal	151.13	9.72	--	160.85
3	Shri Sangram Keshari Swain <sup>1</sup>	36.96	1.93	--	38.89
4	Shri Megh Pal Singh <sup>2</sup>	47.12	2.61	8.13*	57.86

\*Leave Encashment on retirement

(1) Appointed on 13<sup>th</sup> November, 2023.

(2) Ceased from the Directorship from 12<sup>th</sup> November, 2023 due to completion of his tenure of appointment.

**Other payments to Directors:**

During the year, the Company has paid an amount of ₹ 11.91 lakhs each to Shri Arvind Jayaswal, Chairman and Shri Ramesh Jayaswal, Managing Director as Rent for taking on lease the properties owned by them at Hyderabad for carrying on some of the operations of the Company.

**XI GENERAL MEETINGS****1. The location, date and time of the Annual General Meeting held during the last three financial years are as under:**

For the year ended	Location	Date	Time
31.03.2023	Through VC / OAVM (Deemed Venue: F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440 016).	26.09.2023	12.30 p.m.
31.03.2022	Through VC / OAVM (Deemed Venue: F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440 016).	29.09.2022	12.30 p.m.
31.03.2021	Through VC / OAVM (Deemed Venue: F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440 016).	30.12.2021	12.30 p.m.

**2. Special Resolutions passed in the last three Annual General Meetings are as follows:****(a) Annual General Meeting held on 26.09.2023**

- Re-appointment of Shri Rajendraprasad Shrinivas Mohanka (DIN: 00235850) as an Independent Director of the Company for the second & final term of 5 (five) years effective from 27<sup>th</sup> July, 2023 till 26<sup>th</sup> July, 2028.

**(b) Annual General Meeting held on 29.09.2022**

- Continuance of Shri Rajendraprasad Shrinivas Mohanka (DIN: 00235850) as an Independent Director of the Company, to hold the office for the remaining tenure up to 26<sup>th</sup> July, 2023.

**(c) Annual General Meeting held on 30.12.2021**

- Appointment of Shri Ashwini Kumar (DIN: 07694424) as an Independent Director of the Company, for a term of 3 (Three) consecutive years w.e.f. 14<sup>th</sup> August, 2021.
- Appointment of Smt. Kumkum Rathi (DIN: 03128864) as an Independent Director of the Company, for a term of 3 (Three) consecutive years w.e.f. 21<sup>st</sup> October, 2021.
- Appointment of Shri Manoj Shah (DIN: 00010473) as an Independent Director of the Company, for a term of 3 (Three) consecutive years w.e.f. 21<sup>st</sup> October, 2021.
- Appointment of Shri Vinod Kathuria (DIN: 06662559) as an Independent Director of the Company, for a term of 3 (Three) consecutive years w.e.f. 11<sup>th</sup> November, 2021.

**4. Special Resolutions passed in Extra-Ordinary General Meeting during the financial year 2023-24.**

During the financial year 2023-24, one Extra-Ordinary General Meeting held on 21<sup>st</sup> December, 2023, in which the following special resolutions were passed.

- To approve the re-appointment of Shri Ashwini Kumar (DIN: 07694424) as an Independent Director for a second and final term of 3 (Three) years effective from 14<sup>th</sup> August, 2024 till 13<sup>th</sup> August, 2027.
- To approve the alterations to the Articles of Association of the Company.

**XII MEANS OF COMMUNICATION**

Effective communication of consistent, comparable, relevant and reliable information is an effective component of Corporate Governance. It is a process of sharing information, thoughts, opinion and plans to all stakeholders which promote management-shareholder relations.

**Quarterly Results:**

The quarterly, half-yearly and annual results of the Company are generally published in Loksatta, Indian Express and Financial Express and are displayed on its website ([www.necoindia.com](http://www.necoindia.com)).

**News releases, presentation:** Official news releases and official media releases which are relevant are sent to Stock Exchanges and are also displayed on the Company's website. Normally, the Company does not make any presentations to the Institutional Investors or the Analysts. Wherever it is required presentations will be made to the Institutional Investors or to the Analysts.

The Company regularly interacts with the shareholders through multiple channels of communication such as publication of results, Annual Report, press releases after the Board Meeting. The Company also informs the Stock Exchanges in a prompt manner, all price sensitive information and all such other matters which in its opinion, are material and relevant for the shareholders.

**3. Special Resolutions passed through Postal Ballot during financial year 2023-24.**

During the financial year 2023-24, there was no item for which special resolution was sought / passed through postal ballot. Further, there is no proposal for passing of a special resolution by way of Postal Ballot in near future.



**Website:** The Company's website ([www.necoindia.com](http://www.necoindia.com)) contains a separate dedicated section 'Investors' (<https://www.necoindia.com/disclosure-under-regulation-46-of-the-lodr.php>) where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

**Annual Report:** The Annual Report containing, *inter alia*, Audited Annual Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussions and Analysis Report forms part of the Annual Report and is displayed on the Company's website ([www.necoindia.com](http://www.necoindia.com)).

**NSE Electronic Application Processing System (NEAPS):** The NEAPS is web-based application designed by NSE for corporates to make submissions. All periodical compliance filings like shareholding pattern, corporate governance report, corporate announcements etc. are filed electronically on NEAPS.

**BSE Corporate Compliance and Listing Centre (the 'Listing Centre'):** BSE's Listing Centre is a web-based application designed by BSE for corporates to make submissions. All periodical compliance filings like shareholding pattern,

corporate governance report, corporate announcements etc. are also filed electronically on the Listing Centre.

**SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

**Online Dispute Resolution Portal ('ODR Portal'):** A mechanism to streamline and strengthen the existing dispute resolution in the Indian Securities Market, SEBI vide Circular No. SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2023/195 dated 31<sup>st</sup> July, 2023 (updated as on 20<sup>th</sup> December, 2023), introduced the ODR Portal. This mechanism enhanced the degree of regulatory supervision by SEBI over disputes between aggrieved parties and the ODR order is binding on both the parties to the dispute. Pursuant to above-mentioned circulars, the aggrieved party can initiate the mechanism through the ODR portal, after exercising the primary options to resolve the issue directly with the Company and through the SCORES platform.

### XIII GENERAL SHAREHOLDER INFORMATION:

- The Company is registered in the State of Maharashtra, India with the Registrar of Companies, Mumbai. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L28920MH1972PLC016154.
- Annual General Meeting**  
Date, Time and Venue : Saturday, 28<sup>th</sup> September, 2024 at 12:30 P.M.  
Through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM")
- Book Closure Date** : 22<sup>nd</sup> September, 2024 to 28<sup>th</sup> September, 2024  
(Both days inclusive).
- Dividend Payment Date** : Not Applicable since no dividend is proposed.
- Financial Year** : From 1<sup>st</sup> April to 31<sup>st</sup> March
- Financial Calendar For the Year ending** : 31<sup>st</sup> March, 2025

Sr. No.	Particulars	Tentative Date
i)	Unaudited Financial Results for the period of 3 months ending 30 <sup>th</sup> June, 2024.	On or before 14 <sup>th</sup> August, 2024
ii)	Unaudited Financial Results for the period of 3 months ending 30 <sup>th</sup> September, 2024.	On or before 14 <sup>th</sup> November, 2024
iii)	Unaudited Financial Results for the Period of 3 months ending 31 <sup>st</sup> December, 2024.	On or before 14 <sup>th</sup> February, 2025
iv)	Audited Financial Results for the year/3 months ending 31 <sup>st</sup> March, 2025.	On or before 30 <sup>th</sup> May, 2025
v)	Annual General Meeting for the year ending 31 <sup>st</sup> March, 2025.	On or before 30 <sup>th</sup> September, 2025

- Listing of Equity shares on :**
  - BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001.  
Stock Code – 522285.
  - National Stock Exchange of India Limited,**  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. 6/1,  
Bandra-Kurla Complex, 'G' Block, Bandra,  
Mumbai – 400 051.  
Stock Code – JAYNECOIND

ISIN: INE 854B01010

- Annual Listing fees for the year 2024-25 have been duly paid to both the above Stock Exchanges.
- Annual Custody/Issuer fee for the year 2024-25 have been duly paid to NSDL and CDSL.

#### 10. Stock Market Data:

- (a) Data on the closing share prices of the Company on Stock Exchanges during the year under review is as follows:

Month/Year	BSE Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	Price		Price	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr.'23	22.91	21.55	22.90	21.35
May'23	23.46	21.71	23.50	21.75
June'23	25.11	21.70	25.05	21.70
July'23	30.98	21.95	30.90	21.75
Aug.'23	31.99	26.72	31.90	26.50
Sep.'23	41.71	32.80	41.45	32.80
Oct.'23	39.71	33.75	39.70	33.60
Nov.'23	49.88	34.55	49.80	34.70
Dec.'23	51.84	44.00	51.85	44.00
Jan.'24	49.72	44.61	49.65	44.65
Feb.'24	62.67	46.99	62.45	46.85
Mar.'24	55.29	45.62	55.35	45.65

- (b) Equity Shares of the Company are regularly traded on both the Exchanges. During the year, approximately 1,726.82 lakhs Equity Shares were traded.

- (c) Share Price Performance relative to BSE Sensex and NSE Nifty

Financial Year 2023-2024	Percentage Change		
	Company	BSE Sensex	NSE Nifty
	125.01%	24.85%	28.61%

#### 11. Registrars and Transfer Agents:

The Company has appointed the following as Registrar and Transfer Agent for shares held in both physical form and electronic form:

##### Link Intime India Pvt. Ltd.

C-101,247 Park, L.B.S. Marg,  
Vikhroli West, Mumbai – 400 083.  
SEBI Reg. No. INR 000004058.

#### 12. Share Transfer and Investors Grievances Redressal System Equity Shares:

- (a) Physical Form

In terms of requirements of Regulation 40 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the request for transfer of securities shall not be processed unless the securities are held in the dematerialised form with Depositories. While

the request for transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.

Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/8 dated 25<sup>th</sup> January, 2022, has mandated the listed entities to issue securities for the following service requests only in dematerialised form: i. Issue of duplicate securities certificate; ii. Claim from Unclaimed Suspense Account; iii. Renewal/ Exchange of securities certificate; iv. Endorsement; v. Sub-division/Splitting of securities certificate; vi. Consolidation of securities certificates/folios; vii. Transmission; and viii. Transposition.

The shareholders holding shares in physical form are requested to get their shares dematerialised at the earliest to avoid any inconvenience while transferring the shares.

In terms of Regulation 40(9), the Company obtains, on an annual basis, a certificate, from a Company Secretary in Practice, with respect to due compliance of share transfer formalities by the Company.

**(b) Electronic Form**

The Company's Equity Shares are admitted into the Depository System of National Securities Depository Limited and Central Depository Services (India) Limited, as an eligible security under the Depositories Act, 1996.

As such, facilities for dematerialisation of the Company's Equity Shares is already operational vide ISIN: INE 854B01010 at both the Depositories. Investors are required to establish an account with a Depository Participant to hold and trade shares in the dematerialised form. Requests received from Shareholders through their Depository Participants for dematerialising the Equity Shares of the Company are processed by the Registrar within specified time from the date of receipt of such requests and are approved where requests are complete and in order in all respect.

**17. Commodity Price Risk and Hedging Activities**

**Fluctuation in commodity prices**

**Impact:**

The Company's raw material procurement mainly includes the import of Low Ash coking coal (Prime, Semi Prime and PCI Coal) and high quality non-coking coal. The Coking Coal prices reduced in the first half of the financial year, it witnessed upward trend subsequently before it cooled down again by March, 2024. The movement in the prices of Non-Coking Coal was less erratic during the Financial Year as compared to the last Financial year, it was largely static in the first half and moved downwards slowly in the second half of the Financial Year.

The Company meets its entire iron ore and fines requirements captively from its own iron ore mines.

The Company's finished rolled products are in the Alloy Steel Long Products segment which has largely a structured market more particularly for its Bar products. The Company's iron zone products i.e. surplus Pellets and Sponge iron post captive usage, Pig Iron and majority of the Wire Rod Rolled products are sold at the current market rates.

This Financial year the impact of the global inflationary pressures and reduction in the Global Iron and Steel Sector demand continued. Structurally the overall domestic iron and steel demand remained quite upbeat however the Alloy Steel Sector witnessed some slowdown in the domestic demand in the latter half of the Financial Year with the stagnation in the Interest rates at higher levels and effects of Model Code of Conduct pre-General Elections in the country and of the liquidation of old inventories by the Original Equipment Manufacturers.

Post General Election a stable Government and continued momentum and focus on Capital Expenditure in the Full year Union budget would be the key sensitivity drivers determining the domestic Auto Sector demand.

**Mitigation/Hedging:**

The Company had in the past augmented its steel facilities by creating value added steelmaking capacities and had implemented various cost reduction capex with an objective to gain benefits from Backward and Forward Integration and remain competitive by producing quality finished steel at low cost.

The Company's policy is to sell its iron and steel products by emphasising on the quality of its products, processes, discipline in meeting delivery schedules and enhancing overall customer experience and strive to fetch better prices for its products aligned though with the prevailing market trends.

The Company does not enter into any price hedging arrangements with its customers as the same is not a market standard practice. The Company also keeps a close watch on the iron and steel prices to gauge its impact on its earnings and be proactive in its strategies and tactics.

The Company actively engages in price negotiations for its Alloy Steel Bar products with its customers on a periodic basis, though its iron zone products and the majority of the Wire Rod Rolled products are largely sold at the current market rates.

The Company constantly tries to scout for cheaper sources of good quality coking coal, non-coking coal and at times Met coke internationally and or domestically and it negotiates hard while procuring them either at fixed prices or index linked prices depending on the prevailing and expected volatility in the prices. Further, the captive Iron Ore mines have been optimised for maximum mining with beneficiation of low-grade fines. The Company has become fully self-sufficient in meeting its Iron ore and fines requirement captively.

For lower quality non-coking coal procurement, the Company gets into coal linkages arrangements domestically at competitive prices to ensure their sustained supply.

The Company's key focus is on cost optimisation in procurement and production with focus on the desired quality, improvement of yields, reduction of wastages, eliminating breakdowns and accidents and producing products with full consciousness of its environmental friendliness.

**Foreign Exchange Risk and Hedging Activities**

**Currency exchange rate fluctuations**

**Impact:**

The majority of the earnings of the Company is in Indian Currency as its products are mainly sold in the domestic market. The Company's exports proportion is marginal.

On the import front, the Company mainly imports coking coal, non-coking coal and at times Met Coke as raw material from various countries where the

**13. Shareholding Pattern as on 31<sup>st</sup> March, 2024:**

Category	No. of Shares held	% of Total Shareholding	No. of Shareholders
<b>(A) Shareholding of Promoter and Promoter Group</b>			
Individuals:	2,86,17,790	2.95	5
Bodies Corporate:	48,62,21,144	50.07	13
<b>Sub-Total (A)</b>	<b>51,48,38,934</b>	<b>53.02</b>	<b>18</b>
<b>(B) Public Shareholding</b>			
<b>Institutions:</b> (Mutual Funds, Banks, NBFC, FPI)	9,62,799	0.10	24
<b>Non-Institutions:</b>			
a) Bodies Corporate, NRI, Clearing Members, LLP, HUF	38,78,19,156	39.94	1,515
b) Individuals			
i. Individual Shareholders holding nominal Share Capital up-to ₹2 lakhs.	2,37,27,049	2.44	43,351
ii. Individual Shareholders holding nominal Share Capital in excess of ₹2 lakhs.	4,36,50,306	4.50	289
<b>Sub-Total (B)</b>	<b>45,61,59,310</b>	<b>46.98</b>	<b>45,179</b>
<b>GRAND TOTAL</b>	<b>97,09,98,244</b>	<b>100.00</b>	<b>45,197</b>

**14. Distribution of shareholding as on 31<sup>st</sup> March, 2024:**

Shares of Nominal Value	Number of Shareholders	% of Holders	Total Amount (in ₹)	% of Amount
Up to 5000	37,189	81.19	5,15,12,960	0.53
5001 to 10000	3,685	8.05	3,14,09,110	0.32
10001 to 20000	2,002	4.37	3,20,32,480	0.33
20001 to 30000	759	1.66	1,98,83,250	0.20
30001 to 40000	349	0.76	1,27,53,250	0.13
40001 to 50000	432	0.94	2,07,78,130	0.22
50001 to 100000	629	1.37	4,89,92,890	0.51
100001 and Above	758	1.66	9,49,26,20,370	97.76
<b>Total</b>	<b>45,803</b>	<b>100.00</b>	<b>9,70,99,82,440</b>	<b>100.00</b>

**15. Dematerialisation of Shares and Liquidity:**

96,84,89,460 Equity Shares i.e. 99.74% of the total Equity Shares have been dematerialised up to 31.03.2024.

Presently, trading in Equity Shares of the Company on Stock Exchanges is permitted only in dematerialised form as per the Directions issued by the Securities and Exchange Board of India in that behalf.

**16.** The Company has no outstanding GDR's, ADR's, Warrants or any other Convertible Instruments.

exchange fluctuation may have a negative or positive impact on the Company's procurement costs.

#### Mitigation/Hedging:

The Company has Foreign Exchange Management Policy as part of its Risk Management Policy, and it takes a judgement call whether to hedge its forex exposures by booking forward covers, whenever required or to keep the forex exposure open considering the currency volatility and hedging costs as key drivers. The Company is not engaged in any forex speculation or buying derivate products.

#### 18. Plant Locations:

- Steel Plant Division – Siltara Growth Centre, Raipur (Chhattisgarh).
- Centricast Division – F-8 & F-8/1, MIDC Area, Hingna Rd, Nagpur (Maharashtra).
- Engineering Castings Division – T-41/42, MIDC Area, Hingna, Nagpur (Maharashtra).
- Automotive Castings Division – Village Ruikhairi, Wardha Road, Butibori, Nagpur (Maharashtra).
- Construction Castings Divisions – Thanod Road, Anjora, Dist. Rajnandgaon (Chhattisgarh).

#### 19. Address for Investor Correspondence:

##### Registered Office:

##### Jayaswal Neco Industries Limited

F-8, MIDC Industrial Area, Hingna Road, Nagpur – 440 016.

Ph. Nos. 07104-237276

E-mail: contact@necoindia.com

##### Registrar and Transfer Agents Office:

##### Link Intime India Private Limited

C-101, 247 Park,

L.B.S. Marg, Vikhroli (West),

Mumbai – 400 083.

Ph. Nos. 022-49186270

E-mail: rnt.helpdesk@linkintime.co.in

#### XIV OTHER DISCLOSURES

- All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations

& Disclosure Requirements) Regulations, 2015, during the financial year were in the ordinary course of business and on an arm's length pricing basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Ind-AS has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website and is available at <https://necoindia.com/pdf/Policy%20on%20Related%20Party%20Transactions.pdf>

- During the last three years, no non-compliance has been made by the Company and no penalties or strictures imposed on the Company by Stock Exchanges, SEBI or any statutory authority in respect of any matter related to the capital market.
- The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism/Whistle-Blower Policy under which the employees are free to give their views on the accounting policies and practices of the Company, report unethical or undesirable behaviour or practices, actual and suspected fraud taking place in the Company, violations of Company's Code of Conduct or ethics policy. The reportable matters may be disclosed to the Audit Committee through the Company Secretary. In exceptional cases, employees may also report directly to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.
- The Board of Directors periodically reviewed the compliances of all applicable laws. The Company is in compliance of all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:
  - **Reporting of Internal Auditor:** The internal auditors of the Company directly report to the Audit Committee on functional matters.
- The Company does not have any material subsidiary as per the provisions of applicable listing regulations. However, the Board has approved a policy for determining Material Subsidiaries which has been uploaded on the Company's

website at <https://www.necoindia.com/pdf/Material-Subsidiaries.pdf>

- The Company has received a Certificate from M/s. R.A. Daga & Co., Practising Company Secretaries that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The said certificate is attached to the Corporate Governance report.
- There was no instance of non-acceptance of any recommendation of any committee of the Board which is mandatorily required by law or any regulations.
- The total fees for all services paid/payable by the Company on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part are as follows:

(Amount in ₹)			
Sr. No.	Name of Audit Firm	Services	Amount paid during the year
1.	M/s. Chaturvedi & Shah LLP	Limited Review & Statutory Audit Fees	92,90,000/-
<b>TOTAL</b>			<b>92,90,000/-</b>

- Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place a policy for Prevention of Sexual Harassment at Workplace in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. This policy applies to all individuals who are employed for the time being in any capacity at any location of the Company. The Internal Complaints Committee has been set up to redress the complaints received regarding sexual harassment.

The following is the summary of the complaints received and disposed-off during the financial year ended 31<sup>st</sup> March, 2024:

Number of Complaints Received	NIL	Number of Complaints disposed off	N.A.

- Disclosure of 'Loans and Advances in the nature of loans to Firms/Companies in which the Directors are interested':

Name of firms/companies in which directors are interested	Amount of Loans and advances in the nature of loans given during the year	Balance Outstanding at the end of the year
Nil	Nil	Nil

- Details of Utilisation of Funds raised through Preferential Allotment or Qualified Institutional Placement as specified under Regulation 32(7a):

During the year under review, the Company made preferential allotments of Debentures for *inter alia*, refinancing of the existing debt of the Company and by converting outstanding balance in the Company's Books of Account in relation to Maa Usha Urja Limited (MUUL), Related Party of the Company.

The Board of Directors at its meeting held on 3<sup>rd</sup> November, 2023, had accorded its approval for raising of funds up to an amount of ₹ 3200,00,00,000 (Rupees Three Thousand and Two Hundred Crores only) for, *inter alia*, refinancing of the existing debt of the Company, by way of issuance of Unlisted, Secured, Redeemable, Non-Convertible Debentures in one or more series/tranches, on private placement basis.

The Committee of Directors at its Meeting held on 14<sup>th</sup> December, 2023, approved the allotment of 3,20,000 Unlisted, Secured, Redeemable, Non-Convertible Debentures (NCDs) having face value of ₹ 100,000/- each aggregating to ₹ 3200,00,00,000/- (Rupees Three Thousand and Two Hundred Crores only) on private placement basis at a coupon rate of 17.50% p.a. for the tenure of 60 months from the date of allotment, subject to early repayment option/ mandatory redemption option in accordance with the Debenture Trust Deed and the other Transaction Documents (ISIN: INE854B07033).

The subscription proceeds of the NCDs have been utilised for (a) repayment of the existing facility availed from identified ACRE trusts; and (b) payment of costs, fees and expenses incurred in connection with the issue of the NCD.

Further, the Board of Directors at its meeting held on 25<sup>th</sup> January, 2024, had accorded its approval for the issue of 28,08,766 Unlisted, Unsecured, Redeemable, Non-Convertible Debentures by converting outstanding balance of ₹ 28,08,76,600/- (Rupees Twenty-Eight Crore Eight Lakhs Seventy-Six Thousand Six Hundred only) in the Company's Books of Account in relation to Maa Usha Urja Limited (MUUL), Related Party of the Company.

Accordingly, the Committee of Directors at its Meeting held on 10<sup>th</sup> February, 2024, approved the allotment of 28,08,766 Zero Coupon, Unlisted, Unsecured, Redeemable, Non-Convertible Debentures having a face value of ₹ 100/- (Rupees One Hundred) each aggregating to ₹ 28,08,76,600/- (Rupees Twenty Eight Crores Eight Lakhs Seventy Six Thousand Six Hundred only) ("Debentures/NCDs"), on private placement basis, for the tenure of 96 months from the date of allotment,



subject to Call Option exercised by the Company and Put Option exercised by MUUL after redemption of Existing NCDs (having allotment dated 14<sup>th</sup> December, 2023), on such terms and conditions as maybe agreed between the Company and MUUL (ISIN: INE854B08023).

There was no deviation or variation in the utilisation of proceeds of the aforesaid issues from the objects stated in the offer letters of the said issues. The Company has timely submitted the statement(s) as required under Regulation 32 of the Listing Regulations to both the exchanges where the shares of the Company are listed, namely, National Stock Exchange of India Limited and BSE Limited.

#### XV DETAILS OF NON-COMPLIANCE

There has been no instance of non-compliance with any legal requirements, particularly with any requirements of the Corporate Governance Report, during the year under review.

#### XVI CONFIRMATION OF COMPLIANCE

- The Company has complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) of the Listing Regulations. It has also fully complied with the requirements of para C, D & E of Schedule V of the Regulations.
- The Company has laid down Code of Conduct for the Directors and Senior Management Personnel of the Company and they have affirmed to the Board that they have adhered to the Code of Conduct during the year ended 31.03.2024 and the declaration to that effect from Managing Director is annexed to this report.
- The Certificate that the Company has complied with the conditions of Corporate Governance is annexed to the Report of the Board of Directors.

#### XVII DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT:

During the year, the Company was not required to transfer any shares to unclaimed suspense account.

#### XVIII DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES:

The Company does not have any agreement(s) that subsist as on the date of notification of clause 5A to para-A of part A of schedule III. Hence, the Company is not required to disclose the information relating to agreements under Clause 5A of paragraph A of Part A of Schedule III of Listing regulations.

For and on behalf of Board of Directors

Place: Nagpur  
Date: 14<sup>th</sup> August, 2024

**Arvind Jayaswal**  
Chairman  
(DIN: 00249864)

**Ramesh Jayaswal**  
Managing Director  
(DIN: 00249947)

#### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**JAYASWAL NECO INDUSTRIES LIMITED**  
F-8, MIDC INDUSTRIAL AREA, HINGNA ROAD,  
NAGPUR – 440 016.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of JAYASWAL NECO INDUSTRIES LIMITED having CIN: L28920MH1972PLC016154 and having registered office at F-8, MIDC INDUSTRIAL AREA, HINGNA ROAD, NAGPUR – 440 016 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Shri Arvind Jayaswal	00249864	28.11.1972
2	Shri Ramesh Jayaswal	00249947	05.03.1983
3	Shri Sangram Keshari Swain	10368704	13.11.2023
4	Shri Brajkishore Hargovind Agrawal	01223894	10.08.1994
5	Shri Rajendraprasad Shriniwas Mohanka	00235850	27.07.2018
6	Shri Manoj Balkrishna Shah	00010473	21.10.2021
7	Smt. Kumkum Rathi	03128864	21.10.2021
8	Shri Vinod Kumar Kathuria	06662559	11.11.2021
9	Shri Ashwini Kumar	07694424	14.08.2021
10	Shri Davinder Kumar Chugh	09020244	11.11.2021
11	Shri Atul Gupta	09314224	11.11.2021

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**R.A. DAGA & Co.**  
Company Secretaries

**Rachana Daga**  
Proprietor  
Membership No.: 5522  
C. P. No.: 5073  
PR No.: 1568/2021  
UDIN: F005522F000551287

Place: Nagpur  
Date: 10<sup>th</sup> June, 2024



**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE**

To,  
The Members of  
**JAYASWAL NECO INDUSTRIES LIMITED**

1. The Corporate Governance Report prepared by JAYASWAL NECO INDUSTRIES LIMITED ('the Company') for the financial year 2023-24 contains the details as stipulated in Regulations 17 to 27, clause (b) to (i) and (t) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations').
2. The Certificate is required by the Company for annual submission to the Stock Exchanges and to be sent to Shareholders of the Company.

**Management's Responsibility for compliance with the conditions of Listing Regulations**

3. The compliance of the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

**Our Responsibility**

4. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the financial year 2023-24.

**Opinion**

6. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance for the financial year 2023-24 as stipulated in the above-mentioned Listing Regulations.
7. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Restriction on use**

8. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Place: Nagpur  
Date: 14<sup>th</sup> August, 2024

**R.A. DAGA & Co.**  
Company Secretaries

**Rachana Daga**  
Proprietor  
Membership No.: 5522  
C. P. No.: 5073  
PR No.: 1568/2021  
UDIN: F005522F000926079

**CERTIFICATION ON FINANCIAL STATEMENTS**

We, Shri Ramesh Jayaswal, Managing Director and Shri Kapil Shroff, Chief Financial Officer of the Company certify that:

- A. We have reviewed Financial Statements and the Cash Flow Statement of the Company and Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2024 and that to the best of our knowledge and belief:
  1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- D. We have indicated to the Auditors and the Audit Committee that:
  1. there are no Significant changes in internal control over financial reporting during the year;
  2. there are no significant changes in accounting policies during the year; and
  3. there are no instances of significant fraud of which we have become aware.

Place: Nagpur  
Date: 30<sup>th</sup> April, 2024

**Ramesh Jayaswal**  
Managing Director  
(DIN: 00249947)

**Kapil Shroff**  
Chief Financial Officer

**CODE OF CONDUCT**

It is hereby declared pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that to the best of our knowledge and belief, all the Board Members and Senior Management Personnel have, for the year ended 31<sup>st</sup> March, 2024, adhered to the Code of Conduct laid down by the Company.

For Jayaswal Neco Industries Limited

Place: Nagpur  
Date: 30<sup>th</sup> April, 2024

**Arvind Jayaswal**  
Chairman  
(DIN: 00249864)

# Business Responsibility and Sustainability Report (BRSR)

## Section A: General Disclosures



### I. Details of the listed entity

Jayaswal Neco Industries Limited was established in the year 1972 having its registered office at Nagpur, Maharashtra. With strong footprint in the manufacturing of comprehensive Iron and steel, automotive and construction castings along with the captive mining of iron ore & limestone mines, the Company has become one of the leading Company in the alloy steel manufacturing sector. Iron ore & limestone is sourced from the captive mines located in the Chhattisgarh & Maharashtra for meeting the requirement of the integrated steel plant. The finished product portfolio of the Company comprises of Rolled Products, Billets, Sponge Iron, Pellet, Pig Iron & Skull and Iron & Steel Castings.

The Company is certified with Integrated Management System (IMS) and International Automotive Task Force (IATF) for its most stringent quality management system ensuring optimised processes promoting efficiency, focussing on systematic processes, increased customer satisfaction and continual improvement. The Company through its diverse product portfolio caters the requirement of automotive, engineering, power, railways, cement, construction, agriculture equipment, bearings, structural and fastener manufacturing industries in India.

1.	Corporate Identity Number (CIN) of the Listed Entity	L28920MH1972PLC016154
2.	Name of the Listed Entity	Jayaswal Neco Industries Limited (JNIL)
3.	Year of Incorporation	1972
4.	Registered office address	F-8, MIDC Industrial Area, Hingna Road, Nagpur – 440 016
5.	Corporate office address	D-3/1, Central MIDC Road, Hingna MIDC Industrial Area, Nagpur – 440 016
6.	E-mail	<a href="mailto:contact@necoindia.com">contact@necoindia.com</a>
7.	Telephone	Registered Office - 07104 - 237276, 237471, 237472
8.	Website	<a href="http://www.necoindia.com">www.necoindia.com</a>
9.	Financial year for which reporting is being done	FY 2023-24
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) BSE Limited (BSE)
11.	Paid-up Capital (Rs. in lakhs)	97,099.82
12.	Name and contact details (telephone, e-mail address) of the person for BRSR Reporting	Shri Sangram Keshari Swain Executive Director Telephone number: 07721-264264 E-mail ID: <a href="mailto:sangram.swain@necoindia.com">sangram.swain@necoindia.com</a>
13.	Reporting boundary	The disclosure under this BRSR is on standalone basis
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

### II. Products/Services

16. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing of Iron and Steel	Metal and Metal Products	100

17. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

Sl. No.	Product/Services	NIC Code	% of total Turnover contributed
1.	Billets/ Rolled Products/ Pellet/ Pig Iron & Skull/ Sponge Iron	2410	90.58%
2.	Iron & Steel Castings	2431	9.42%

### III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Sl. No.	Location	Number of plants	Number of offices	Total
1.	National	5	15	20
2.	International	Nil	Nil	Nil

19. Markets served by the entity

a) Number of locations

Sl. No.	Locations	Number
1.	National (Number of States)	28 States and 8 Union Territories
2.	International (Number of Countries)	7

b) What is the contribution of exports as a percentage of the total turnover of the entity?

Out of the total turnover of ₹ 5933.55 crores on standalone basis, the percentage of revenue from exports contribute to 0.75% (₹ 44.49 crores).

c) A brief on types of customers

JNIL is one of the largest alloy steel and ferrous casters in India. The product portfolio of Steel Plant Division of the Company comprises of wire rods, bars, bright bars, steel billets, pig iron, sponge iron and pellets. These high-quality products are having wide variety of applications in automotive, auto components, engineering, power, railways and construction sectors. The Company's major Steel Segment customers belong to Tier-2 manufacturing category who are delivering products and services to Original Equipment Manufacturers (OEMs).

The Engineering Casting and Automotive Casting Divisions are majorly involved in the production of cylinder heads, housings, hubs, carrier housing, parts for backhoe loader, R&B plates for metro rails, steel valves castings etc. which are used in the tractor manufacturing, construction application, petroleum refineries, irrigation, railways and commercial vehicles manufacturing.

The Centricast and Construction Casting Division of the Company are manufacturing pipes, fittings, manhole covers used in various construction activities.

JNIL through its products is catering to prestigious agencies/ companies including government, semi-government, public sector undertaking, municipal corporations, corporate clients, builders & civil contractors and EPC contractors.

### IV. Employees

20. Details as at the end of Financial Year:

a) Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Employees</b>						
1.	Permanent (D)	4261	4235	99.39%	26	0.61%
2.	Other than permanent (E)	Nil	Nil	NA	Nil	NA
<b>3.</b>	<b>Total employees (D+E)</b>	<b>4261</b>	<b>4235</b>	<b>99.39%</b>	<b>26</b>	<b>0.61%</b>
<b>Workers</b>						
4.	Permanent (F)	Nil	Nil	NA	Nil	NA
5.	Other than permanent (G)	5242	4918	93.82%	324	6.18%
<b>6.</b>	<b>Total workers (F+G)</b>	<b>5242</b>	<b>4918</b>	<b>93.82%</b>	<b>324</b>	<b>6.18%</b>



**b) Differently abled Employees and workers:**

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Differently abled Employees</b>						
1.	Permanent (D)	1	1	100%	Nil	NA
2.	Other than permanent (E)	Nil	Nil	NA	Nil	NA
<b>3.</b>	<b>Total Differently abled employees (D+E)</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>Nil</b>	<b>NA</b>
<b>Differently abled Workers</b>						
4.	Permanent (F)	Nil	Nil	NA	Nil	NA
5.	Other than permanent (G)	Nil	Nil	NA	Nil	NA
<b>6.</b>	<b>Total Differently abled workers (F+G)</b>	<b>Nil</b>	<b>Nil</b>	<b>NA</b>	<b>Nil</b>	<b>NA</b>

21. Participation/ Inclusion/ Representation of women.

	Total No. (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	11	1	9.09%
Key Management Personnel	5	Nil	NA

22. Turnover rate for permanent employees and workers.

Category	FY 2023-24			FY 2022-23			FY 2021-22		
	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)
Permanent employees	5.96%	14.81%	6.01%	8.48%	7.27%	8.47%	6.33%	7.41%	6.33%
Permanent workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

**V. Holding, Subsidiary and Associate Companies (including Joint ventures)**

23. Names of holding/ subsidiary/ associate companies/ joint ventures.

Sl. No.	Name of the Holding/ Subsidiary/ Associate Companies/ Joint Ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Maa Usha Urja Limited	Associate	31.63%*	No

\* 4,13,600 (5.17%) Equity shares of ₹ 10/- each are held by the Company jointly with Anurag Sales and Services Private Limited (the beneficial owner).  
 \* 21,16,400 (26.46%) Equity shares of ₹ 10/- each are held by the Company jointly with Nine Star Plastic Packaging Services Private Limited (the beneficial owner).

**VI. CSR details**

- 24. i. Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes
- ii. If yes, Turnover – (in ₹) 5,933.55 crores
- iii. Net worth - (in ₹) 2,018.44 crores

**VII. Transparency and Disclosures Compliances**

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGBRC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)  (If yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities		Nil	Nil	Nil	Nil	Nil	Nil
Investors (Other than Shareholders)		Nil	Nil	Nil	Nil	Nil	Nil
Shareholders	Yes, <a href="http://www.necoindia.com/corporate-governance.php">www.necoindia.com/corporate-governance.php</a>	1	Nil	Nil	Nil	Nil	Nil
Employees and workers		337	Nil	Nil	357	Nil	Nil
Customers		116	Nil	Nil	208	Nil	Nil
Value Chain Partners		Nil	Nil	Nil	Nil	Nil	Nil
Other (please specify)		Nil	Nil	Nil	Nil	Nil	Nil

26. Overview of the entity's material responsible business conduct issues

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
<b>Environment</b>					
1.	GHG Emission & Climate Change	Risk & Opportunity	<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>• The steel manufacturing process is energy and carbon intensive process due to dependency on fossil fuels to meet the energy requirements which leads to emission of greenhouse gases.</li> <li>• If climate change related risks are not addressed in a timely manner, it may pose to several physical and transition risks for the Company.</li> <li>• The gaining importance on sustainability globally mandates the Company to switch towards production of low carbon footprint products.</li> <li>• Stringent regulatory criteria and emission norms may force the Company to switch to technologically advanced equipment, systems and processes to minimise energy consumption and GHG emission which in turn incurs huge expenditure and time to transform the business meeting the requirements.</li> </ul> <p><b>Opportunity:</b></p> <ul style="list-style-type: none"> <li>• Switching to energy efficient equipment and optimisation of processes, conserves energy and resources leading to reduction in the operational expenditure of the Company.</li> <li>• Transformation to low carbon may attract environmentally conscious customers, gaining competitive advantage, increasing market share and revenue for the Company.</li> <li>• Good performance on sustainability aspects may attract green finance with lower interest rates.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase the percentage of renewable energy in the total energy mix, switch to cleaner fuels with lesser GHG emissions, deploy energy efficient equipment &amp; processes and enhance energy recovery through installation of additional waste heat recovery systems and utilisation of byproduct gases, subject to financial constraints.</li> <li>• Conduct energy audits and implement energy conservation measures wherever possible.</li> <li>• Implement circular economy model by enhancing the reuse &amp; recycling percentage of waste, water conservation through reuse of treated wastewater.</li> </ul>	Positive and Negative
2.	Water and Wastewater Management	Opportunity	<ul style="list-style-type: none"> <li>• Treatment and reuse of treated wastewater reduces the dependency on freshwater resources and minimises the water procurement costs.</li> <li>• Improvement of water utilisation efficiency mitigates the water related risks for the Company.</li> </ul>	<ul style="list-style-type: none"> <li>• Practice conservation of water by deployment of water efficient equipment and processes in operations &amp; cleaning activities.</li> <li>• Maintain Zero Liquid Discharge (ZLD) across all facilities by ensuring 100% treatment and reuse of wastewater within operations to reduce the dependency on freshwater resources.</li> <li>• Conduct water audits and implement water conservation measures and prevent water leakages, wherever required.</li> <li>• Practice rainwater harvesting to conserve rainwater.</li> </ul>	Positive



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				<ul style="list-style-type: none"> <li>Conduct water risk assessment wherever necessary and mitigate business related risks due to dependency on water resources.</li> <li>Maintain water inventory and track the water utilisation efficiency.</li> </ul>	
3.	Energy Management	Risk	<ul style="list-style-type: none"> <li>Steel production process is energy intensive process leading to higher carbon emission.</li> <li>Higher energy consumption and reliance on thermal energy for sourcing energy requirements increases the carbon footprint of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Conduct energy audits and implement energy conservation measures, deploy energy efficient equipment and processes.</li> <li>Switch to renewable energy in phase wise by reducing the dependency on thermal energy subject to financial constraints.</li> <li>Optimise the existing processes to conserve energy.</li> </ul>	Negative
4.	Waste management	Opportunity	<ul style="list-style-type: none"> <li>Recycling and reuse of waste-steel scrap and other waste materials reduces the dependency on natural resources and also conserves energy associated with raw material extraction, processing and transportation.</li> <li>Promoting reuse and recycling reduces the waste disposal costs and mitigates environmental risks which may arise in waste disposal process.</li> </ul>	<ul style="list-style-type: none"> <li>Implement circular economy by recycling and reuse of waste materials which in turn conserves natural resources and reduces raw material procurement costs.</li> <li>Achieve Zero Waste by identifying potential opportunities for waste utilisation in industrial applications.</li> </ul>	Positive
5.	Sustainable Sourcing	Opportunity	<ul style="list-style-type: none"> <li>Practicing sustainable sourcing of raw materials mitigate risks associated with resource depletion and environmental degradation.</li> <li>Transformation from linear economy to circular economy improves operational efficiency.</li> <li>Ensure compliance with stringent environmental regulations due to lesser environmental footprint of the products.</li> <li>Enhances the market share by attracting the environmentally conscious customers of steel products.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure strict adherence to Supplier Code of Conduct by all value chain partners to the extent possible.</li> <li>Encourage value chain partners on environmental stewardship and ethical labour practices.</li> <li>Conserve natural resources by minimising the consumption of natural resources and improving the productivity of the Company.</li> <li>Promote circular economy principles and practices in the operations of the Company.</li> <li>Increase the percentage of renewable energy in the total energy procured.</li> </ul>	Positive
6.	Biodiversity	Opportunity	<ul style="list-style-type: none"> <li>Improvement of biodiversity helps in protecting and restoring ecosystems.</li> <li>Protection of habitats by implementation of biodiversity conservation activities, strengthen the community relations and also helps in achieving environmental and social goals, targets and commitments of the Company.</li> <li>Implementation of biodiversity initiatives to protect local flora and fauna brings reputation and brand value for the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Conduct plantation drives to improve the percentage of green areas.</li> <li>Adopt sustainable land use practices for iron ore mining activities to minimise the impact on local ecosystem.</li> <li>Reduce air emissions by utilising the energy potential of byproduct gases.</li> </ul>	Positive

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Human Rights Practices	Risk	<ul style="list-style-type: none"> <li>Violation of human rights and labour laws may lead to stringent action by regulatory agencies which in turn affect the brand value and reputation of the Company.</li> <li>Non-compliance to labour laws may negatively affect the employee morale leading to decrease in productivity and increase in turnover rate.</li> <li>Non-adherence to human rights principles may lead to protests by employees and workers causing disruption of operations and supply chain of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Conduct continuous monitoring to identify &amp; mitigate human rights related violations in the operations.</li> <li>Align human rights related policies, procedures and practices in compliance with the applicable laws.</li> <li>Encourage value chain partners on human rights related aspects and mitigate the associated risks.</li> <li>Conduct training programmes to employees and workers on basic human rights.</li> <li>Establish the grievance redressal mechanism for reporting human rights related violations.</li> <li>Ensure equal opportunity, fair compensation, good working conditions and overall well-being of all employees and workers.</li> </ul>	Negative
8.	Employee Diversity	Opportunity	<ul style="list-style-type: none"> <li>Improving diversity brings diverse skill sets covering broader subject areas leading to innovation and sustainable development of the Company.</li> <li>Increasing the percentage of diversity results in better performance and productivity.</li> </ul>	<ul style="list-style-type: none"> <li>Formulated and implemented equality and diversity policy.</li> <li>Hire employees from diverse backgrounds and skill sets.</li> <li>Empower women and provide adequate representation at various hierarchies to the extent possible.</li> </ul>	Positive
9.	Employee Practices and Benefits	Opportunity	<ul style="list-style-type: none"> <li>Employees are the valuable assets for the Company and their technical and leadership capabilities helps in delivering exceptional results.</li> </ul>	<ul style="list-style-type: none"> <li>Motivate and empower employees in achieving their career aspirations.</li> <li>Provide equal opportunities for professional growth of all employees and workers.</li> <li>Provide healthy and safe working conditions.</li> </ul>	Positive
10.	Employee development and Engagement	Opportunity	<ul style="list-style-type: none"> <li>Employees with necessary skill set, experience and expertise improves operational efficiency and also ensures sustainable growth by mitigating business disruptions.</li> <li>Employee well-being and satisfaction helps in improving operational efficiency, productivity and overall growth of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Conduct regular training programmes for technical and leadership skills of employees and workers.</li> <li>Ensure personal well-being of employees and workers.</li> <li>Conduct employee satisfaction survey and take measures to address their concerns.</li> <li>Obtained Great Place to Work certification.</li> </ul>	Positive
11.	Employee volunteering/CSR	Opportunity	<ul style="list-style-type: none"> <li>Implementation of CSR programmes for uplifting of vulnerable and local communities in nearby local communities where we operate mitigates the local conflict.</li> <li>Strengthening of relations with the local communities can create a positive impact on the society.</li> <li>Implementation of CSR programmes enhances the brand value and reputation of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Understand the requirements of local communities and implement suitable CSR programmes.</li> <li>Create livelihood opportunities for upliftment of vulnerable and marginalised groups in the local communities.</li> <li>Provide healthcare facilities in nearby local communities for their well-being.</li> <li>Conduct plantation drives to improve green area mitigating pollution and development of aesthetic environment.</li> <li>Establish CSR grievance redressal mechanism and ensure timely resolution of complaints.</li> <li>Ensure periodical interaction with the local communities to maintain cordial relationship.</li> </ul>	Positive



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
12.	Occupational Health & Safety	Risk	<ul style="list-style-type: none"> <li>Working with heavy machinery and equipment poses several health &amp; safety related risks to employees and workers.</li> <li>Operations in the steel manufacturing may lead to exposure of employees and workers to physical hazards, chemical hazards and high temperatures.</li> <li>Improper working conditions and adequate safety measures may lead to several health &amp; safety and ergonomic risks to employees and workers.</li> <li>Health &amp; safety incidents and accidents can lead to disruption of operations and also enforces legal action through regulatory agencies.</li> </ul>	<ul style="list-style-type: none"> <li>Identify workplace hazards and implement mitigation measures in timely manner.</li> <li>Conduct regular training programmes on best industrial health &amp; safety measures.</li> <li>Also conduct medical camps and check-up on periodic basis for the benefits of employees.</li> <li>Ensure compliance with health &amp; safety laws, regulations and guidelines.</li> <li>Obtained ISO 45001:2018 (Occupational Health and Safety Management System certification).</li> <li>Mandate Personal Protective Equipment (PPE) to employees and workers prior to entry into the facilities as required.</li> <li>Diagnose employees and workers for occupational &amp; non-occupational diseases and provide necessary treatment.</li> <li>Conduct periodical audits and identify improvement areas for health &amp; safety measures.</li> </ul>	Negative
13.	Supply Chain Sustainability	Opportunity	<ul style="list-style-type: none"> <li>Adopting sustainable supply chain management framework avoids business disruptions of Company.</li> <li>Implementation of sustainability across value chain of the Company ensures timely delivery of goods and services.</li> </ul>	<ul style="list-style-type: none"> <li>Ensures suppliers adhere to the Supplier Code of Conduct (SCoC).</li> <li>Diversify the suppliers to ensure the continuous delivery of products and services even in adverse conditions.</li> <li>Review the performance of suppliers on ESG parameters in phase wise manner prioritising Tier-1 suppliers in first phase.</li> </ul>	Positive
14.	Business Ethics	Opportunity	<ul style="list-style-type: none"> <li>Operating the business in an ethical manner by ensuring integrity, transparency and accountability, ensures long-term growth and success of the Company.</li> <li>Adopting good governance practices and compliance with relevant local laws mitigates business related risks.</li> <li>Strengthening business relationships in transparent manner gains customer trust and enhances brand value of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure all employees of the Company strictly adhere to the Company's Code of Conduct.</li> <li>Implement ethical business practices by adopting appropriate policies, systems and practices.</li> <li>Set robust internal controls to prevent, detect and rectify unethical business practices.</li> </ul>	Positive

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
15.	Board Diversity & Independence	Opportunity	<ul style="list-style-type: none"> <li>Improving board diversity brings diverse perspectives and experience leading to good decision-making.</li> <li>Independent directors reduces the potential conflicts of interest facilitating effective governance and accountability.</li> <li>Adequate representation of independent directors and board diversity mitigates various business-related risks in proactive manner.</li> <li>Diversifying board helps in achieving operational and business excellence and also improves financial performance of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Follow extant regulatory requirements for board diversity and independence.</li> <li>Hire board of directors with diverse experience in various subjects relevant to the business.</li> <li>Ensure adequate representation of independent directors to protect the interests of all stakeholders.</li> <li>Enhance transparency by ensuring board diversity and independence.</li> </ul>	Positive
16.	ESG oversight	Opportunity	<ul style="list-style-type: none"> <li>ESG oversight mitigates various business-related risks under Environment, Social and Governance pillars.</li> <li>Implementation of ESG ensures sustainable growth of the Company promoting circular economy, minimising carbon footprint, conservation of resources and protecting the environment.</li> <li>Brings enhanced reputation as there is gaining importance towards responsible business practices globally.</li> <li>Avoids business disruptions and ensures long-term sustainable growth of the Company.</li> <li>Attracts green funds at lower interest rates as there is lower business risks for the Company due to implementation of ESG.</li> </ul>	<ul style="list-style-type: none"> <li>Conducted materiality assessment and identified relevant material issues for the Company.</li> <li>Committed to implement ESG aspects viz. phase wise reduction of carbon footprints, uplift the livelihood of vulnerable and marginalised communities, follow robust governance practices.</li> <li>Embed ESG related risks in the enterprise level risk management framework.</li> <li>Gradually adopt global frameworks for disclosure of sustainability performance of the Company in a transparent manner.</li> </ul>	Positive
17.	Transparency, Accountability & Reporting	Opportunity	<ul style="list-style-type: none"> <li>Maintaining transparency and accountability in the reporting builds trust and confidence in the stakeholders.</li> <li>Provides reliable information to investors to make informed decisions on green financing.</li> <li>Timely reporting in transparent manner fulfills various disclosure requirements as per local laws and mitigates compliance related risks.</li> </ul>	<ul style="list-style-type: none"> <li>Conduct regular audits to identify various disclosure requirements.</li> <li>Establish comprehensive reporting systems for financial and non-financial reporting systems.</li> <li>Adopt appropriate disclosure mechanism for timely communication of information to internal and external stakeholders of the Company.</li> <li>Ensure open dialogue with stakeholders and deliver the relevant information in a timely manner meeting their expectations.</li> <li>Publicly disclose the performance of the Company on an annual/ quarterly basis as per the regulatory requirements.</li> </ul>	Positive



## Section B: Management and process disclosures



This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC Principles and Core Elements.

Sl. No.	Principle Description	Reference of Company's Policies
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	<ul style="list-style-type: none"> <li>Anti-corruption &amp; Anti-bribery (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/Anti%20Bribery%20Policy.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/Anti%20Bribery%20Policy.pdf</a>)</li> <li>Whistle-blower Policy (<a href="https://www.necoindia.com/pdf/Vigil-Mechanism-Whistle-Blower-Policy.pdf">https://www.necoindia.com/pdf/Vigil-Mechanism-Whistle-Blower-Policy.pdf</a>)</li> <li>Code of conduct for Board &amp; Senior management (<a href="https://www.necoindia.com/images/investor/corporate-governance/Code-of-Conduct-for-Director-and-Senior-Management-Personnel.pdf">https://www.necoindia.com/images/investor/corporate-governance/Code-of-Conduct-for-Director-and-Senior-Management-Personnel.pdf</a>)</li> <li>Employee's Code of Conduct (<a href="https://www.necoindia.com/images/investor/corporate-governance/Code-of-Conduct-for-Employees.pdf">https://www.necoindia.com/images/investor/corporate-governance/Code-of-Conduct-for-Employees.pdf</a>)</li> </ul>
P2	Businesses should provide goods and services in a manner that is sustainable and safe	<ul style="list-style-type: none"> <li>Supply Chain Policy (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/6.Supply%20Chain%20Policy_JNIL.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/6.Supply%20Chain%20Policy_JNIL.pdf</a>)</li> <li>Supplier code of conduct (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/7.Supplier%20Code%20of%20Conduct_JNIL.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/7.Supplier%20Code%20of%20Conduct_JNIL.pdf</a>)</li> <li>ESG Policy (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/4.ESG%20Policy_JNIL.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/4.ESG%20Policy_JNIL.pdf</a>)</li> </ul>
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains	<ul style="list-style-type: none"> <li>Policy on Employee Well-Being (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/Policy%20on%20employee%20well%20being.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/Policy%20on%20employee%20well%20being.pdf</a>)</li> <li>Policy on redressal of sexual harassment at workplace (<a href="https://www.necoindia.com/wp-content/uploads/2018/01/Policy-on-Sexual-Harassment.pdf">https://www.necoindia.com/wp-content/uploads/2018/01/Policy-on-Sexual-Harassment.pdf</a>)</li> <li>Environment Health &amp; Safety Policy (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/Environment,%20Health%20And%20Safety%20Policy.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/Environment,%20Health%20And%20Safety%20Policy.pdf</a>)</li> <li>Equal opportunity policy (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/5.Equal%20Opportunity%20Policy_JNIL.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/5.Equal%20Opportunity%20Policy_JNIL.pdf</a>)</li> </ul>
P4	Businesses should respect the interests of and be responsive to all its stakeholders	<ul style="list-style-type: none"> <li>Stakeholder engagement policy (<a href="https://www.necoindia.com/Remuneration%20Policy%20%20%20(Last%20Updated%20on%2003.11.2023).:/www.necoindia.com/pdf/investor/corporate-governance/Stakeholder%20engagement%20policy.pdf">https://www.necoindia.com/Remuneration%20Policy%20%20%20(Last%20Updated%20on%2003.11.2023).:/www.necoindia.com/pdf/investor/corporate-governance/Stakeholder%20engagement%20policy.pdf</a>)</li> </ul>
P5	Businesses should respect and promote human rights	<ul style="list-style-type: none"> <li>Whistle-blower policy (<a href="https://www.necoindia.com/pdf/Vigil-Mechanism-Whistle-Blower-Policy.pdf">https://www.necoindia.com/pdf/Vigil-Mechanism-Whistle-Blower-Policy.pdf</a>)</li> <li>Supply Chain Policy (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/6.Supply%20Chain%20Policy_JNIL.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/6.Supply%20Chain%20Policy_JNIL.pdf</a>)</li> <li>Supplier code of conduct (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/7.Supplier%20Code%20of%20Conduct_JNIL.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/7.Supplier%20Code%20of%20Conduct_JNIL.pdf</a>)</li> <li>Policy on redressal of sexual harassment at workplace (<a href="https://www.necoindia.com/wp-content/uploads/2018/01/Policy-on-Sexual-Harassment.pdf">https://www.necoindia.com/wp-content/uploads/2018/01/Policy-on-Sexual-Harassment.pdf</a>)</li> <li>Policy on Human Rights (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/Policy%20on%20human%20rights.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/Policy%20on%20human%20rights.pdf</a>)</li> </ul>

Sl. No.	Principle Description	Reference of Company's Policies
P6	Businesses should respect and make efforts to protect and restore the environment	<ul style="list-style-type: none"> <li>Environment, Health &amp; Safety Policy (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/Environment,%20Health%20And%20Safety%20Policy.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/Environment,%20Health%20And%20Safety%20Policy.pdf</a>)</li> <li>ESG Policy (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/4.ESG%20Policy_JNIL.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/4.ESG%20Policy_JNIL.pdf</a>)</li> <li>Supply Chain Policy (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/6.Supply%20Chain%20Policy_JNIL.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/6.Supply%20Chain%20Policy_JNIL.pdf</a>)</li> <li>Supplier code of conduct (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/7.Supplier%20Code%20of%20Conduct_JNIL.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/7.Supplier%20Code%20of%20Conduct_JNIL.pdf</a>)</li> <li>Biodiversity Policy (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/9.Biodiversity%20Policy_JNIL.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/9.Biodiversity%20Policy_JNIL.pdf</a>)</li> </ul>
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	<ul style="list-style-type: none"> <li>Policy on Responsible Advocacy (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/Policy%20on%20responsible%20advocacy.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/Policy%20on%20responsible%20advocacy.pdf</a>)</li> </ul>
P8	Businesses should promote inclusive growth and equitable development	<ul style="list-style-type: none"> <li>CSR Policy (<a href="https://www.necoindia.com/images/investor/corporate-governance/Corporate-Social-Responsibility-Policy-1.pdf">https://www.necoindia.com/images/investor/corporate-governance/Corporate-Social-Responsibility-Policy-1.pdf</a>)</li> </ul>
P9	Businesses should engage with and provide value to their consumers in a responsible manner	<ul style="list-style-type: none"> <li>Policy on Customer Service (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/Policy%20on%20customer%20service.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/Policy%20on%20customer%20service.pdf</a>)</li> <li>Stakeholder engagement policy (<a href="https://www.necoindia.com/Remuneration%20Policy%20%20%20(Last%20Updated%20on%2003.11.2023).:/www.necoindia.com/pdf/investor/corporate-governance/Stakeholder%20engagement%20policy.pdf">https://www.necoindia.com/Remuneration%20Policy%20%20%20(Last%20Updated%20on%2003.11.2023).:/www.necoindia.com/pdf/investor/corporate-governance/Stakeholder%20engagement%20policy.pdf</a>)</li> <li>Data Privacy Policy (<a href="https://www.necoindia.com/pdf/investor/corporate-governance/3.Data%20Privacy%20Policy_JNIL.pdf">https://www.necoindia.com/pdf/investor/corporate-governance/3.Data%20Privacy%20Policy_JNIL.pdf</a>)</li> </ul>

### Policy and Management processes

Points	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. (a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(b) Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
(c) Web-link of the Policies, if available	Web-link of policies covering 9 principles of NGRBCs is available at <a href="https://www.necoindia.com/corporate-governance.php">https://www.necoindia.com/corporate-governance.php</a>								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	JNIL is well known for its standards and certifications which comprises of the following: <ul style="list-style-type: none"> <li>ISO 14001:2015 (Environment Management System)</li> <li>ISO 9001:2015 (Quality Management System)</li> <li>ISO 45001:2018 (Occupational Health and Safety Management System)</li> <li>ISO:50001-2018 - Energy Management System (Certification Agency - TUV INDIA PVT. LTD).</li> <li>IATF 16949:2016 (Automotive Quality Management System)</li> <li>Award for TPM Excellence Category A - 2023 by Japan Institute of Plant Maintenance (JIPM)</li> <li>Great Place to Work certification.</li> </ul>								



Points	P1	P2	P3	P4	P5	P6	P7	P8	P9
5 Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has conducted materiality assessment to identify key ESG material issues relevant to the Company. Currently, the Company is in the process of baselining and setting the formal ESG related goals, targets and commitments. The Company is exploring to set the targets under ESG such as carbon neutrality, water positive, energy conservation, health & safety, creating positive impact in marginalised & vulnerable groups and digitalisation to enhance transparency in disclosure of information to the stakeholders.								
6 Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	<p><b>Environment:</b></p> <ul style="list-style-type: none"> <li>We have reduced 19% energy consumption in the FY 2023-24 compared to the FY 2022-23.</li> <li>Achieved and maintained Zero Liquid Discharge (ZLD) across all manufacturing facilities.</li> </ul> <p><b>Social:</b></p> <ul style="list-style-type: none"> <li>Created positive impact in more than 1,50,000 people through implementation of CSR programmes in nearby local communities where we operate.</li> </ul>								

**Governance, leadership and oversight**

7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>We understand the importance of integrating the sustainability in the business strategy of the Company to ensure long-term growth in a sustainable manner mitigating various ESG related risks.</p> <p>We are also committed to maintain and enhance robust governance frameworks.</p> <p>As a responsible corporate, we always strive to reduce the environmental impact of our operations through deployment of cutting-edge technologies, optimisation of energy consumption, water conservation through implementation of Zero Liquid Discharge (ZLD), waste heat recovery, promoting circular economy and practicing ethical sourcing of minerals in a responsible manner.</p> <p>Our quest for inclusive and collective growth always drives us to implement the Corporate Social Responsibility (CSR) projects to uplift the marginalised and vulnerable groups in the local communities where we operate. We have implemented various CSR projects such as providing education, empowering women, livelihood opportunities and plantation activities enduring economic growth and positive impact in their lives.</p> <p>We uphold to practice highest ethical standards by adopting robust governance framework and ensure integrity, transparency and accountability. Embedding ESG related risks in the enterprise level risk management framework mitigates business risks and ensures long-term sustainable growth. We are committed to run our business in an ethical &amp; responsible manner making our products greener and more sustainable.</p>								
8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	<p>The Board of Directors (BOD) is responsible for the implementation and oversight of the Business Responsibility policies. The Business Responsibility Policies are driven by our Executive Director.</p> <p>Shri Sangram Keshari Swain Executive Director Telephone number 07721-264264 E-mail ID: <a href="mailto:sangram.swain@necoindia.com">sangram.swain@necoindia.com</a></p>								
9 Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability related issues? (Yes/No). If yes, provide details.	<p>Yes, the Board of Directors (BOD) is responsible to take collective decision on sustainability related aspects. We have constituted several committees of the BOD to track the performance of the Company and take appropriate decisions ensuring setting and execution of the ESG goals and targets. The committees comprise of:</p> <ul style="list-style-type: none"> <li>Audit Committee</li> <li>Nomination &amp; Remuneration Committee</li> <li>Risk Management Committee</li> <li>Stakeholders Relationship Committee</li> <li>Corporate Social Responsibility Committee</li> </ul> <p>These Committees work jointly in coordination with the BOD on implementation of roadmap for the sustainability journey.</p>								

10 Details of Review of NGRBCs by the Company.	<p><b>a) Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee</b></p> <table border="1"> <thead> <tr> <th>Subject for Review</th> <th>P1</th> <th>P2</th> <th>P3</th> <th>P4</th> <th>P5</th> <th>P6</th> <th>P7</th> <th>P8</th> <th>P9</th> </tr> </thead> <tbody> <tr> <td>1 Performance against above policies and follow up action</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>2 Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> </tr> </tbody> </table> <p><b>b) Frequency (Annually (A)/ Half yearly/ Quarterly/ Any other – please specify)</b></p> <table border="1"> <thead> <tr> <th>Subject for Review</th> <th>P1</th> <th>P2</th> <th>P3</th> <th>P4</th> <th>P5</th> <th>P6</th> <th>P7</th> <th>P8</th> <th>P9</th> </tr> </thead> <tbody> <tr> <td>1 Performance against above policies and follow up action</td> <td>A</td> <td>A</td> <td>A</td> <td>A</td> <td>A</td> <td>A</td> <td>A</td> <td>A</td> <td>A</td> </tr> <tr> <td>2 Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances</td> <td>A</td> <td>A</td> <td>A</td> <td>A</td> <td>A</td> <td>A</td> <td>A</td> <td>A</td> <td>A</td> </tr> </tbody> </table>									Subject for Review	P1	P2	P3	P4	P5	P6	P7	P8	P9	1 Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	2 Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Subject for Review	P1	P2	P3	P4	P5	P6	P7	P8	P9	1 Performance against above policies and follow up action	A	A	A	A	A	A	A	A	A	2 Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	A	A	A	A	A	A	A	A	A
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11 Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	<table border="1"> <thead> <tr> <th>P1</th> <th>P2</th> <th>P3</th> <th>P4</th> <th>P5</th> <th>P6</th> <th>P7</th> <th>P8</th> <th>P9</th> </tr> </thead> <tbody> <tr> <td colspan="9">The Company conducts periodic review of the policies internally by the Senior Management and Committees of the Board. Independent assessment/evaluation of the working of its policies by an external agency will be done on need based basis.</td> </tr> </tbody> </table>									P1	P2	P3	P4	P5	P6	P7	P8	P9	The Company conducts periodic review of the policies internally by the Senior Management and Committees of the Board. Independent assessment/evaluation of the working of its policies by an external agency will be done on need based basis.																																																		
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**Section C: Principle-wise performance disclosure**

**PRINCIPLE 1: Business should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**



We endeavour to uphold the principles and practices of corporate governance to ensure transparency, integrity, accountability and regulatory compliance throughout our systems, procedures and practices to operate the Company in an ethical manner. Our periodical internal audit strengthens the governance processes by identifying the areas of improvement, evaluating the efficacy and adequacy of internal control systems. We have established robust internal controls, compliance monitoring systems and quality assurance processes.

The Code of Conduct of the Company ensures strict adherence of policies and procedures by employees to operate the business in an ethical and transparent manner. We have made significant progress in the area of sustainability by embedding environmentally conscious decisions in the operations and ethical & responsible business practices in the business strategy of the Company.

**ESSENTIAL INDICATORS**

**1. Percentage coverage by training and awareness programmes on any of the principles during the FY 2024**

Segment	Total number of training & awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	Operations Management, Industry Outlook, NGRBC Policies and Regulatory Compliance	100%
Key Managerial Personnel	4	Operations Management, Industry Outlook, NGRBC Policies and Regulatory Compliance	100%
Employees other than BoD and KMPs	6	TPM, Health & Safety, Quality, ESG, Technical /Skill Upgradation and Human Rights	91.46%
Workers	3	Health & Safety, Skill Upgradation and Human Rights	93.77%



**2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by its directors/KMPs) with regulators/ law enforcement agencies/ judicial institutions in FY 2024.**

**Monetary**

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ Judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil

**Non-Monetary**

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ Judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil

**3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Not Applicable

**4. Does the entity have an anti-corruption policy or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, JNIL has anti-corruption and anti-bribery (ACAB) policy which emphasises zero-tolerance approach to bribery and corruption activities. The ACAB policy covers the principles of anti-corruption and anti-bribery laws and provides necessary information & guidance about how to recognise, deal and report with bribery and corruption. This policy is applicable to all employees, workers and value chain partners of the Company and ensures business is conducted in an ethical manner in line with the applicable laws, regulations and guidelines. ACAB policy is also applicable to our value chain partners which is ensured through Supplier Code of Conduct (SCoC). Any violation of ACAB policy may result in disciplinary action, up to and including dismissal.

The complaints pertaining to violation or breach of ACAB policy shall be reported to the respective manager, human resources department for further action under the supervision of Chairman or Managing Director or Executive Director. The Company would protect employee or worker from detrimental treatment as a result of refusing to take part in bribery or corruption or reporting the complaints against the violation or breach of ACAB policy. The ACAB policy is available at the web-link [https://necoindia.com/pdf/investor/corporate-governance/1.Anticorruption%20Antibribery%20Policy\\_JNIL.pdf](https://necoindia.com/pdf/investor/corporate-governance/1.Anticorruption%20Antibribery%20Policy_JNIL.pdf)

**5. Number of Directors/ KMPs/ Employees/ Workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.**

Segment	FY 2023-24	FY 2022-23
1 Directors	Nil	Nil
2 Key Managerial Personnel	Nil	Nil
3 Employees	Nil	Nil
4 Workers	Nil	Nil

**6. Details of complaints with regard to conflict of interest.**

Segment	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
1 Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
2 Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

**7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

**8. Number of days of accounts payables ((Accounts payable \*365)/ Cost of goods/ services procured) in the following format:**

	FY 2023-24	FY 2022-23
Number of days of accounts payables	30.47	27.71

**9. Openness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
<b>Concentration of Purchases</b>	a) Purchases from trading houses as % of total purchases	66.87%	60.82%
	b) Number of trading houses where purchases are made from	861	934
	c) Purchases from top 10 trading houses as % of total purchases from trading houses	54.93%	31.53%
<b>Concentration of Sales</b>	a) Sales to dealers/distributors as % of total sales	1.03%	1.07%
	b) Number of dealers/distributors to whom sales are made	24	24
	c) Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	83.67%	86.12%
<b>Share of RPTs in</b>	a) Purchases (Purchases with related parties/Total Purchases)	8.69%	6.90%
	b) Sales (Sales to related parties/Total Sales)	1.45%	1.92%
	c) Loans & advances (Loans & advances given to related parties/ Total loans & advances)	Nil	Nil
	d) Investments (Investments in related parties/Total Investments made)	Nil	Nil

**LEADERSHIP INDICATORS**

**1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
		Nil

**2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

Yes. JNIL has Code of Conduct (CoC) in place for Directors and Senior Management based on the principles of integrity, transparency and business ethics and to set up appropriate standards for compliance with Corporate Governance. CoC ensures that the Directors and Senior Management must act in good faith and in such manner as they reasonably believe to be in the best interests of the Company. The Directors and Senior Management of the Company are expected to:

- Comply with all applicable laws, regulations, confidentiality obligations and other corporate policies of the Company.
- Follow all policies, procedures and internal control systems of the Company.
- Act honestly, in good faith and in the best interest of the Company.

The CoC of the Company do not allow the Directors and Senior Management Personnel enter into any transaction or engage in any practice, directly or indirectly, that would tend to influence him/her to act in any manner other than in the best interests of the Company. The existing procedures ensures Director and Senior Management Personnel make a full disclosure to the Board of any transaction that they reasonably expect, could give rise to an actual conflict of interest with the Company and seek the Board's authorisation to pursue such transactions. Any suspected violation or conflict of interest shall be reported to the Chairman of the Board or Chairman of the Audit Committee for further investigation and subsequent action. The Code of Conduct for Directors and Senior Management Personnel is available at the web-link <https://necoindia.com/images/investor/corporate-governance/Code-of-Conduct-for-Director-and-Senior-Management-Personnel.pdf>





**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**



We implement stringent quality control measures to ensure that our iron and steel and casting products meet the quality standards and fulfill the needs and requirements of our customers. We enhance our operations by optimisation of resources through operational excellence, powered by technology, driven by innovation, creating delight and producing value added products.

We practice sourcing of materials and services in a responsible and ethical manner by protecting and preserving the natural resources mitigating the risks to the environment. Our quality assurance processes comprise of testing of raw materials, monitoring of production processes and inspection of products. All our industrial practices are aligned with the best practices of sustainability to ensure safe, responsible and sustainable business growth. Our operations are IMS (ISO 9001, 14001 & 45001) and TPM certified.

**ESSENTIAL INDICATORS**

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Segment	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	Nil	100%	Capital expenditure incurred for deployment of energy efficient equipment & processes to conserve energy and reduce carbon emission.
Capex	0.85%	1.09%	

**2. a) Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes. JNIL has an appropriate policy and procedures for sustainable sourcing of materials. All value chain partners of the Company are encouraged for adherence to the Supplier Code of Conduct (SCoC) for performing any kind of business activity with the Company. The SCoC covers the working conditions & employment practices, health & safety, environment and business ethics. The SCoC policy of the Company is available at the web-link [https://necoindia.com/pdf/investor/corporate-governance/7.Supplier%20Code%20of%20Conduct\\_JNIL.pdf](https://necoindia.com/pdf/investor/corporate-governance/7.Supplier%20Code%20of%20Conduct_JNIL.pdf)

**b) If yes, what percentage of inputs were sourced sustainably?**

Currently, we are developing a mechanism to estimate the percentage of materials sourced sustainably across all manufacturing facilities of the Company.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Not Applicable. Our products do not contain any kind of plastic waste, e-waste, hazardous waste or other types of waste to reclaim for reusing, recycling and disposing at the end of life of the products.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Not Applicable.

**LEADERSHIP INDICATORS**

**1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
					We have not conducted LCA till date.

**2. If there are any significant social or environmental concerns and/ or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product/Service	Description of the risk/concern	Action Taken
		Not Applicable

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
Nil	Nil	Nil

**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other Waste	NA	NA	NA	NA	NA	NA

**5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Not Applicable

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**



We provide a conducive and collaborative work environment to our workforce facilitating well-being, professional growth & development and ensuring harmony, pride, and trust. We foster a work culture with equity, dignity, inclusivity, diversity promoting diverse skill set of workforce for overall growth of the organisation. We enhance the capabilities of our workforce by conducting training programmes on skill upgradation in the areas of technical and managerial aspects, Total Productive Maintenance (TPM), problem solving and other training programmes for the identified skill gaps. We motivate the workforce to obtain necessary training, certifications and to achieve their career aspirations by harnessing their intrinsic potential.

We are committed to industrial safety and the digital practice of TPM which is driving force behind our operational excellence. Workforce is the greatest asset for our Company, and we ensure the safety in every facet of our operations through regular training programmes on health & safety, implementing safety regulations and performing periodical safety audits.

**ESSENTIAL INDICATORS**

**1. a) Details of measures for the well-being of employees:**

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent Employees</b>											
Male	4235	854	20.16%	3292	77.73%	NA	NA	Nil	NA	Nil	NA
Female	26	2	7.69%	10	38.46%	26	100%	NA	NA	Nil	NA
<b>Total</b>	<b>4261</b>	<b>856</b>	<b>20.09%</b>	<b>3302</b>	<b>77.49%</b>	<b>26</b>	<b>0.61%</b>	<b>Nil</b>	<b>NA</b>	<b>Nil</b>	<b>NA</b>
<b>Other than Permanent Employees</b>											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Total</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

**b) Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Total</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
<b>Other than permanent workers</b>											
Male	4918	3673	74.69%	3673	74.69%	NA	NA	Nil	NA	Nil	NA
Female	324	181	55.86%	181	55.86%	324	100%	Nil	NA	Nil	NA
<b>Total</b>	<b>5242</b>	<b>3854</b>	<b>73.52%</b>	<b>3854</b>	<b>73.52%</b>	<b>324</b>	<b>6.18%</b>	<b>Nil</b>	<b>NA</b>	<b>Nil</b>	<b>NA</b>

**c) Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:**

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the Company	0.17%	0.16%

**2. Details of retirement benefits for Current and Previous Financial Years.**

Sl. No.	Benefits	FY 2023-24			FY 2022-23		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/ N/ NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/ N/ NA)
1	PF	100%	100%	Yes	100%	100%	Yes
2	Gratuity	100%	100%	Yes	100%	100%	Yes
3	ESI	100%	100%	Yes	100%	100%	Yes
4	Others – please specify	NA	NA	NA	NA	NA	NA

**3. Accessibility of workplaces - Are the premises/offices of the entity accessible to differently abled employees, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes. All premises and offices of the Company are accessible to differently able employees.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes. JNIL has an equal opportunity policy in accordance with the provisions of Rights of Persons with Disabilities Act, 2016. The Company strictly prohibits discrimination and harassment of any type and affords equal employment opportunities to employees and applicants without regard to race, colour, religion, sex, sexual orientation, gender identity or expression, pregnancy, age, national origin, disability status, genetic information, protected veteran status or any other characteristic protected by law.

We do not discriminate with respect to any aspect of the employment relationship including the hiring/selection process, promotions, transfers, provision of training opportunities, compensation, employee benefits, termination or retirement policies and disciplinary practices. We provide fair remuneration ensuring that the compensation packages are equitable, competitive, and commensurate with the nature of the work performed, as well as the skills, qualifications, and experience of the respective individuals. We adhere to applicable laws and regulations governing wages and maintain transparency in our compensation packages. Equal opportunity policy of the Company is available at the web-link [https://www.necoindia.com/pdf/investor/corporate-governance/5.Equal%20Opportunity%20Policy\\_JNIL.pdf](https://www.necoindia.com/pdf/investor/corporate-governance/5.Equal%20Opportunity%20Policy_JNIL.pdf)

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work Rate (%)	Retention Rate (%)	Return to work Rate (%)	Retention Rate (%)
Male	NA	NA	NA	NA
Female	NA	NA	NA	NA
<b>Total</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	Yes/No (If yes, then give details of the mechanism in brief)
1 Permanent workers	Yes. We have a grievance redressal mechanism along with detailed procedures for redressal of grievances under various policies covering employees and workers. 1. Employees and workers can report their grievances to their Head of Department (HoD) or Human Resource Department of the Company. 2. Workers hired through third party agencies can report the grievances to their respective agencies. If not resolved, workers can bring their grievances to the notice of the Human Resource Department of the Company for further proceedings.  All stakeholders are made aware of the existing grievance redressal mechanisms and channels of communication.
2 Other than Permanent Workers	
3 Permanent Employees	
4 Other than Permanent Employees	

**7. Membership of employees and workers in association(s) or Unions recognised by the listed entity.**

Category	FY 2023-24			FY 2022-23		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	<b>4261</b>	<b>140</b>	<b>3.29%</b>	<b>4252</b>	<b>135</b>	<b>3.17%</b>
Male	4235	135	3.19%	4224	130	3.08%
Female	26	5	19.23%	28	5	17.86%
<b>Total Permanent Workers</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA

**8. Details of training given to employees and workers.**

Category	Total (A)	FY 2023-24				FY 2022-23				
		On Health and safety measures		On Skill upgradation		On Health and safety measures		On Skill upgradation		
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (E)	% (E/D)	No. (F)	% (F/D)	
<b>Employees</b>										
Male	4235	1984	46.85%	3681	86.92%	4224	1484	35.13%	2667	63.14%
Female	26	3	11.54%	18	69.23%	28	18	64.29%	14	50.00%
<b>Total</b>	<b>4261</b>	<b>1987</b>	<b>46.63%</b>	<b>3699</b>	<b>86.81%</b>	<b>4252</b>	<b>1502</b>	<b>35.32%</b>	<b>2681</b>	<b>63.05%</b>
<b>Workers</b>										
Male	4918	4417	89.81%	1893	38.49%	3997	3459	86.54%	1725	43.16%
Female	324	299	92.28%	226	69.75%	156	90	57.69%	75	48.08%
<b>Total</b>	<b>5242</b>	<b>4716</b>	<b>89.97%</b>	<b>2119</b>	<b>40.42%</b>	<b>4153</b>	<b>3549</b>	<b>85.46%</b>	<b>1800</b>	<b>43.34%</b>

**9. Details of performance and career development reviews of employees and workers:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	4235	4095	96.69%	4224	3591	85.01%
Female	26	26	100.00%	28	21	75.00%
<b>Total</b>	<b>4261</b>	<b>4121</b>	<b>96.71%</b>	<b>4252</b>	<b>3612</b>	<b>84.95%</b>
<b>Workers</b>						
Male	4918	Nil	NA	3997	Nil	NA
Female	324	Nil	NA	156	Nil	NA
<b>Total</b>	<b>5242</b>	<b>Nil</b>	<b>NA</b>	<b>4153</b>	<b>Nil</b>	<b>NA</b>

**10. Health and Safety Management System.****a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?**

Yes. We have implemented an occupational health & safety management system across all manufacturing facilities and offices of the Company. We continuously track the performance of the Company on health & safety related Key



Performance Indicators (KPIs) through a well-established governance structure at every manufacturing facility and office location. Our major manufacturing facilities are compliant with IMS Audit System (ISO 45001 standard requirements), 5S and TPM system covering employees, workers and value chain partners of the Company. Health & Safety policies, standards, procedures & systems are in place in line with the requirements of applicable laws and ISO standards.

We conduct periodical monitoring to identify and mitigate health & safety related risks. We also display detailed instructions for performing various tasks, workplace hazards and remedial measures to be undertaken in case of exposure to workplace hazards. Health & Safety department conduct awareness sessions and communicates emergency contact numbers, exit plans, emergency siren indicators, fire alarms, signboards, safety precaution, safety instructions, PPE matrix, firefighting techniques, evacuation plan etc. prior to deployment of employees and workers at the manufacturing sites and office locations.

We have developed web-based online portal to cover important aspects related to Safety. It contains various features like:

- Online Reporting of Safety Observations/Inspections/Audits
- Near-miss Incident Reporting
- Safety Suggestions/new ideas
- JNIL Safety Standards
- Safety Checklists/Formats
- Cardinal Safety Rules

It is a step forward towards digitisation and making our plant an "Accident-Free Zone".

**b) What are the processes used to identify work related hazards and assess risks on a routine and non-routine basis by the entity?**

We have detailed processes, systems and procedures to identify work related hazards and risks on routine and non-routine basis which comprises of:

*On Routine Basis:*

1. Comprehensive Hazard Identification and Risk Assessment (HIRA) has been adopted across all manufacturing facilities. HIRA is a systematic process to evaluate all potential sources that causes harm and injury and hazards followed by risk analysis, risk evaluation and implementation of risk controls to mitigate the risks.
2. Hazards identification through safety inspections, safety patrolling and Cross-Functional Audits.
3. Third-Party Safety Audits conducted by external competent agency as per schedule prescribed under the CG Rules. The implementation of risk mitigation and control measures shall be undertaken based on the recommendations given in the third-party safety audit report.
4. Near Miss incidents reported by various departments are addressed in timely- manner with necessary correction actions.
5. Kiken Yochi Training (KYT): Kiken means Hazard and Yochi means Prediction. KYT drill is conducted by a small group of people before starting a job and hazards are predicted by the workers themselves. The identified hazards are mitigated by establishing and abiding suitable controls followed by performing their duties in a safe and healthy manner without any harm.

*On Non-routine Basis/Event Based:*

1. Permit to Work System before commencing any maintenance/ repair/ shutdown.
2. Job Safety Analysis (JSA) is carried out and suitable control measures are implemented from time to time. Under JSA involves breakdown of each work activity into series of steps followed by the identification of risks and implementation of control measures.
3. Safety Manual with detailed procedure and guidelines in place to be followed under the circumstances of Major Shutdown (MSD) of manufacturing facilities.
4. Accident Investigation & CAPA (Corrective and Preventive Action) compliance procedures are in place to prevent its recurrence.
5. Horizontal deployment of CAPA is applicable to other departments or activities.

**c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes, we have the following systems and procedures for workers across all manufacturing facilities to report work-related hazards.

1. HIRA process is followed by all workers to implement risk controls for the identified risks.
2. Mechanism to report near miss incidents, unsafe acts and conditions. The reporting network was established for the workmen through departmental safety office to communicate near miss incidents, unsafe acts and conditions.
3. KYT (Hazard Prediction, Control & Commitment) is conducted by the working crews at grass-root level before commencement of their job.
4. Roko-Toko: It means "Stop & Counsel". Whenever any unsafe act or condition is observed by an employee/workman, then he shouldn't walk at that specific location. The respective team members stop him and counsel about the safe practice/advice for correction of unsafe conditions as a precautionary measure to safeguard them.
5. Leadership Safety Walk is carried by the head of the department along with other team members in their respective operations area & interact with bottom-line workmen to understand and resolve health and safety related issues.
6. Safety interaction is carried out by implementing 6 tools such as plant-upkeep, positions of people, PPE, procedures, reactions of people, tools & equipment etc.
7. Departmental safety meetings are organised to monitor the progress on health & safety risk mitigation plan, timelines along with defined roles & responsibilities for implementation of health & safety risk mitigation plan.
8. An open house initiative was introduced in the month of March 2024 which is a platform where grass root workers and senior management can directly interact with each other. In this programme, all participants share their experiences and learnings, speak-up for the sake of safety and give suggestions for a safer workplace. Open House is conducted every Saturday as per the zone-wise schedule, on rotation basis. Apart from the above initiatives, several other programmes such as Safety Drama, Aap-Biti, Safety Song/Shayari/Slogan, etc. and other inspirational events are organised.

**d) Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)**

Yes.

**11. Details of Safety related incidents Data:**

Sl. No.	Safety Incident/Number	Category	FY 2023-24	FY 2022-23
1	Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.78	1.76
		Workers	4.05	4.51
2	Total recordable work-related injuries	Employees	8	18
		Workers	51	45
3	No. of fatalities	Employees	1	0
		Workers	0	0
4	High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
		Workers	0	1

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

1. Monitoring of workplace and creating healthy workplace through dust mitigation, noise control, proper illumination across all manufacturing facilities for every six months.
2. Testing, calibration and certification of lifting machines, tools, tackles and pressure vessels as per the regulatory requirements.
3. Implementation of health & safety policy, systems, procedures and practices in compliance with health & safety laws, regulations and guidelines.
4. Organise safety committee meetings on a periodical basis.
5. Implementation on Onsite Emergency Plan approved by the Chief Inspector of Factories (CIF).
6. Implementation of HIRA by all departments.
7. Conducted weekly open house programmes involving grass root level workers.



8. Pre-start hazard prediction technique applied by the working personnel (KYT).
9. Internal cross functional audits by following various safety standards.
10. Periodical safety audits by third party agencies to identify the improvement areas for health & safety measures.
11. Conducted health & safety training programmes and awareness sessions for all employees and workers.
12. Audio-visual safety induction training through display of health & safety related video recordings.
13. Medical examination, diagnosis, acrophobic tests are conducted physically and through Virtual Reality (VR) system by Occupational Health Center (OHC) doctors for issuing height pass selection of workers.
14. Monthly assessment of safety performance is carried out by all department heads and senior officials of the Company.
15. Industrial Hygiene Study is conducted by an external third-party agency.
16. Pre-medical and periodical medical examinations are carried out for eye examination of crane operators, signalmen, loco pilots, etc. in compliance with the Health & Safety laws, regulations and guidelines.

**13. Number of Complaints on the following made by employees and workers:**

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	296	Nil	Nil	313	Nil	Nil
Health & Safety	41	Nil	Nil	44	Nil	Nil

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.**

We have a robust Incident Investigation procedure in place to mitigate the health & safety related hazards. Accidents, near miss cases if any are investigated and necessary action is taken in timely manner mitigating the health & safety related risks. Corrective and Preventive Actions (CAPA) are implemented for the identified root causes of the safety related accidents and incidents. HIRA, JSA and HAZOP results were also considered for remedial measures and horizontal implementation of the same across various departments is carried out to avoid repetition of similar incidents.

**LEADERSHIP INDICATORS**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?**

Yes.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

A compliance monitoring is carried out for contractors to ensure deduction and payment of statutory dues. Monthly compliance check is carried out for remittance of PF and ESI etc.

**3. Provide the number of employees/ workers having suffered high consequence work related injury/ ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total No. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	1	0	0	0
Workers	0	1	0	1

**4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

No

**5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

**6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Not Applicable

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**



We perform our operations with integrity, transparency and effectively communicate all business decisions in a timely manner to the stakeholders of the Company. The dissemination of crucial business decisions to stakeholders to gather their insights and mitigating their concerns builds trust and strengthens collaboration leveraging the collective growth and development. We ensure transparency through open dialogue in an ethical, transparent and sustainable manner promoting long-term association, growth and development of the Company.

By following ethical practices and transparency in the business, we have established an ecosystem facilitating active communication with stakeholders which brings harmony and maintains cordial relationship. A well-established stakeholder engagement plan with defined roles & responsibilities, channels of communication, procedures, an appropriate tracking and monitoring mechanisms are in place for effective and timely communication with all stakeholders of the Company. We also protect the interests of marginalised and vulnerable stakeholder groups by implementing Corporate Social Responsibility (CSR) projects in the nearby local communities where we operate.

**ESSENTIAL INDICATORS**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

The stakeholder identification process comprises of 4 steps which includes stakeholder identification, review process, channels of communication and frequency of engagement protecting the interests of stakeholders and mitigate their concerns in a timely manner.

- Identification of stakeholders is carried out based on the stakeholder engagement plan considering influence, impact, legitimacy, interest and criticality of the respective stakeholders on Company's business operations, performance and growth.
- The stakeholder engagement plan is periodically reviewed and updated addressing the changes in the strategic decisions and significant operational related changes.
- Various modes of channels have been adopted for periodical communication with the identified stakeholders. The mode of communication has been decided based on need, accessibility, size and type of the stakeholder group.
- The frequency of interaction with the respective stakeholders varies based on the requirement for dissemination of information and addressing their concerns to strengthen the relationships and protect the interests of both the Company and Stakeholder groups.
- By adopting the stakeholder engagement plan, we have identified Shareholders, Customers, Suppliers, Employees, Communities, Lenders, Media and Government Agencies as Key Stakeholders for the Company.



**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	E-mail/ newspaper/ meetings	Quarterly/ half yearly/ annually/ as and when required	Update on business performance
Customers	No	E-mail/ newspaper/ con-call/ meetings	As and when required	Update on business performance and new product development/initiatives
Suppliers	No	E-mail/ newspaper/ con-call/ meetings	As and when required	Update on business performance and new product development/initiatives
Employees	No	E-mail/ con-call/ meetings	Ongoing and daily engagement	Update on policies/ achievement/ awards/ employee engagement initiatives/ training
Communities	Yes	Community Meetings	As and when required	Implementation of CSR Projects
Lenders	No	E-mails/ con-calls/ Meetings	Monthly/ quarterly/ annually	Business Performance, Cash Flow and Technical Monitoring, Approvals, Debt Service, Capital Expenditure and Financial Projections
Media	No	Engagement as per requirement	As and when required	To leverage the reach to share the business story with stakeholders
Government	No	Engagement as per requirement	As and when required	Engagements in forums to strengthen the relationship with Government and provide input into legislative development processes that affects the economy and the Company's operations.

**LEADERSHIP INDICATORS**

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

We periodically interact with the identified stakeholders through the stakeholder engagement plan. The insights and feedback from the respective stakeholders are taken through consultations via focused group discussions, surveys, e-mails and other modes of communication. The results of these consultations were submitted to the Board on need based basis for decision-making on various economic, environmental and social aspects.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes. Identification and prioritisation of Environment, Social and Governance (ESG) material issues relevant to the Company based on geographical location and nature of business is carried out by conducting materiality assessment. We have formulated the questionnaire for the identified stakeholders and conducted survey to capture their valuable inputs, insights towards ESG material topics and its relevance to the Company. Based on the outcome of survey results, materiality matrix has been developed prioritising the material issues into high, medium and low importance categories. The prioritised material issues under ESG were considered in preparation of policies, sustainability related business strategy, goals, targets and commitments.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

In order to mitigate concerns of vulnerable and marginalised groups in the local communities where we operate, a dedicated grievance redressal mechanism and CSR committee is in place. The grievances were addressed in a timely manner and appropriate need-based CSR programmes are implemented for the welfare of vulnerable and marginalised groups. Our prime focus areas under CSR are providing necessary health care & education support, ensure environmental sustainability and implementation of rural development projects, etc.

**PRINCIPLE 5: Businesses should respect and promote human rights**



We build inclusive environment by treating everyone in the organisation with dignity, respect, equality and fairness regardless of race, sex, nationality, ethnicity, language, religion, or any other status. Human rights are the intrinsic freedoms that every person has the right to exercise individually or collectively without any hindrance wherever they perform their duties. The Company's human rights policy ensures strict adherence to zero tolerance towards discrimination, child labour, and forced labour across our business operations and value chain of the Company. We have a human rights policy with detailed procedures and guidelines to promptly identify, assess and mitigate potential risks and impacts pertaining to human rights.

We conduct regular training programmes on human rights to the workforce of the Company and value chain partners. Everyone associated with the Company while performing their duties should strictly adhere to the human rights policies, principles, procedures and grievance mechanisms to mitigate the human rights related risks in a timely manner. We periodically track and monitor various aspects of human rights comprising health & safety, fair compensation, labour rights, right to privacy and take appropriate steps to mitigate the risks if found.

**ESSENTIAL INDICATORS**

**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity.**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B / A)	Total (C)	No. of employees/workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	4261	3269	76.72%	4252	399	9.38%
Other than permanent	NA	NA	NA	NA	NA	NA
<b>Total employees</b>	<b>4261</b>	<b>3269</b>	<b>76.72%</b>	<b>4252</b>	<b>399</b>	<b>9.38%</b>
<b>Workers</b>						
Permanent	NA	NA	NA	NA	NA	NA
Other than permanent	5242	569	10.85%	4153	773	18.61%
<b>Total workers</b>	<b>5242</b>	<b>569</b>	<b>10.85%</b>	<b>4153</b>	<b>773</b>	<b>18.61%</b>

**2. Details of minimum wages paid to employees and workers.**

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No (B)	% (B / A)	No (C)	% (C / A)		No (E)	% (E/D)	No (F)	% (F / D)
<b>Employees</b>										
<b>Permanent</b>	<b>4261</b>	<b>389</b>	<b>9.13%</b>	<b>3872</b>	<b>90.87%</b>	<b>4252</b>	<b>158</b>	<b>3.72%</b>	<b>4094</b>	<b>96.28%</b>
Male	4235	380	8.97%	3855	91.03%	4224	151	3.57%	4073	96.43%
Female	26	9	34.62%	17	65.38%	28	7	25.00%	21	75.00%
<b>Other than permanent</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Worker</b>										
<b>Permanent</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Other than permanent</b>	<b>5242</b>	<b>2941</b>	<b>56.10%</b>	<b>2301</b>	<b>43.90%</b>	<b>4153</b>	<b>1507</b>	<b>36.29%</b>	<b>2646</b>	<b>63.71%</b>
Male	4918	2678	54.45%	2240	45.55%	3997	1451	36.30%	2546	63.70%
Female	324	263	81.17%	61	18.83%	156	56	35.90%	100	64.10%

**3. Details of remuneration/ salary/ wages.****a) Median remuneration/wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in lakhs)	Number	Median remuneration/ salary/ wages of respective category (₹ in lakhs)
Board of Directors (BoD)	12	1.75	1	1.50
Key Managerial Personnel	5	92.20	Nil	NA
Employees other than BoD and KMP	4467	4.18	27	3.61
Workers	NA	NA	NA	NA

\* In case of Independent and Nominee Directors sitting fees paid is considered as remuneration.

# The number of BoD, KMP and Employees considered for median calculation includes left BoD, KMP and Employees respectively.

**b) Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	1%	1%

**4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Yes, we have an internal mechanism for redressal of grievances pertaining to human rights issues. The Company strives to build collective environment ensuring that there is no discrimination or harassment due to gender, religion, ethnicity and disability. Human rights policy is applicable to our workforce, local communities where we operate, suppliers, and other business associates. The Company supports the principles contained within the International Labour Organisation (ILO) Core Conventions on Labour Standards.

The Company undertakes an iterative monitoring process for identifying, assessing, and mitigating potential human rights related risks and impacts. We have a separate grievance redressal mechanism for addressing the complaints and grievances on human rights violations. If there are any human rights related violations, the aggrieved person is encouraged to report violations such as injustice, discrimination, criticism, unfairness or violation of dignity etc. to human resources department. After receipt of complaint, the human resources department investigates and take necessary action in a timely manner against the human rights related violations. Human rights policy of the Company is available at the web-link [https://necoindia.com/pdf/investor/corporate-governance/8.Human%20Rights%20Policy\\_JNIL.pdf](https://necoindia.com/pdf/investor/corporate-governance/8.Human%20Rights%20Policy_JNIL.pdf)

**6. Number of Complaints on the following made by employees and workers:**

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company ensure zero retaliation against the complainant under discrimination and harassment cases. We have a vigil mechanism/ whistle-blower policy to conducts business activities in fair, transparent and ethical manner by adopting highest standards of professionalism, honesty and integrity. All employees and workers are encouraged to report genuine concerns, including but not limited to unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. The complaints made under the discrimination and harassment cases will be treated in confidence and disclosed only to the people involved in the investigation process. An employee/director reporting the matter/raising concern in good faith is assured of protection (and anonymity, if he so chooses). This would not have any impact on the employee's performance appraisal, assignment of work or other matters related to employment with the Company. The vigil mechanism/ whistle-blower policy of the Company is available at the web-link <https://www.necoindia.com/pdf/Vigil-Mechanism-Whistle-Blower-Policy.pdf>

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes. The Company encourages the compliance with human rights related requirements as mentioned in the Supplier Code of Conduct (SCoC) and attempts to ensure that it shall be part of business agreements and contracts. Value chain partners of the Company should strictly adhere to the terms and conditions pertaining to human rights mentioned in the SCoC. The SCoC covers working conditions and employment practices, health & safety, environment and business ethics. The SCoC of the Company is available at the web-link [https://necoindia.com/pdf/investor/corporate-governance/7.Supplier%20Code%20of%20Conduct\\_JNIL.pdf](https://necoindia.com/pdf/investor/corporate-governance/7.Supplier%20Code%20of%20Conduct_JNIL.pdf)

**10. Assessments for the year:**

Section	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced Labour/ Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	NA

**11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.**

No corrective actions are required as there no significant risks/ concerns identified through the human rights related assessments conducted by the entity.

**LEADERSHIP INDICATORS****1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

JNIL continuously evaluates the requirements business process modifications considering the human rights grievances/complaints. Currently, the existing human rights policy is mitigating all kinds of human rights related risks. Thus, there is no such requirement to modify or change business processes.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

Not Applicable

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, the premises and offices of the Company are accessible to differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act, 2016. These offices have necessary infrastructure arrangements facilitating easy access to differently abled visitors.

**4. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at workplace	Nil
Child Labour	Nil
Forced Labour/Involuntary Labour	Nil
Wages	Nil
Others – please specify	Nil

**5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.**

Not Applicable

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**



We adopt and follow sustainable practices in our operations by reducing environmental footprint of our products through resource conservation, reducing energy consumption by deploying energy efficient equipment & processes, promoting circular economy and greenhouse gas (GHG) emission reduction. To reduce the dependency on thermal energy and to mitigate GHG emissions, we are generating energy through waste heat recovery in our integrated steel plant. We have promoted circular economy by implementation Zero Liquid Discharge (ZLD) for water conservation at various plants and enhanced the reuse and recycling of waste byproducts within our operations. These initiatives have led to mitigate the climate change and water management related risks.

Our environmentally conscious product development processes addressing various climate change related risks helps in achieving business resilience and sustainable growth & development of the Company. We continuously track the performance of the Company on environment related KPIs and strive for excellence by improving operational efficiency in a sustainable manner protecting the interests of all stakeholders.

**ESSENTIAL INDICATORS**

**1. Details of total energy consumption (in GJ) and energy intensity:**

Parameter	FY 2023-24	FY 2022-23
<b>From renewable sources</b>		
Total electricity consumption (A) (GJ)	Nil	Nil
Total fuel consumption (B) (GJ)	Nil	Nil
Energy consumption through other sources (C) (GJ)	Nil	Nil
<b>Total energy consumed from renewable sources (A+B+C) (GJ)</b>	<b>Nil</b>	<b>Nil</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	9,90,350	7,27,391
Total fuel consumption (E)	2,37,56,692	2,97,88,288
Energy consumption through other sources (F)	Nil	Nil
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>2,47,47,042</b>	<b>3,05,15,679</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>2,47,47,042</b>	<b>3,05,15,679</b>
<b>Energy intensity per crore of turnover</b> (Total energy consumed/ Revenue from operations in crores)	4,171	4,811
<b>Energy intensity per crore of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed/Revenue from operations in crores adjusted for PPP)	93,424	1,07,767
<b>Energy intensity in terms of physical output **</b>	15.17	19.09
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

\*\* Energy consumption intensity in terms of physical output is calculated considering total energy consumption (GJ) against the total net production (Tonne).

**Note:** Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

**2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Yes, the manufacturing facilities of the Company are identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme “Cycle VII”.

- Under PAT Cycle – 1, the Company has achieved the targets and received 1,505 positive Escerts from Bureau of Energy Efficiency (BEE).

- Under PAT Cycle – 2, the Company has achieved the targets and received 5,370 positive Escerts from BEE.

In both PAT cycles, it achieved more than the target.

**3. Provide details of the following disclosures related to water:**

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	51,72,544	52,06,722
(ii) Groundwater	1,02,626	73,772
(iii) Third party water	56,752	681
(iv) Seawater/desalinated water	-	-
(v) Others	-	58,615
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>53,31,922</b>	<b>53,39,790</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>53,31,922</b>	<b>53,39,790</b>
<b>Water intensity per crore of turnover</b> (Total water consumption/Revenue from operations in crores)	899	842
<b>Water intensity per crore of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption/ Revenue from operations in crores adjusted for PPP)	20,129	18,858
<b>Water intensity in terms of physical output **</b>	3.27	3.34
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	-	-

\*\* Water consumption intensity in terms of physical output is calculated considering total water consumption (KL) against the total net production (Tonne).

**Note:** Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

**4. Provide the following details related to water discharged:**

Parameter	FY 2023-24	FY 2022-23
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) To Surface water</b>		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
<b>(ii) To Groundwater</b>		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
<b>(iii) To Seawater</b>		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
<b>(iv) Sent to third-parties</b>		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
<b>(v) Others</b>		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
<b>Total water discharged (in kilolitres)</b>	<b>Nil</b>	<b>Nil</b>

**Note:** Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No



**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes, we have implemented Zero Liquid Discharge (ZLD) in our manufacturing facilities. The details pertaining to treated wastewater management practices at respective manufacturing facilities are provided below:

- The Steel Plant Division (SPD) of the Company has wastewater treatment plants for treating the wastewater generated from the operations and blowdown water from cooling towers. The treated wastewater is used for quenching in coke ovens and slag granulation process in the blast furnace.
- The Centricast division has Effluent Treatment Plant (ETP) and Sewage Treatment Plant (STP) for wastewater treatment. The treated wastewater is used for various utility activities, cleaning, toilet flushing and gardening purposes.
- In Engineering Castings Division and Automotive Castings Divisions, the STPs were installed and treated wastewater is used for various gardening activities.

**6. Provide details of air emissions (other than GHG emissions) by the entity:**

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	Tonnes	672.71	796.99
SOx	Tonnes	1,073.53	1,159.86
Particulate Matter (PM)	Tonnes	1,215.69	1,335.84
Persistent Organic Pollutants (POP)	-	NA	NA
Volatile Organic Compounds (VOC)	-	NA	NA
Hazardous Air Pollutants (HAP)	-	NA	NA
Others – please specify	-	NA	NA

**Note:** Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:**

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Tonnes CO <sub>2</sub> equivalent (tCO <sub>2</sub> e)	24,78,408	19,09,699
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Tonnes CO <sub>2</sub> equivalent (tCO <sub>2</sub> e)	1,96,970	1,67,704
Total Scope 1 and Scope 2 emission intensity per crore of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations in crores)		451	328
Total Scope 1 and Scope 2 emission intensity per crore of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations in crores adjusted for PPP)		10,100	7,336
Total Scope 1 and Scope 2 emission intensity in terms of physical output **		1.64	1.30
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

\*\* Carbon emission intensity in terms of physical output is calculated considering total carbon emission (Tonne) against the total net production (Tonne).

**Note:** Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

**8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

Yes. JNIL has implemented several projects for reducing greenhouse gas emission which comprises of the following:

- Installation of vacuum pump in both SMS plants to reduce consumption of furnace oil and coal in boilers.
- Upgradation of old turbines to improve heat rate and conserve energy.
- Upgradation of steam blower to electric blowers in blast furnace.
- Deployment of electric vehicles for fleet management.
- Optimisation of existing processes to improve operational efficiency.
- Installation of waste heat recovery plants to reuse the energy potential of waste heat and conserve the energy.

- Optimisation of overall raw material consumption by improving the quality of iron ore through beneficiation processes.
- Implemented circular economy principles through usage of scrap and reducing the dependency on valuable mineral resources.
- Switched to alternative clean fuels which are less carbon emitting compared to fossil fuels.

**9. Provide details related to waste management by the entity:**

Parameter	FY 2023-24	FY 2022-23
<b>Total Waste generated (in MT)</b>		
Plastic waste (A)	Nil	Nil
E-waste (B)	29.67	2.29
Bio-medical waste (C)	0.08	0.10
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	8.28	18.02
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	25.85	41.80
Other Non-hazardous waste generated (H). Please specify, if any.	5,19,651	5,08,735
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>5,19,715</b>	<b>5,08,797</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated/Revenue from operations in crores)	88	80
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated/Revenue from operations in crores adjusted for PPP)	1,962	1,797
<b>Waste intensity in terms of physical output **</b>	0.32	0.32
<b>Waste intensity (optional)</b> – the relevant metric may be selected by the entity	-	-

\*\* Waste generation intensity in terms of physical output is calculated considering total waste generation (MT) against the total net production (Tonne).

**For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes):**

Category of waste	FY 2023-24	FY 2022-23
<b>Total Waste generated (in MT)</b>		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

**For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes):**

Category of waste	FY 2023-24	FY 2022-23
<b>Total Waste generated (in MT)</b>		
(i) Incineration	0.72	0.55
(ii) Landfilling	2,30,952	1,69,621
(iii) Other disposal operations	2,88,762	3,37,958
<b>Total</b>	<b>5,19,715</b>	<b>5,07,579</b>

**Note:** Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

We have an appropriate waste management system in place in all the facilities to reuse waste materials in the operations wherever possible. The waste materials are segregated, stored, collected, transported as per the industrial norms. Only the residual fraction of waste without any recycling potential is safely disposed in compliance with the Pollution Control Board norms. We have adopted several practices across all our manufacturing facilities to reuse the waste wherever possible which includes:

- Flue dust generated from SMS and GCP sludge from blast furnace is being utilised in the sinter plant.
- Coke breeze is used in the Sinter Plant.
- SMS slag is used for road ballast material after metal recovery.





4. Fly ash and bed ash is used in the manufacturing of bricks.
5. Char and Dolachar generated from the DRI plants are used as fuel in the power plants.
6. Waste/spent oil is sent to waste recycler agency authorised by the Pollution Control Board.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details.**

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N). If no, the reasons thereof and corrective action taken, if any.
1.	Chhotedongar Iron Ore Mine, Village Chhotedongar, Tehsil & District Narayanpur, State - Chhattisgarh	Open Cast Iron Ore Mining	Yes
2.	Metabodeli Iron Ore Mine, Village Metabodeli, Tehsil Bhanupratappur, District Kanker, State - Chhattisgarh	Open Cast Iron Ore Mining	Yes

**12. Details environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web-link
Increasing the mining area from 35.74 ha to 91.00 ha. Out of Total Mining Lease Area of 192.25 ha Product: 2.95 MTPA Iron Ore & 1.00 MTPA Beneficiation Plant	EIA Notification 2006	14 <sup>th</sup> September, 2006	Yes	Yes	<a href="https://enviscecb.org/">https://enviscecb.org/</a>

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act, and rules thereunder (Y/N). If not, provide details of all such non-compliances:**

Sl. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	Yes. The Company is compliant with the applicable laws pertaining to Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder.			

**LEADERSHIP INDICATORS**

**1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):**

For each facility/plant located in areas of water stress, provide the following information:

- (i) Name of the area: Not Applicable
- (ii) Nature of operations: Not Applicable
- (iii) Water withdrawal, consumption, and discharge: Not Applicable

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) To Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater/desalinated water	NA	NA
(v) Others	NA	NA
<b>Total volume of water withdrawal (in kilolitres)</b>	NA	NA
<b>Total volume of water consumption (in kilolitres)</b>	NA	NA
<b>Water intensity per rupee of turnover</b> (Water consumed/turnover)	NA	NA
<b>Water intensity (optional)</b> – the relevant metric may be selected by the entity	NA	NA
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) Into Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) Into Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third parties		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
<b>Total water discharged (in kilolitres)</b>	NA	NA

**Note:** Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent		
<b>Total Scope 3 emissions per rupee of turnover</b>			Not monitored
<b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity			

**Note:** Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

**3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

No significant direct and indirect impact of the entity is found on biodiversity. Thus, no prevention and remediation activities are required.



**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/ effluent discharge/ waste generated, please provide details of the same as well as outcome of such initiatives:**

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Installed Wastewater treatment along with Reverse Osmosis (RO) system with a capacity of 70 Cum/hr capacity	To reduce the dependency on freshwater consumption, wastewater is treated through wastewater treatment plant along with RO for reuse of treated water again in the operations of the Company.	Approximately 1,700 Cum water per day is recycled and reused in the plant operations reducing the freshwater consumption.
2.	Installed 7 STPs of 5 KLD capacity each	Domestic STPs are installed to treat domestic sewage and reuse treated wastewater in horticulture and gardening activities.	The treated sewage water is being used in horticulture/ plantations which reduces freshwater consumption.
3.	Drip irrigation system installed in green belt area	Drip irrigation system has been installed to optimise water consumption in gardening and horticulture development activities.	Drip system has achieved 90% water efficiency which in turn reduced the freshwater consumption.
4.	Constructed rainwater harvesting system	6 rainwater harvesting pits are constructed for rainwater harvesting in plain areas and 5 rooftop rainwater harvesting pits are constructed to harvest rainwater from rooftop.	1,69,839 Cum of rainwater has been harvested and utilised for various industrial activities.
5.	Installed and commissioned ETP plant with capacity of 200 Cubic meters per day	The treated wastewater from the ETP plant is used in utilities, cleaning and gardening activities.	Due to utilisation of treated wastewater from ETP plant, the freshwater consumption has been reduced.
6.	Installed and commissioned 3 STP plants with a capacity of 60 Cubic meters per day each	The treated wastewater from the STP plant is used in utilities, cleaning and gardening activities.	Due to utilisation of treated wastewater from STP plant, the freshwater consumption has been reduced.

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web-link.**

Yes, JNIL has an approved on-site emergency and disaster management plan in place with detailed procedures and guidelines. We also disclose our on-site emergency and disaster management plan to the Chief Inspector of Factories as part of statutory disclosure requirement under Section 41-B of the Indian Factories Act, 1948.

The onsite emergency and disaster management plan lays down the procedures to be followed for prevention of fatal accidents, physical harm or injury to personnel, and damage to equipment facilities or materials across all manufacturing facilities of the Company. It requires timely coordination and collective effort from all employees and workers to avoid disastrous situations and mitigate various hazards at workplace. The objectives of on-site emergency and disaster management plan is to provide necessary guidance to take appropriate action in a timely manner if any emergency situation arises. Through implementation of on-site emergency and disaster management plan, we ensure the following:

- Protect personnel of the Company and the public outside the plant premises.
- Protect property and minimise loss in case of adverse situations.
- Protect the work environment and outside environment.
- Effective rescue and proper treatment of casualties.
- Bring the situation under control in a timely manner.
- Ensure rapid return to normal operation by taking appropriate measures.
- Preserve relevant records and equipment of the Company.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

Not available.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Nil.

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**



As a responsible corporate, we perform business activities with honesty, integrity, transparency and responsible manner in compliance with the applicable laws, regulations and guidelines. We actively engage with industrial associations and regulatory agencies by making collaborative effort for growth and development of steel sector. Our team with relevant experience and expertise in steel sector be the instrumental in representing the challenges faced by the steel companies to the regulatory agencies and industrial associations. We always strive for sustainable growth and development of the steel sector mitigating the business-related risks by taking active role in providing necessary inputs for formulation of policies and making business decisions by government & regulatory agencies and industrial associations.

Our public advocacy procedures and practices are in a responsible, ethical and transparent manner in line with the code of conduct of the Company. We have a robust governance framework meeting highest ethical standards facilitating responsible business decisions, financial management strategies, professional decision-making by following industrial best practices.

**ESSENTIAL INDICATORS**

**1. a) Number of affiliations with trade and industry chambers/associations:**

The Company is affiliated with 9 (Nine) trade and industry chambers/associations.

**b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1.	Alloy Steel Producers Association of India	National
2.	Federation of Indian Mineral Industries	National
3.	Export Credit Guarantee Corporation of India Limited	National
4.	Engineering Export Promotion Council of India	National
5.	The Institute of Indian Foundrymen	National
6.	Sponge Iron Manufacturers Association	National
7.	Pellet Manufacturers Association of India	National
8.	MIDC Industries Association	State
9.	Vidarbha Industries Association	State

**2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of Authority	Brief of the case	Corrective action taken
		Nil

**LEADERSHIP INDICATORS**

**1. Details of public policy positions advocated by the entity:**

Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web-link, if available

JNIL puts forth its suggestions and recommendations with reasons directly and through industrial associations for attempting necessary changes and amendments in the policies formulated by the governments and the regulatory agencies.



**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**



We promote inclusive growth and ensure equitable development by uplifting the marginalised and vulnerable groups in the nearby local communities where our facilities are located. We have a CSR policy and dedicated CSR committee to address the concerns of the local communities and implement suitable CSR programmes for uplifting of the marginalised and vulnerable groups.

Our key focus areas for implementation of CSR projects include education, safe drinking water, healthcare & sanitation, environment, social and economic empowerment for education, health and self-employment, sports, arts & culture, protection and maintenance of natural heritage sites, vocational training, eradication of malnutrition and hunger, rural development etc. We are implementing CSR projects in line with national priorities for sustainable growth and development. By this collective effort, we are creating a long-lasting positive impact in the nearby local communities where we operate.

**ESSENTIAL INDICATORS**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in FY 24.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web-link
Social Impact Assessments are not applicable to the Company as per the applicable laws in the reported year FY 2023-24					

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

Sl. No	Name of project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY 24 (In ₹)
Not Applicable. Rehabilitation and Resettlement (R&R) is not undertaken by the Company in the reported year FY 2023-24.						

**3. Describe the mechanisms to receive and redress grievances of the community.**

The Company has a CSR policy with detailed guidelines for redressal of grievances from nearby local communities where we operate. The implementation of CSR related projects is carried out by the CSR team available at respective facilities, respective plant head and monitored by the CSR committee. The CSR team at respective facilities and onsite teams regularly interacts with local communities including the respective officials of Nagar Panchayats to identify need-based CSR projects and address grievances if any. We ensure open dialogue through one-to-one interactions and focused group discussion with the local communities and other stakeholders. The grievances from the local communities are addressed in the timely manner and also updated to the CSR committee periodically. The CSR policy of the Company is available at the web-link <https://www.necoindia.com/images/investor/corporate-governance/Corporate-Social-Responsibility-Policy-1.pdf>

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/small producers	16.04%	21.71%
Directly from within India	77.83%	66.78%

**5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in following locations, as % of total wage cost.**

Location	FY 2023-24	FY 2022-23
Rural	9.54%	9.56%
Semi-urban	90.46%	90.44%
Urban	Nil	Nil
Metropolitan	Nil	Nil

**LEADERSHIP INDICATORS**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
	Not applicable

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Sl. No.	State	Aspirational District	Amount Spent (In ₹)
1	Chhattisgarh	Kanker	2.27 crores
2	Chhattisgarh	Narayanpur	5.53 crores

**3. a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)**

No

**b) From which marginalised/vulnerable groups do you procure?**

Not Applicable

**c) What percentage of total procurement (by value) does it constitute?**

Not Applicable

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

**6. Details of beneficiaries of CSR Projects:**

The below mentioned CSR projects are implemented in nearby local communities where our manufacturing facilities are located.

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1.	<b>Health Care</b> - Provided health care services which includes establishment of first aid center, free ambulance services, medical health check-ups, supplied food to patients and organised blood donation camps.	18,924	100%
2.	<b>Rural Development Projects</b> – Construction of rainwater harvesting pits, toilet facilities, drilling of borewells, installation of solar street lights, construction and repair of roads and construction of shamshan ghat etc.	73,397	100%
3.	<b>Education &amp; Training</b> – Established coaching centers to students, distribution of school bags, financial assistance and scholarship programmes for students and development of nursery	5,896	100%
4.	<b>Environmental Sustainability</b> – Provided garbage collection vehicles, plantation & maintenance of trees, cleaning and development of ponds in villages	38,000	100%
5.	<b>Promotion and Development of Traditional Art and Culture &amp; Community Welfare</b> – Construction of common service center, organised traditional cultural programmes and constructed Rang Manch for organising cultural activities.	14,300	100%
6.	<b>Women Empowerment</b> – Established tailoring training center to provide free training to unemployed women and organised programmes to felicitate anganwadi karyakartas and social workers	957	100%
7.	<b>Sports</b> – Provided financial assistance to Gram Panchayats for organising cricket & kabaddi tournaments and other sports, provided assistance to sportsmen and women for participation in South Asian Yoga Sports Competition	2,512	100%
<b>Total</b>		<b>1,53,986</b>	



**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner**



We follow the most stringent quality management system standards to deliver the high quality products to our customers. Our Company is an Integrated Management System (IMS) and International Automotive Task Force (IATF) certified for adopting most stringent quality management system ensuring optimised processes promoting efficiency, focusing on systematic processes, increased customer satisfaction and continual improvement. Appropriate quality control procedures are in place and periodical inspections are carried out to ensure production and supply of high-quality products to all our customers.

Our Company continuously strive to achieve economic value by optimising resources through operational excellence, powered by technology, driven by innovation, creating delight and producing value added quality products that enhances customers satisfaction. All our quality control and quality assurance processes are the industrial best practices in the iron & steel & castings sector.

**ESSENTIAL INDICATORS**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback**

An appropriate procedure "JNIL/CC/IMSP" for handling of customer complaints and implementation of corrective action is in place. The customers can raise their complaints in written or verbal form through e-mail or letter etc. Zonal head is responsible to initiate the preliminary discussion with the customer on the complaints and to start the investigation by involving the respective departments responsible to address the complaints. After thorough investigation of the complaints, corrective and preventive action is taken by the Company and the same shall be communicated to the customer in a timely manner for redressal of customer complaints.

We have a customer satisfaction measurement process "IMS procedure MKTSL/IMSP/02" to obtain feedback from the customers and to take necessary action. Head of the marketing department is responsible for implementation of this procedure. Additional inputs from the customers are taken in case of any negative feedback or low rating and an appropriate action is taken addressing the concerns of the customers. A periodical communication is made to customers on the corrective actions or improvements done on quality and marketing related aspects. We track the ratings of customer satisfaction survey on an annual basis and always strive to achieve 100% satisfaction of all key customers.

**2. Turnover of products and/services as a percentage of turnover from all products/ service that carry information about.**

State	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable as Company's business is B2B (Business to Business) and products are manufactured and sold as per the requirement of the customers.
Safe and responsible usage	
Recycling and/or safe disposal	

**3. Number of consumer complaints in respect of the following:**

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive trade practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair trade practices	Nil	Nil	Nil	Nil	Nil	Nil
Others	116	Nil	Nil	208	Nil	Nil

**4. Details of instances of product recalls on accounts of safety issues.**

	Number	Reasons for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	Not Applicable

**5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes. JNIL has a data privacy policy with detailed guidelines to collect, use, store, disclose or otherwise process the personal data and describe the rights with respect to personal data. The Company is committed to provide the highest level of protection regarding the processing of employees, vendors and clients/customers' personal data based on applicable data protection

laws and regulations. Personal data comprises of all the details that the Company collects and processes directly or indirectly for instance, information about identity and contact details (such as name, e-mail ids and contact number), including information received from third parties and information collected through websites, cookies or other similar tools. The personal data processed will only be accessible on a need-to-know basis or where required by law by a limited number of recipients. While handling and/or dealing with any personal information including sensitive personal data or information, it is assured that:

- a) The sites of the Company have adequate security to prevent the loss and/or misuse of personal data.
- b) Use of personal information would be limited to the extent that is reasonably required to deliver products and also to administer business.
- c) Whenever other organisations are hired to provide services, they would conform to the Company's privacy policy and also allow the Company to audit for compliance.

The personal data processed are kept for no longer than is necessary for the purposes for which the personal data are processed in line with legal, regulatory or statutory obligations. At the expiry of such periods, the personal data will be deleted or archived to comply with legal retention obligations or in accordance with applicable statutory limitation periods. The data privacy policy of the Company is available at the web-link [https://www.necoindia.com/pdf/investor/corporate-governance/3.Data%20Privacy%20Policy\\_JNIL.pdf](https://www.necoindia.com/pdf/investor/corporate-governance/3.Data%20Privacy%20Policy_JNIL.pdf)

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/ services**

There have been no such instances in the reported year FY 2023-24.

**7. Provide the following information relating to data breaches:**

- a) **Number of instances of data breaches**  
Nil
- b) **Percentage of data breaches involving personally identifiable information of customers**  
Not Applicable
- c) **Impact, if any, of the data breaches**  
Not Applicable

**LEADERSHIP INDICATORS**

**1. Channels/platforms where information on products and services of the entity can be accessed (provide web-link, if available).**

Information related to the products and services of the foundry and steel divisions of the Company can be accessed from the below web-links.

- Foundry Division: <https://www.jayaswalneco.com>
- Steel Plant Division: <https://www.necoindia.com>

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The Company issues test certificate for the products assuring the grade, quality and other specifications for each and every product. In order to handle and manage the products in a safe manner by the customers, we provide additional guidance to them through Material Safety Data Sheets (MSDS).

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Our sales teams and distributors proactively inform the customers through various modes of communication such as e-mail and phone call etc. in case of risk of disruption/ discontinuation of essential services.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes. We display the additional information on the products over and above what is mandated as per the law in line with the requirements of the Customers. This may include product related specifications and other criteria specified by the Customers.

JNIL always strive to improve the satisfaction of the Customers through delivery of high-quality products and exceptional customer care services. We conduct customer satisfaction survey on quarterly basis to assess the customer satisfaction and identify the improvement areas.

**Annexure 1 – Linking BRSR KPIs with GRI Standards**

(It is to be noted that the below mentioned GRI indicators are not applicable to the Company, however the linking has been given for reference)

**Section A: General Disclosures**

I. Details of Listed Entity	
A1	No direct linkage
A2	GRI 2: General Disclosures 2021, Disclosure 2-1-a
A3	No direct linkage
A4	No direct linkage
A5	GRI 2: General Disclosures 2021, Disclosure 2-1-c
A6	GRI 2: General Disclosures 2021, Disclosure 2-3-d
A7	GRI 2: General Disclosures 2021, Disclosure 2-3-d
A8	No direct linkage
A9	GRI 2: General Disclosures 2021, Disclosure 2-3-a,2-3-b
A10	No direct linkage
A11	No direct linkage
A12	GRI 2: General Disclosures 2021, Disclosure 2-3-d
A13	GRI 2: General Disclosures 2021, Disclosure 2-2-a,2-2-c
II. Products/Services	
A16	GRI 2: General Disclosures 2021, Disclosure 2-6-b-i
A17	GRI 2: General Disclosures 2021, Disclosure 2-6-b-l
III. Operations	
A18	GRI 2: General Disclosures 2021, Disclosure 2-6-b-i
A19a	GRI 2: General Disclosures 2021, Disclosure 2-6-b-i
A19b	No direct linkage
A19c	GRI 2: General Disclosures 2021, Disclosure 2-6-b-iii
IV. Employees	
A20a	GRI 2: General Disclosures 2021, Disclosures 2-7-a; 2-7-b-i-ii; 2-8-a
A20b	GRI 405: Diversity and Equal Opportunity 2016 Disclosure 405-1-b-iii
A21	GRI 405: Diversity and Equal Opportunity 2016 Disclosure 405-1-a-l; 405-1-b-i
A22	GRI 401: Employment 2016 Disclosure 401-1-b
V. Holding, Subsidiary and Associate Companies (Including joint ventures)	
A23	GRI 2: General Disclosures 2021, Disclosures 2-2-a; 2-2-b
A24	GRI 201: Economic Performance 2016 Disclosure 201-1-a-i-ii
A25	GRI 2: General Disclosures 2021, Disclosures 2-25-e
A26	GRI 3: Material Topics 2021 Disclosure 3-1-a-i-ii; 3-1-b GRI 3: Material Topics 2021 Disclosure 3-2-a GRI 3: Material Topics 2021 Disclosure 3-3-a GRI 3: Material Topics 2021 Disclosure 3-3-d-i-ii Can be covered by-GRI 201: Economic Performance 2016 Disclosure 201-2-a
Policy & Management Processes	
B1 a, b, c	GRI 2: General Disclosures 2021 Disclosure 2-23-a;2-23-c;2-23-d
B2	GRI 2: General Disclosures 2021 Disclosure 2-24-a-ii
B3	GRI 2: General Disclosures 2021 Disclosure 2-23-e
B4	No direct linkage
B5	GRI 3: Material Topics 2021 Disclosure 3-3-c;3-3-e-ii
B6	GRI 3: Material Topics 2021 Disclosure 3-3-e-iii
Governance, Leadership and Oversight	
B7	GRI 2: General Disclosures 2021 Disclosure 2-22-a
B8	GRI 2: General Disclosures 2021 Disclosure 2-13-a-i
B9	GRI 2: General Disclosures 2021 Disclosure 2-9-b; 2-9-c-i-viii
B10	No direct linkage
B11	GRI 2: General Disclosures 2021 Disclosure 2-5-b-i-iii
B12	No direct linkage

**Section C: Principle-wise Performance Disclosure**

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.**

**Essential Indicators**

P1-E1	GRI 2: General Disclosures 2021 Disclosures 2-17-a; 2-24-a-iv
P1-E2	GRI 2: General Disclosures 2021 Disclosures 2-27 a i- ii; b i-ii; c, d
P1-E3	GRI 2: General Disclosures 2021 Disclosure 2-27 a l, ii
P1-E4	GRI 2: General Disclosures 2021 Disclosures 2-23-a; 2-23-c; GRI 3: Material Topics 2021 to be used together with GRI 205: Anti-corruption 2016 Disclosure 3-3-c
P1-E5	GRI 205: Anti-corruption 2016 Disclosure 205-3-a; 205-3-b
P1-E6	Can be covered by - GRI 2: General Disclosures 2021 Disclosure 2-25-e
P1-E7	GRI 205: Anti-corruption 2016 Disclosure 205-3-d
P1-E8	-
P1-E9	-

**Leadership Indicators**

P1-L1	GRI 2: General Disclosures 2021 Disclosure 2-24-a-iv
P1-L2	GRI 2: General Disclosures 2021 Disclosures 2-10-b-iii; 2-15-a

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**

**Essential Indicators**

P2-E1	No direct linkage
P2-E2	Can be covered by - GRI 308 Supplier environmental assessment Disclosure 308-1-a; GRI 414 Supplier social assessment Disclosure 414-1-a
P2-E3	GRI 3: Material Topics 2021, to be used together with GRI 301: Materials 2016 Disclosures 3-3-d and GRI 306: Waste 2020 Disclosure 306-2-a
P2-E4	No direct linkage

**Leadership Indicators**

P2-L1	No direct linkage
P2-L2	GRI 3: Material Topics 2021, to be used together with GRI 306: Waste 2020 Disclosures 3-3-a; - 3-3-d-i-iii; GRI 306: Waste 2020 Disclosure 306-2-a
P2-L3	GRI 301: Materials 2016 Disclosure 301-2-a
P2-L4	No direct linkage
P2-L5	GRI 301: Materials 2016 Disclosure 301-3-a

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

**Essential Indicators**

P3-E1a	GRI 401: Employment 2016 Disclosure 401-2-a-l- vii
P3-E1b	No direct linkage
P3-E1c	-
P3-E2	GRI 201: Economic Performance 2016 Disclosures 201-3-b-i-iii; 201-3-c; 201-3-d; 201-3-e
P3-E3	Can be covered by – GRI 3: Material Topics 2021, to be used together with GRI 405: Diversity and Equal Opportunity 2016 Disclosure 3-3
P3-P4	Can be covered by - GRI 3: Material Topics 2021, to be used together with GRI 405: Diversity and Equal Opportunity 2016 Disclosure 3-3-c
P3-E5	GRI 401: Employment 2016 Disclosure 401-3-a; 401-3-b; 401-3-c; 401-3-d; 401-3-e
P3-E6	Can be covered by - GRI 2: General Disclosures 2021 Disclosure 2-25-b
P3-E7	GRI 2: General Disclosure 2021 Disclosure 2-30-a
P3-E8	GRI 403: Occupational Health and Safety 2018 Disclosure 403-5-a; GRI 404: Training and Education 2016 Disclosures 404-1-a-l; 404-2-a
P3-E9	GRI 404: Training and Education 2016 Disclosure 404-3-a
P3-E10 a	GRI 403: Occupational Health and Safety 2018 Disclosure 403-1-a, 403-1-b
P3-E10 b	GRI 403: Occupational Health and Safety 2018 Disclosure 403-2-a
P3-E10 c	GRI 403: Occupational Health and Safety 2018 Disclosures 403-2-b; 403-2-c
P3-E10 d	GRI 403: Occupational Health and Safety 2018 Disclosure 403-6-a
P3-E11	GRI 403: Occupational Health and Safety 2018 Disclosure 403-9-a-i-v; 403-9-b-i-v; 403-10-a; 403-10-b-ii
P3-E12	GRI 3: Material Topics 2021, to be used together with GRI 403: Occupational Health and Safety 2018 Disclosure 3-3-d-i-iii; GRI 403: Occupational Health and Safety 2018 Disclosure 403-2-a-i-ii; 403-9-c-iii; 403-9-d; 403-10-c-iii
P3-E13	Can be covered by – GRI 2: General Disclosures 2021 Disclosure 2-25-e
P3-E14	Can be covered by – GRI 3: Material Topics 2021, to be used together with GRI 403: Occupational Health and Safety 2018 Disclosures 3-3-e-l
P3-E15	GRI 3: Material Topics 2021, to be used together with GRI 403: Occupational Health and Safety 2018 Disclosure 3-3 d-i-ii; GRI 403: Occupational Health and Safety 2018 Disclosures 403-9-c-ii-iii; 403-9-d; 403-10-c-ii-iii



<b>Leadership Indicators</b>	
P3-L1	No direct linkage
P3-L2	No direct linkage
P3-L3	Can be covered by - GRI 3: Material Topics 2021, to be used together with GRI 403: Occupational Health and Safety 2018 Disclosure 3-3-d-ii
P3-L4	GRI 404: Training and Education 2016 Disclosure 404-2-b
P3-L5	GRI 414: Supplier social Assessment 2016 Disclosure 414-2-a
P3-L6	GRI 414: Supplier social Assessment 2016 Disclosures 414-2-d; 414-2-e
<b>PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders</b>	
<b>Essential Indicators</b>	
P4-E1	GRI 2: General Disclosures 2021 Disclosure 2-29-a-l
P4-E2	GRI 3: Material Topics 2021 Disclosure 3-1-b; GRI 2: General Disclosures 2021 Disclosure 2-29-a-i-iii
<b>Leadership Indicators</b>	
P4-L1	GRI 2: General Disclosures 2021 Disclosure 2-29-a-l
P4-L2	GRI 3: Material Topics 2021 Disclosure 3-1-a-i-ii; 3-1-b
P4-L3	GRI 2: General Disclosures 2021 Disclosure 2-29-a-i-iii
<b>PRINCIPLE 5: Businesses should respect and promote human rights</b>	
<b>Essential Indicators</b>	
P5-E1	GRI 2: General Disclosures 2021 Disclosure 2-24-a-iv GRI 205: Anti-Corruption 2016 Disclosure 205-2-e GRI 403: Occupational Health and Safety 2018 Disclosure 403-5-a GRI 404: Training and Education 2016 Disclosure 404-1-a-i-ii GRI 410: Security Practices 2016 Disclosure 410-1-a
P5-E2	GRI 202: Market Presence 2016 Disclosures 202-1-a; 202-1-b GRI 405: Diversity and Equal Opportunity 2016 Disclosure 405-2-a
P5-E3	GRI 2: General Disclosures 2021 Disclosures 2-19-a-i-v; 2-21-a
P5-E4	GRI 2: General Disclosures 2021 Disclosure 2-13-a-i-ii
P5-E5	GRI 2: General Disclosures 2021 Disclosures 2-25-b; 2-25-d; 2-25-e
P5-E6	GRI 406: Non-discrimination 2016 Disclosure 406-1-a Can be covered by - GRI 2: General Disclosures 2021 Disclosure 2-25-e
P5-E7	-
P5-E8	GRI 2: General Disclosures 2021 Disclosure 2-25-e
P5-E9	GRI 2: General Disclosures 2021 Disclosures 2-23-a-iv; 2-23-e; 2-23-f; 2-24-a-iii; GRI 3: Material Topics 2021, to be used together with GRI 414: Supplier Social Assessment 2016 Disclosure 3-3
P5-E10	No direct linkage
P5-E11	GRI 3: Material Topics 2021, to be used together with each material topic the organisation has determined relevant to the Human Rights Rights principle Disclosures 3-3-d-i-ii
<b>Leadership Indicators</b>	
P5-L1	GRI 2: General Disclosures 2021 Disclosures 2-25-b; 2-25-e; GRI 3: Material Topics 2021 Disclosures 3-3-d-i-ii
P5-L2	GRI 3: Material Topics 2021 Disclosures 3-1-a-i; 3-3-a; 3-3-c; 3-3-d
P5-L3	Can be covered by - GRI 3: Material Topics 2021, to be used together with GRI 405: Diversity and Equal Opportunity 2016 Disclosure 3-3
P5-L4	GRI 3: Material Topics 2021, to be used together with GRI 414: Supplier Social Assessment 2016 Disclosure 3-3; GRI 414: Supplier Social Assessment 2016 Disclosures 414-1-a; 414-2-a
P5-L5	GRI 414: Supplier Social Assessment 2016 Disclosures 414-2-d; 414-2-e
<b>PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment</b>	
<b>Essential Indicators</b>	
P6-E1	GRI 302: Energy 2016 Disclosure 302-1-a; 302-1-b; 302-1-c-l; 302-1-e GRI 302: Energy 2016 Disclosure 302-3-a; 302-1-b
P6-E2	Can be covered by - GRI 3: Material Topics 2021, to be used together with GRI 302: Energy 2016 Disclosure 3-3
P6-E3	GRI 303: Water and Effluents 2018 Disclosures 303-3-a-i-v; 303-5-a
P6-E4	GRI 303: Water and Effluents 2018 Disclosures 303-3-a-i-v; 303-5-a
P6-E5	GRI 303: Water and Effluents 2018 Disclosures 303-3-a-i-v; 303-5-a
P6-E6	Can be covered by - GRI 303: Water and Effluents 2018 Disclosures 303-1-a; 303-2-a
P6-E7	GRI 305: Emissions 2016 Disclosure 305-7-a-i-vii
P6-E8	GRI 305: Emissions 2016 Disclosures 305-1-a; 305-1-b; 305-2-a, 305-2-b; 305-2-c; 305-4-a; 305-4-b; 305-4-c
P6-E9	GRI 305: Emissions 2016 Disclosures 305-5-a; 305-5-b; 305-5-c; 305-5-d
P6-E10	GRI 306: Waste 2020 Disclosures 306-3-a; 306-4-a; 306-4-b-i-iii; 306-4-c-i-iii; 306-5-a; 306-5-b-i-iii; 306-5-c-i-iv
P6-E11	GRI 306: Waste 2020 Disclosure 306-2-a; GRI 3: Material Topics 2021, to be used together with GRI 306: Waste 2020 Disclosures 3-3-c; 3-3-d-i-ii
P6-E12	GRI 304: Biodiversity 2016 Disclosure 304-1-a-i-v

P6-E12	GRI 304: Biodiversity 2016 Topic management disclosures Guidance; GRI 413: Local Communities Disclosure 413-1-a-ii; GRI 303: Water and Effluents 2018 Disclosure 303-1-a No direct linkage
P6-E13	GRI 2: General Disclosures 2021 Disclosures 2-27a-i-ii; 2-27-b-i-ii
<b>Leadership Indicators</b>	
P6-L1	GRI 303: Water and Effluents 2018 Disclosure 303-4-a-i-iv
P6-L2	GRI 305: Emissions 2016 Disclosures 305-3-a; 305-3-b; 305-4-a; 305-4-b; 305-4-c
P6-L3	GRI 304: Biodiversity 2016 Disclosures 304-2-a-i-vi; 304-2-b-i-iv; 304-3-a
P6-L4	GRI 3: Material Topics 2021, to be used together with GRI 301: Materials 2016, GRI 302: Energy 2016, GRI 303: Water and Effluents 2018, GRI 304: Biodiversity 2016, GRI 305: Emissions 2016, and GRI 306: Waste 2020 Disclosure 3-3
P6-L5	No direct linkage
P6-L6	GRI 308: Supplier Environmental Assessment 2016 Disclosures 308-2-c; 308-2-d
P6-L7	GRI 308: Supplier Environmental Assessment 2016 Disclosures 308-1-a; 308-2-a
<b>PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent</b>	
<b>Essential Indicators</b>	
P7-E1	GRI 2: General Disclosures 2021 Disclosure 2-28-a
P7-E2	GRI 3: Material Topics 2021, to be used together with GRI 206: Anti-competitive Behavior 2016 Disclosure 3-3
<b>Leadership Indicators</b>	
P7-L1	GRI 2: General Disclosures 2021 Disclosures 2-28-a; GRI 415: Public Policy 2016 Topic management disclosures
<b>PRINCIPLE 8 Businesses should promote inclusive growth and equitable development</b>	
<b>Essential Indicators</b>	
P8-E1	Can be covered by - GRI 413: Local Communities 2016 Disclosure 413-1-a-i-iii
P8-E2	Can be covered by - GRI 413: Local Communities 2016 Disclosure 413-1-a-iv
P8-E3	GRI 3: Material Topics 2021, to be used together with GRI 413: Local Communities 2016 Disclosure 3-3; GRI 2: General Disclosures 2021 Disclosure 2-25-b; GRI 413: Local Communities 2016 413-1-a-viii
P8-E4	GRI 204: Procurement Practices 2016 Disclosures 204-1-a; 204-1-b; 204-1-c
P8-E5	-
<b>Leadership Indicators</b>	
P8-L1	GRI 413: Local Communities 2016 Disclosure 413-1-a-iv; GRI 3: Material Topics 2021, to be used together with GRI 413: Local Communities 2016 Disclosure 3-3-d-i-ii
P8-L2	Can be covered by - GRI 413: Local Communities 2016 Disclosure 413-1-a-iv
P8-L3	Can be covered by - GRI 3: Material Topics 2021, to be used together with GRI 204: Procurement Practices 2016 Disclosure 3-3 ; GRI 204: Procurement Practices 2016 Disclosure 204-1-a
P8-L4	Can be covered by - GRI 201: Economic Performance 2016 Disclosure 201-1-a
P8-L5	GRI 3: Material Topics 2021, to be used together with any relevant material topic Disclosure 3-3-d-i-ii
P8-L6	Can be covered by - GRI 413: Local Communities 2016 Disclosure 413-1-a-iv
<b>PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner</b>	
<b>Essential Indicators</b>	
P9-E1	Can be covered by - GRI 2: General Disclosures 2021 Disclosures 2-25-b; 2-25-d; 2-25-e
P9-E2	GRI 417: Marketing and Labeling 2016 Disclosures 417-1-a-i-v; 417-1-b
P9-E3	GRI 418: Customer Privacy 2016 Disclosure 418-1-a-i-ii; 418-1-b
P9-E4	Can be covered by - GRI 416: Customer Health and Safety 2016 Disclosure 416-2-a-i-iii
P9-E5	Can be covered by - GRI 3: Material Topics 2021, to be used together with GRI 418: Customer Privacy 2016 Disclosure 3-3; GRI 2: General Disclosures 2021 Disclosures 2-23-a; 2-23-c
P9-E6	GRI 3: Material Topics 2021, to be used together with any relevant material topic Disclosure 3-3-d-i-ii
P9-E7	GRI 418: Customer Privacy 2016 Disclosure 418-1-a
<b>Leadership Indicators</b>	
P9-L1	Can be covered by - GRI 2: General Disclosures 2021 Disclosure 2-6-b-l
P9-L2	GRI 3: Material Topics 2021, to be used together with GRI 417: Marketing and Labeling 2016 Disclosure 3-3
P9-L3	No direct linkage
P9-L4	GRI 417: Marketing and Labeling 2016 Disclosures 417-1-a-i-v; 417-1-b

A1 refers to the first item under Section A: General disclosures

P1 refers to Principle 1

E1 refers to the first item under Essential indicators

L1 refers to the first item under Leadership indicators and so on.



# Independent Auditors' Report

## To The Members of JAYASWAL NECO INDUSTRIES LIMITED

### Report on the Audit of Financial Statements

#### Opinion

We have audited the accompanying financial statements of **JAYASWAL NECO INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "**Financial Statements**").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2024, its Profit including Other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have

obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

#### Emphasis of Matter

We draw your attention to the Note No. 2.07 to the Financial Statements, regarding the attachment of the properties of the Company to the extent of Rs. 30,758.39 lakhs by the Directorate of Enforcement in earlier years, which has been contested by the Company and presently stayed. Further the Court of Special Judge (PC Act) (CBI), (Coal Block Cases-01), New Delhi, vide its order dated 19<sup>th</sup> March, 2024, has discharged the Company and two of its Directors under Section 3 and 4 of the Prevention of Money Laundering Act, 2002 (PMLA), holding that there would be no offence of money laundering in the absence of any charge of cheating in securing the allocation of coal block and accordingly the Company is of the view that the said properties will be released under Section 8 (6) & (7) of the PMLA.

Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements for the year ended 31<sup>st</sup> March, 2024. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matters below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Financial Statements.

Key Audit Matters	How our audit addressed the key audit matter
<b>1) Inventories</b> As of 31 <sup>st</sup> March, 2024, inventories appear in the Financial Statements for an amount of Rs. 149,455.51 lakhs constitutes 24.50 % of the total assets of the Company. Inventories are valued at the lower of cost and net realisable value. The Company may recognise an inventory allowance if inventory items are damaged, if the selling price has declined, or if the estimated costs to completion or to be incurred to make the sale have increased. We considered this matter as key audit matter due to the: <ul style="list-style-type: none"> <li>Significance of the inventories balance.</li> <li>Complexities involved in determining the cost of inventories in view of type of materials, multiple integrated manufacturing process, locations and obsolete inventories.</li> </ul>	Our audit procedure included, among others: <ul style="list-style-type: none"> <li>Reviewing the Company's process and procedure for physical verification of the Inventories, identification of non-moving and obsolete items and accounting for the same.</li> <li>Obtaining the physical inventory count reports of the Management as per verification plan and discussing with the Management about the Control checks performed by them.</li> <li>Assessing the methods used to value inventories and ensuring the consistency of accounting methods.</li> <li>Testing, by sampling, the effectiveness of the controls set up by Management to prevent or detect possible errors in valuation of inventories.</li> </ul>

Key Audit Matters	How our audit addressed the key audit matter
Refer note no. 1(C)(V) and 7 to the Financial Statements.	<ul style="list-style-type: none"> <li>Analysing the Company's assessment of net realisable value and calculations for stock obsolescence.</li> <li>Verifying the completeness of disclosure in the Financial Statements as per Ind AS 2.</li> <li>Obtaining representation letter from the Management as per SA 580 (revised) – Written representations.</li> </ul>
<b>2) Accounting of Unlisted, Secured, Redeemable, Non-Convertible Debentures</b> During the year, the Company has made allotment of 3,20,000 Unlisted, Secured, Redeemable, Non-Convertible Debentures with 14.50% per annum as Scheduled Coupon Rate and 3.00% per annum as Additional Coupon Rate, having face value of Rs. 100,000/- each aggregating to Rs. 320,000 lakhs on private placement basis to the various Debenture holders with a tenor of sixty months from the date of allotment. (Refer Note No. 18.01 to 18.04 to the Financial Statements) Due to significance of balance and various statutory compliance under the Companies Act, 2013, we considered it as a key audit matter.	Our audit procedure included the following: <ul style="list-style-type: none"> <li>Verifying the compliance related to Companies Act, 2013.</li> <li>Obtaining direct balance confirmation from Debenture Trustee, Vistra ITCL (India) Limited.</li> <li>Verifying the calculation working of interest and its classification.</li> <li>Obtaining representation letter from the Management as per SA 580 (revised) – Written representations.</li> </ul>
<b>3) Litigation and Regulatory Claims</b> The Company is subject to number of significant litigations. Major risks identified by the Company in that area related to Energy Development Cess, Attachment of the Company's property by the Directorate of Enforcement, Arbitration with the vendors/customers, other litigation with Government authorities, etc. The amount of litigation may be significant and estimates of the amounts of provisions or contingent liabilities are subject to significant Management judgement. (Refer Note No. 2.07, 2.08, 3.03, 3.04, 29.01, 38 and 49 to the Financial Statements) Due to complexity involved in these litigation and regulatory claims, management's judgement regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases are determined. Accordingly, it has been considered as a key audit matter.	Our audit procedure included the following: <ul style="list-style-type: none"> <li>Assessing the procedures implemented by the Company to identify and gather the risks it is exposed to.</li> <li>Obtaining an understanding of the risk analysis performed by the Company, with related supporting documentation and studying written statements from internal legal experts, where applicable.</li> <li>Discussion with the management on the development in these litigations during the year.</li> <li>Enquiring from the Company's legal counsel and studying the responses as received from them.</li> <li>Verification that the accounting and/or disclosure as the case may be in the Financial Statements made by the Company is in accordance with the assessment of Company's legal counsel/management, based on the information currently available to the Company.</li> <li>Obtaining representation letter from the Management on the assessment of these matters as per SA 580 (revised) – Written representations.</li> </ul>

#### Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the management discussion and analysis and director's report included in the annual report but does not include the Financial Statements and our auditors' report thereon. The above information is expected to be made available to us after the date of this auditors' report.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

#### Management Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement of Changes in Equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Financial Statements comply with the accounting standards specified under Section 133 of the Act;
  - (e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record

by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024, from being appointed as a director in terms of Section 164(2) of the Act;

- (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid or provided by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act.

- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and as represented by the management:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements as referred to in Note No. 2.07, 2.08, 3.03, 3.04, 29.01, 38 and 49 to the Financial Statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(a) Management has represented to us that, to the best of its knowledge and belief, as disclosed in the notes to the Financial Statements, during the year no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) Management has represented to us that, to the best of its knowledge and belief,

as disclosed in the notes to the Financial Statements, during the year no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on our audit procedure conducted that have been considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) & (b) contains any material misstatement.

v. The Company has not declared or paid any dividend during the year and has also not proposed dividend for the year.

vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the year ended 31<sup>st</sup> March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature was not enabled for direct changes to data in certain database tables, which was enabled subsequently. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

vii. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1<sup>st</sup> April, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31<sup>st</sup> March, 2024.

For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Reg. No.: 101720W / W100355

**Rupesh Shah**  
Partner  
Membership No.: 117964  
UDIN: 24117964BKFYCY6294

**Mumbai**  
Date: 30<sup>th</sup> April, 2024



## “Annexure A” to The Independent Auditors’ Report

(Referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date to the members of JAYASWAL NECO INDUSTRIES LIMITED on the Financial Statements for the year ended 31<sup>st</sup> March, 2024)

- i. In respect of its Property, Plant and Equipment and Intangible Assets:
- a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment on the basis of available information.
- (B) The Company has maintained proper records showing full particulars of intangible assets on the basis of available information.
- b) As explained to us, Property, Plant & Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is
- reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification as compared with the available records.
- c) According to the information and explanations provided to us and the records produced before us, title deeds in respect of immovable properties disclosed as property, plant and equipment (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) in the Financial Statements are in the name of the Company, except following Property:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value Rs. in lakhs	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Property, Plant and Equipment	Leasehold Land	1534.99	Corporate IspatAlloys Limited	No	01.04.2008	Steel division from Corporate Ispat Alloys Limited was demerged and acquired by the Company. Due to legal complications the transfer of property is not feasible.

- d) According to information and explanations given to us and books of account and records produced before us, the Company has not revalued its Property, Plant and Equipment or Intangible Assets during the year.
- e) According to information and explanations and representation made to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. In respect of its Inventories:
- a) As explained to us and on the basis of the records produced before us, in our opinion, physical verification of the inventories, except for inventories in transit for which management confirmation has been received, have been conducted at reasonable intervals by the management and having regard to the size and nature of business of the Company and nature of its inventory, the coverage and procedures of such verification by the management is appropriate. As explained to us and on the basis of the records examined by us, the value of the discrepancies noticed on physical verification by management did not exceed 10% or more in aggregate of each class of inventory.
- b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions, therefore, the provisions of clause (ii)(b) of paragraph 3 of the Order are not applicable to the Company.
- iii. With respect to investments made in or any guarantee or security provided or any loans or advances in the nature of loans, secured or unsecured, granted during the year by the Company to Companies, Firms, Limited Liability Partnerships or any other parties:
- a) As per the information and explanations given to us and books of account and records produced before us, during the year Company has not provided any guarantee or security or has not granted any advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other entities. The Company does not have any subsidiary, joint venture, or associate (having beneficiary interest in it). The Company have provided loans to its employees amounting to Rs. 30.36 lakhs and balance outstanding for such loans at the balance sheet date is Rs. 19.09 lakhs.
- b) In our opinion and according to information and explanations given to us and based on our audit procedures, during the year, the Company has not

made any investment. The Company has given interest free loans to its employees, which are, *prima facie*, not prejudicial to Company’s interest.

- c) According to the books of account and records produced before us in respect of the loan given to employees, the schedule of repayment of principal is stipulated and repayments are regular.
- d) According to the books of account and records produced before us in respect of the loans, there is no amount overdue for more than ninety days.
- e) In our opinion and according to information and explanation given and the books of account and records produced before us, loans granted which have fallen due during the year have not been renewed or extended and no fresh loans have been granted to settle the over dues of existing loans given to the same parties.
- f) In our opinion and according to information and explanation given and records produced before us, during the year, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment.
- iv. According to the information and explanations given to us, the Company has not granted loans or provided any guarantees or securities to parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of loans granted and investments made.
- b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31<sup>st</sup> March, 2024 on account of disputes are given below:

Nature of Dues	Statute	Period Involved	Amount Rs. in Lakhs	Forum where dispute is pending
Customs Duty	Customs Act, 1962	2014-16	78.56	CESTAT
		2004-05	100.00	Commissioner
Excise Duty	Central Excise Act, 1944	2009-15	292.05	CESTAT
Service Tax	Finance Act, 1994	2004-08, 2011-14 & 2016-18	583.05	CESTAT
		2005-09 & 2014-18	331.97	Commissioner
Sales Tax / VAT and Entry Tax	Central Sales Tax Act, 1956 and Sales Tax Acts of various states	2007 to 2010 & 2011 to 2017	732.87	High Court
		1996-97 & 2002-03	13.63	Deputy Commissioner
		2017-18	202.69	Additional Commissioner
Goods & Service Tax(GST)	Goods & Service Tax Act, 2017	2016-17	49.19	Joint Commissioner
		2017-22	13.27	Assistant Commissioner
Railway Charges	Railway Act	2011	200.00	High Court
Electricity Duty	Electricity Act	2015 to 2022	6,541.87	Supreme Court
Cross Subsidy	Electricity Act	2010	249.00	Supreme Court
Stamp Duty	Indian Stamp Act	2016	67.00	High Court
Gram Panchayat	Gram panchayat	2015-2023	69.07	Gram panchayat
<b>Total</b>			<b>9,524.22</b>	

\*Net of amount paid under protest



- viii. According to the information and explanations given to us and representation made to us by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. a) Based on our audit procedures and information and explanations given by the Management, during the year the Company has not defaulted in repayment of loans or borrowing to any lenders. The Company has converted the defaulted interest of Rs. 292.05 lakhs payable to Maa Usha Urja Limited, a related party, into unsecured zero coupon Non-Convertible Debentures for a period of eight years.
- b) In our opinion, and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion, and according to the information and explanations given and records examined by us, during the year the Company has issued secured, Non-Convertible Debentures amounting to Rs. 3,20,000 lakhs out of which Rs. 3,17,362 lakhs were utilised for the repayment of Secured Obligations of the ACRE Trusts, the remaining amount has been partly used and the balance is lying with the State Bank of India, Nagpur for part financing the Debt Refinancing related costs, fees etc.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Financial Statements of the Company, we report that, *prima facie*, no funds raised on short-term basis have been used during the year for long-term purposes by the Company.
- e) The Company does not have any subsidiary, associate (having beneficiary interest in it) or joint venture. Therefore, the provisions of clause (ix) (e) of paragraph 3 of the Order are not applicable to the Company.
- f) The Company does not have any subsidiary, associate (having beneficiary interest in it) or joint venture. Therefore, the provisions of clause (ix) (f) of paragraph 3 of the Order are not applicable to the Company.
- x. a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions of clause (x) (a) of paragraph 3 of the Order are not applicable to the Company.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible). Therefore, the provisions of clause (x) (b) of paragraph 3 of the Order are not applicable to the Company.
- xi. a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and on the basis of information and explanations given by the management, no fraud by the Company or on the Company has been noticed or reported during the year.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year.
- xii. In our opinion, Company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act and their details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- xiv. a) In our opinion, and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations provided by the management, the Company has not entered into any non-cash transaction with directors or persons connected with them as referred to in Section 192 of the Act. Therefore, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.
- xvi. a) In our opinion and according to the information and explanations provided to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act, 1934.
- c) In our opinion, and according to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) In our opinion, and according to the information and explanations provided to us, the Group does not have any Core Investment Company (CIC).

- xvii. In our opinion, and according to the information and explanations provided to us, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Therefore, provisions of clause (xviii) of paragraph 3 of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We also state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. With respect to CSR contribution under Section 135 of the Act:
- a) According to the information and explanations given to us and on the basis of our audit procedures, the Company has fully spent the required amount towards CSR and there is no unspent amount that were required to be transferred to a Fund specified in Schedule VII in compliance with second proviso to sub-section (5) of Section 135 of the Act.
- b) According to the information and explanations given to us, the Company does not have any on-going projects. Therefore, the provisions of clause (xx) (b) of paragraph 3 of the Order are not applicable to the Company.

For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Reg. No.: 101720W / W100355

**Rupesh Shah**  
Partner  
Membership No.: 117964  
UDIN: 24117964BKFYCY6294

**Mumbai**  
**Date: 30<sup>th</sup> April, 2024**

## Annexure “B” to The Independent Auditors’ Report

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date to the members of JAYASWAL NECO INDUSTRIES LIMITED on the Financial Statements for the year ended 31<sup>st</sup> March, 2024)

**Report on the Internal Financial Controls with Reference to Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls with reference to Financial Statements of **JAYASWAL NECO INDUSTRIES LIMITED** (“the Company”) as of 31<sup>st</sup> March, 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to these Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting with reference to these Financial Statements.

### Meaning of Internal Financial Controls With Reference To These Financial Statements

A company’s internal financial control with reference to these Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to these Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company ; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the Financial Statements.

### Inherent Limitations of Internal Financial Controls With Reference To These Financial Statements

Because of the inherent limitations of internal financial controls with reference to these Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to these Financial Statements to future periods are subject to the risk that the internal financial control with reference to these Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference

to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at 31<sup>st</sup> March, 2024, based on the internal control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls issued by the ICAI.

For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Reg. No.: 101720W / W100355

**Rupesh Shah**  
**Partner**  
Membership No.: 117964  
UDIN: 24117964BKFYCY6294

**Mumbai**  
**Date: 30<sup>th</sup> April, 2024**

## Balance Sheet

as at 31<sup>st</sup> March, 2024

		(Rs. in lakhs)	
Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
<b>I. ASSETS</b>			
<b>1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	328652.17	350307.66
(b) Capital Work-in-Progress	2	19906.57	7406.03
(c) Intangible Assets	3	2943.96	3291.70
(d) Intangible Assets under Development	3	2016.97	1999.95
(e) Financial Assets			
(i) Other Financial Assets	4	1497.53	817.43
(f) Non-Current Tax Assets (Net)	5	2361.95	652.28
(g) Deferred Tax Assets (Net)	23	5025.78	12979.90
(h) Other Non-Current Assets	6	11046.55	4348.70
		<b>373451.48</b>	<b>381803.65</b>
<b>2) Current Assets</b>			
(a) Inventories	7	149455.51	128359.54
(b) Financial Assets			
(i) Investments	8	1.18	0.52
(ii) Trade Receivables	9	41894.88	46857.87
(iii) Cash and Cash Equivalents	10	8945.55	7201.02
(iv) Bank Balances other than (iii) above	11	5066.82	21065.39
(v) Loans	12	19.09	-
(vi) Other Financial Assets	13	261.46	260.99
(c) Current Tax Assets (Net)	14	475.85	414.91
(d) Other Current Assets	15	30476.35	19386.98
		<b>236596.69</b>	<b>223547.22</b>
<b>TOTAL ASSETS</b>		<b>610048.17</b>	<b>605350.87</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	16	97099.10	97099.10
(b) Other Equity	17	129230.07	108682.53
		<b>226329.17</b>	<b>205781.63</b>
<b>LIABILITIES</b>			
<b>1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	18	303690.90	2578.63
(ia) Lease Liabilities	19	787.02	462.19
(ii) Other Financial Liabilities	20	2750.32	1.66
(b) Provisions	21	34.94	31.65
(c) Other Non-Current Liabilities	22	1808.10	-
		<b>309071.28</b>	<b>3074.13</b>
<b>2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	24	16820.03	338306.96
(ia) Lease Liabilities	25	107.53	50.70
(ii) Trade Payables	26		
Total Outstanding dues of Micro Enterprises and Small Enterprises		1118.04	2014.37
Total outstanding dues of Creditors other than Micro enterprises and Small Enterprises		27774.95	29963.87
(iii) Other Financial Liabilities	27	15032.19	13238.26
(b) Other Current Liabilities	28	2901.09	3589.30
(c) Provisions	29	10893.89	9331.65
		<b>74647.72</b>	<b>396495.11</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>610048.17</b>	<b>605350.87</b>
Material Accounting Policies	1		
Notes to the Financial Statements	2 to 51		

As per our Report of even date

For **CHATURVEDI & SHAH LLP**  
Chartered Accountants  
(Registration No.: 101720W/W100355)

**RUPESH SHAH**  
Partner  
Membership No.: 117964

**ARVIND JAYASWAL**  
Chairman  
DIN: 00249864

**ASHISH SRIVASTAVA**  
Company Secretary  
Membership No.: A20141

For and on behalf of Board of Directors

**RAMESH JAYASWAL**  
Managing Director  
DIN: 00249947

**KAPIL SHROFF**  
Chief Financial Officer

**Nagpur**  
30<sup>th</sup> April, 2024

## Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2024

		(Rs. in lakhs)	
Particulars	Note No.	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>1 Revenue from Operations</b>	30	593355.08	634285.85
<b>2 Other Income</b>	31	1845.09	2207.11
<b>3 Total Income (1+2)</b>		<b>595200.17</b>	<b>636492.96</b>
<b>4 Expenses</b>			
Cost of Materials Consumed		268984.79	325519.23
Purchase of Stock-in-Trade		9241.42	14338.99
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	32	(36422.40)	(2694.38)
Employee Benefits Expense	33	32799.43	27673.03
Finance Costs	34	46941.08	45302.24
Depreciation and Amortisation Expense	35	26592.42	26570.81
Other Expenses	36	216073.29	191254.14
<b>Total Expenses</b>		<b>564210.03</b>	<b>627964.06</b>
<b>5 Profit Before Exceptional Items and Tax (3-4)</b>		<b>30990.14</b>	<b>8528.90</b>
<b>6 Exceptional Items - Loss</b>	49	1886.14	5118.91
<b>7 Profit Before Tax (5-6)</b>		<b>29104.00</b>	<b>3409.99</b>
<b>8 Tax Expenses:</b>			
Deferred Tax	23	8105.72	(19271.27)
Income Tax for Earlier Years		-	(6.11)
		<b>8105.72</b>	<b>(19277.38)</b>
<b>9 Profit for the Year (7-8)</b>		<b>20998.28</b>	<b>22687.37</b>
<b>10 Other Comprehensive Income</b>			
<b>(i) Items that will not be reclassified to profit or loss</b>			
Remeasurement Loss on Defined Benefit Plans		(602.34)	(327.48)
Tax Effect on above	23	151.60	82.42
<b>(ii) Items that will be reclassified to profit or loss</b>		-	-
<b>Total Other Comprehensive Income (Net of Tax)</b>		<b>(450.74)</b>	<b>(245.06)</b>
<b>Total Comprehensive Income for the Year (9+10)</b>		<b>20547.54</b>	<b>22442.31</b>
<b>11 Earnings per Equity Share of Rs. 10/- each</b>	37		
a) Basic after Exceptional items		2.16	2.34
b) Basic before Exceptional items		2.36	2.86
c) Diluted after Exceptional items		2.16	2.34
d) Diluted before Exceptional items		2.36	2.86
Material Accounting Policies	1		
Notes to the Financial Statements	2 to 51		

As per our Report of even date

For **CHATURVEDI & SHAH LLP**  
Chartered Accountants  
(Registration No.: 101720W/W100355)

**RUPESH SHAH**  
Partner  
Membership No.: 117964

**ARVIND JAYASWAL**  
Chairman  
DIN: 00249864

**ASHISH SRIVASTAVA**  
Company Secretary  
Membership No.: A20141

For and on behalf of Board of Directors

**RAMESH JAYASWAL**  
Managing Director  
DIN: 00249947

**KAPIL SHROFF**  
Chief Financial Officer

**Nagpur**  
30<sup>th</sup> April, 2024

## Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2024

### A. EQUITY SHARE CAPITAL

(Rs. in lakhs)

Particulars	Balance as at 01/04/2022	Changes during the year	Balance As at 31.03.2023	Changes during the year	Balance As at 31.03.2024
Equity Share Capital	97099.10	-	97099.10	-	97099.10

### B. OTHER EQUITY

(Rs. in lakhs)

Particulars	Equity Component of Compound Financial Instruments	Reserves and Surplus					Revaluation Reserve	Item of Other Comprehensive Income Remeasurements of Defined Benefit Plans	Total
		Capital Reserve	Securities Premium	General Reserve	Capital Redemption Reserve	Retained Earnings			
Balance as at 1 <sup>st</sup> April, 2022	620.64	7762.89	158830.46	16700.87	5100.37	(103487.56)	21.47	691.08	86240.22
Total Comprehensive Income for the year	-	-	-	-	-	22687.37	-	(245.06)	22442.31
Balance as at 31 <sup>st</sup> March, 2023	620.64	7762.89	158830.46	16700.87	5100.37	(80800.19)	21.47	446.02	108682.53
Balance as at 1 <sup>st</sup> April, 2023	620.64	7762.89	158830.46	16700.87	5100.37	(80800.19)	21.47	446.02	108682.53
Total Comprehensive Income for the year	-	-	-	-	-	20998.28	-	(450.74)	20547.54
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>620.64</b>	<b>7762.89</b>	<b>158830.46</b>	<b>16700.87</b>	<b>5100.37</b>	<b>(59801.91)</b>	<b>21.47</b>	<b>(4.72)</b>	<b>129230.07</b>

As per our Report of even date

For and on behalf of Board of Directors

For **CHATURVEDI & SHAH LLP**  
Chartered Accountants  
(Registration No.: 101720W/W100355)

**ARVIND JAYASWAL**  
Chairman  
DIN: 00249864

**RAMESH JAYASWAL**  
Managing Director  
DIN: 00249947

**RUPESH SHAH**  
Partner  
Membership No.: 117964

**ASHISH SRIVASTAVA**  
Company Secretary  
Membership No.: A20141

**KAPIL SHROFF**  
Chief Financial Officer

**Nagpur**  
30<sup>th</sup> April, 2024

## Statement of Cash Flows

for the year ended 31<sup>st</sup> March, 2024

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2024	For the Year ended 31.03.2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax as per the Statement of Profit and Loss	29104.00	3409.99
<b>ADJUSTED FOR</b>		
Depreciation and Amortisation Expense	26592.42	26570.81
Exceptional Items (Refer Note No. 49)	1886.14	5118.91
Gain on Sale / Discard of Property, Plant and Equipment (Net)	(764.04)	(541.73)
Reversal of Sales Tax Deferral	(108.65)	-
Impairment provision of Capital Work-In-Progress	-	323.02
Gain on Financial Instruments measured at Fair Value through Profit or Loss (Net)	(0.66)	(0.31)
Account Written Back	(44.81)	(405.54)
Interest Income	(557.16)	(723.05)
Finance Costs	46941.08	45302.24
Unrealised Gain on Foreign Currency Transaction (Net)	(2.89)	(10.94)
Bad Debts / Advances written off	481.60	1515.86
Reversal of Credit Impaired Trade Receivables/Advances (Net)	(210.11)	(1612.26)
Reversal for Expected Credit Loss on Trade Receivables	(203.55)	(3.72)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>103113.37</b>	<b>78943.28</b>
<b>ADJUSTMENTS FOR</b>		
Trade and Other Receivables	(10160.66)	6899.83
Inventories	(21095.97)	(7599.53)
Trade and Other Payables	(88.12)	767.79
<b>CASH GENERATED FROM OPERATIONS BEFORE EXCEPTIONAL ITEMS</b>	<b>71768.62</b>	<b>79011.37</b>
Exceptional Items	(1886.14)	(5118.91)
<b>CASH GENERATED FROM OPERATIONS AFTER EXCEPTIONAL ITEMS</b>	<b>69882.48</b>	<b>73892.46</b>
Direct Taxes (Paid) / Refund	(1770.61)	3.27
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>68111.87</b>	<b>73895.73</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment, Capital work-in-progress, Intangible Assets and Intangible assets under development	(19047.09)	(6609.67)
Sale of Property, Plant and Equipment	792.65	256.80
Interest Income	517.17	690.28
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(17737.27)</b>	<b>(5662.59)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of Secured Non-Convertible Debentures	320000.00	-
Repayment of Lease Liability	(103.36)	(86.33)
Repayment of Non-Current Borrowings	(335810.47)	(73945.40)
Finance Costs	(48034.71)	(14399.13)
Margin Money (Net)	15318.47	9211.60
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(48630.07)</b>	<b>(79219.26)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1744.53</b>	<b>(10986.12)</b>
<b>NET CASH AND CASH EQUIVALENTS (OPENING BALANCE)</b>	<b>7201.02</b>	<b>18187.14</b>
Effect of Exchange rate on Cash and Cash Equivalents	0.39	(0.27)
Balance of Cash and Cash Equivalents	8945.16	7201.29
<b>CASH AND CASH EQUIVALENTS (CLOSING BALANCE)</b> (Refer Note No. 10.01)	<b>8945.55</b>	<b>7201.02</b>



## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### Changes in Liabilities arising from financing activities on account of Non-Current (Including Current Maturities), Current Borrowings and Lease Liability

Particulars	(Rs. in lakhs)	
	31.03.2024	31.03.2023
Opening Balance of Liabilities arising from Financing Activities	341398.48	384496.65
Less: Changes from Cash Flow from Financing Activities (Net)	(15913.83)	(74031.73)
Add / (Less): Changes in Fair Value	(984.61)	30933.56
Less: Facilitation Fees	(2985.91)	-
Less: Reversal of Sales Tax Deferral	(108.65)	-
<b>Closing Balance of Liabilities arising from Financing Activities</b>	<b>321405.48</b>	<b>341398.48</b>

- (i) The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows".
- (ii) Figures in brackets indicate Outflows.
- (iii) Previous Year's figures have been regrouped/rearranged wherever necessary to make them comparable with those of current year.

As per our Report of even date

For and on behalf of Board of Directors

For **CHATURVEDI & SHAH LLP**  
Chartered Accountants  
(Registration No.: 101720W/W100355)

**ARVIND JAYASWAL**  
Chairman  
DIN: 00249864

**RAMESH JAYASWAL**  
Managing Director  
DIN: 00249947

**RUPESH SHAH**  
Partner  
Membership No.: 117964

**ASHISH SRIVASTAVA**  
Company Secretary  
Membership No.: A20141

**KAPIL SHROFF**  
Chief Financial Officer

**Nagpur**  
**30<sup>th</sup> April, 2024**

### NOTE: 1

#### A CORPORATE INFORMATION

Jayaswal Neco Industries Limited ("the Company") is domiciled and incorporated in India under the provisions of the Companies Act, 1956 and its shares are listed on the BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'). The registered office of the Company is situated at F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440016, Maharashtra, India and manufacturing facilities are located in the states of Chhattisgarh and Maharashtra, in India.

The Company is engaged in manufacture and supply of pig iron, sponge iron, pellet, steel and Iron & steel castings.

The financial statements of the Company for the year ended 31<sup>st</sup> March, 2024 were approved and adopted by Board of Directors in their meeting dated 30<sup>th</sup> April, 2024.

#### B BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS:

The financial statements of the Company have been prepared on a going concern basis and to comply with the Indian Accounting Standards (Ind AS), including the rules under the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared on a historical cost basis except certain financial assets and liabilities, assets held for sale and defined benefit plans measured at fair value:

Financial Statements are presented in Indian Rupees (Rs.), which is the Company's functional and presentation currency. All amounts are rounded to the nearest lakhs and two decimals thereof, except as stated otherwise.

#### C SUMMARY OF MATERIAL ACCOUNTING POLICIES

##### (I) PROPERTY, PLANT AND EQUIPMENT (PPE):

PPE are stated at cost net of recoverable taxes, less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing cost and any other cost directly attributable to bringing the asset to its working condition for its intended use, the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

In case of Property, Plant and Equipment, the Company has availed the carrying value as deemed cost on the date of Ind AS transition i.e. 1<sup>st</sup> April, 2015.

PPE not ready for the intended use on the date of Balance Sheet are disclosed as "Capital Work-in-Progress" and expenses incurred relating to it, net of income earned during the project development stage, are disclosed as pre-operative expenses under "Capital Work-in-Progress".

Gains or losses arising from derecognition of a PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

##### Depreciation on PPE

- a) Depreciation on the PPE is provided to the extent of depreciable amount on the Straight Line Method over the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of following assets where the useful life is different than those prescribed in Schedule II as per technical evaluation:

Particulars	Useful life considered for depreciation
Various plants at its Integrated Steel Complex and Flat product making facilities at Raipur	Over 40 years
Certain Plant and equipments including Furnace Sand Plants, Moulding Machines etc. at Automotive Casting Division (II) Nagpur.	Over 30 years

The Management believes that the useful lives as given above represent the period over which management expects to use these assets.

- b) PPE acquired under finance lease is depreciated on a straight line basis over the lease term.
- c) The leasehold land is amortized over the lease period.
- d) Depreciation on PPE which are added / disposed off during the year is provided on pro-rata basis with reference to the date of addition / deletion. Freehold land is not depreciated.
- e) The residual values, useful lives and method of depreciation of PPE are reviewed at each reporting date and adjusted prospectively, if appropriate.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### (II) INTANGIBLE ASSETS:

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization and accumulated impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use.

In case of Intangible Assets, the Company has availed the carrying value as deemed cost on the date of Ind AS transition i.e. 1<sup>st</sup> April, 2015.

The Company does not have any intangible assets having indefinite life. Intangible assets are amortized on a straight line method based on useful lives estimated by the management. Technical Know-how is amortized over the useful life of the underlying plant. Softwares are amortized over a period of three years and Indefeasible Right to Use has been amortized over the period of the agreement.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### (III) MINING RIGHTS / MINE DEVELOPMENT EXPENDITURE:

Mining rights / mine development expenditure includes leases, costs incurred for acquiring / developing properties / rights up to the stage of commercial production. If the exploration activities are found to be not fruitful, the expenditure on such exploratory work included in mine development expenditure is written off in the year in which it is decided to abandon the project.

Mining rights / Mine development expenditure are depreciated over the useful life of the mine or lease period whichever is shorter.

### (IV) IMPAIRMENT OF NON-FINANCIAL ASSETS – PPE AND INTANGIBLE ASSETS:

The Company assesses at each reporting date as to whether there is any indication that any PPE and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### (V) INVENTORIES:

The inventories are measured at lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing them to their respective present location and condition.

The cost of Raw Materials and Stores & Spares are determined at weighted average method. By-products are measured at net realisable value. The cost of Work-In-Progress and Finished Goods is determined on absorption costing method.

### (VI) CASH AND CASH EQUIVALENT:

Cash and cash equivalent in the balance sheet comprise cash at banks, on hand, cheques in hand, and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### (VII) FINANCIAL INSTRUMENTS:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### (i) Financial Assets -Initial recognition and measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost. Purchase and sale of financial assets are recognized using trade date accounting. However, trade receivables that do not contain a significant financing component are measured at transaction price.

### (ii) Financial Assets -Subsequent measurement

#### a) Financial Assets carried at amortized cost (AC)

Financial assets are measured at amortized cost if it is held within a business model whose objective is to hold asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### b) Financial Assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling of financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### c) Financial Assets measured at fair value through profit and loss (FVTPL)

A financial asset which is not classified in any of the above categories is measured at FVTPL.

### (iii) Financial Assets - Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flow from the asset.

### (iv) Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

### (v) Financial Liabilities - Initial recognition and measurement

All financial liabilities are recognized initially at fair value, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

### (vi) Financial Liabilities - Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### (vii) Financial Liabilities – Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

### (viii) Reclassification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

### (ix) Offsetting of Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the asset and settle the liability simultaneously. The legally enforceable rights must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or counterparty.

### (VIII) FAIR VALUE MEASUREMENT

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

### (IX) PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS AND COMMITMENTS

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognized. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

### Decommissioning Liability

The Company records a provision for decommissioning costs towards site restoration activity related to leasehold land. The decommissioning costs are provided at the present value of future expenditure using a current pre tax rate expected to be incurred to fulfill decommissioning obligations and are recognized as part of the cost of the underlying assets. Any change in the present value of the expenditure, other than unwinding of discount on the provision, is reflected as adjustment to the provision and the corresponding assets. The change in the provision due to the unwinding of discount is recognized in the statement of Profit and Loss.

### (X) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION:

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

### (XI) REVENUE RECOGNITION:

#### Sale of Goods and Services:

The Company derives revenues primarily from sale of products comprising of pig iron, sponge iron, pellet, steel and Iron & steel casting.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of volume discounts and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from rendering of services is recognized over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.





# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

## Contract balances

### Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

## Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made by the customer. Contract liabilities are recognized as revenue when the Company performs under the contract.

## Other Income:

Incentives on exports and other Government incentives related to operations are recognized in the statement of profit and loss after due consideration of certainty of utilization/receipt of such incentives.

## Interest Income:

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## Dividend

Dividend income is recognized when the right to receive dividend is established

## (XII) EMPLOYEE BENEFITS EXPENSE:

### Short Term Employee Benefits:

Short-term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related service is rendered.

Leave encashment being a short-term benefit is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the year in which they arise.

## Post-Employment Benefits

### Defined Contribution Plans

Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognized as an expense in the year in which employees have rendered services.

## Defined Benefit Plans

The cost of providing gratuity, a defined benefit plan, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in statement of profit and loss.

Re-measurements of defined benefit plan in respect of post-employment and other long-term benefits are charged to the other comprehensive income in the year in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

## (XIII) BORROWING COSTS:

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporary deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

## (XIV) CUSTOMS:

Liability on account of Customs Duty on Imported materials in transit or in bonded warehouse is accounted in the year in which the goods are cleared from customs.

## (XV) TAXES ON INCOME:

Tax expense represents the sum of current tax (including income tax for earlier years) and deferred tax. Tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized directly in equity or other comprehensive income, in such cases the tax is also recognized directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognized in equity or other comprehensive income is also recognized in equity or other comprehensive income.

Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax

assets and liabilities are measured at the applicable tax rates. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

## D MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### i. Depreciation / Amortization and useful lives of Property Plant and Equipment (PPE) / Intangible Assets:

PPE / intangible assets are depreciated / amortized over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortization for future periods are revised if there are significant changes from previous estimates.

### ii. Decommissioning Liabilities:

The Liability for decommissioning costs is recognized when the Company has obligation to perform site restoration activity. In determining the fair value of such provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site and the expected timing of those costs. The expected cost to be incurred at the end of the lease term is based on the estimates provided by the internal technical experts.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### iii. Tax:

The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the financial statements.

### iv. Contingencies:

Management has estimated the possible outflow of resources at the end of each annual financial year, if any, in respect of contingencies / claim / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

### v. Impairment of non-Financial Assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

### vi. Defined Benefits Plans:

The Cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### vii. Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

### NOTE: 2 PROPERTY, PLANT AND EQUIPMENT

Particulars	(Rs. in lakhs)										
	Leasehold Land	Freehold Land	Buildings	Railway Siding	Plant and Equipment	Leasehold Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Right-to-Use Assets (Office Building)	Total
<b>COST / DEEMED COST</b>											
Balance as at 1 <sup>st</sup> April, 2022	1926.97	3333.85	40671.30	730.09	503970.52	1468.59	487.80	209.33	128.52	23.93	552950.90
Additions	-	-	75.79	-	2903.52	-	67.09	41.33	194.99	-	3282.72
Disposals / Adjustments	-	2.51	-	-	15.45	-	2.97	1.11	1.21	-	23.25
Balance as at 31 <sup>st</sup> March, 2023	1926.97	3331.34	40747.09	730.09	506858.59	1468.59	551.92	249.55	322.30	23.93	556210.37
Additions	-	-	543.19	-	3055.23	-	95.94	30.01	427.36	410.85	4562.58
Disposals / Adjustments	-	27.99	-	-	-	-	0.60	-	0.03	23.93	52.55
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>1926.97</b>	<b>3303.35</b>	<b>41290.28</b>	<b>730.09</b>	<b>509913.82</b>	<b>1468.59</b>	<b>647.26</b>	<b>279.56</b>	<b>749.63</b>	<b>410.85</b>	<b>560720.40</b>
<b>AMORTISATION / IMPAIRMENT</b>											
Depreciation and Amortisation Balance as at 31 <sup>st</sup> March, 2022	159.79	-	9576.63	174.98	155191.79	593.06	336.18	122.97	76.36	2.99	166234.75
Impairment Balance as at 31 <sup>st</sup> March, 2022	-	-	2001.13	-	10737.87	730.59	-	-	-	-	13469.59
Depreciation Expense for the year	22.38	-	1481.94	23.75	24435.14	144.94	49.43	13.10	25.02	11.97	26207.67
Disposals / Adjustments	-	-	-	-	5.81	-	2.71	0.59	0.19	-	9.30
Depreciation and Amortisation Balance as at 31 <sup>st</sup> March, 2023	182.17	-	11058.57	198.73	179621.12	738.00	382.90	135.48	101.19	14.96	192433.12
Impairment Balance as at 31 <sup>st</sup> March, 2023	-	-	2001.13	-	10737.87	730.59	-	-	-	-	13469.59
Depreciation Expense for the year	22.29	-	1396.53	23.75	24550.12	-	69.74	12.86	50.67	63.49	26189.45
Disposals / Adjustments	-	-	-	-	-	-	-	-	-	23.93	23.93
<b>Depreciation and Amortisation Balance as at 31<sup>st</sup> March, 2024</b>	<b>204.46</b>	<b>-</b>	<b>12455.10</b>	<b>222.48</b>	<b>204171.24</b>	<b>738.00</b>	<b>452.64</b>	<b>148.34</b>	<b>151.86</b>	<b>54.52</b>	<b>218598.64</b>
<b>Impairment Balance as at 31<sup>st</sup> March, 2024</b>	<b>-</b>	<b>-</b>	<b>2001.13</b>	<b>-</b>	<b>10737.87</b>	<b>730.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13469.59</b>
<b>NET CARRYING VALUE</b>											
Balance as at 31 <sup>st</sup> March, 2023	1744.80	3331.34	27687.39	531.36	316499.60	0.00	169.02	114.07	221.11	8.97	350307.66
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>1722.51</b>	<b>3303.35</b>	<b>26834.05</b>	<b>507.61</b>	<b>295004.71</b>	<b>0.00</b>	<b>194.62</b>	<b>131.22</b>	<b>597.77</b>	<b>356.33</b>	<b>328652.17</b>

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### 2.01 Title deeds of Immovable Properties not held in the name of the Company:

#### i) As at 31<sup>st</sup> March, 2024

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property Plant and Equipment	Leasehold Land	1534.99	Corporate Ispat Alloys Limited	No	01.04.2008	Steel division from Corporate Ispat Alloys Limited was demerged and acquired by the Company. Due to legal complications the transfer of property is not feasible.

#### ii) As at 31<sup>st</sup> March, 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property Plant and Equipment	Leasehold Land	1534.99	Corporate Ispat Alloys Limited	No	01.04.2008	Steel division from Corporate Ispat Alloys Limited was demerged and acquired by the Company. Due to legal complications the transfer of property is not feasible.
	Freehold Land	24.30	Jayaswal Chemicals Private Limited	No	01.04.1996	The title deeds were in the name of Jayaswal Neco Limited (earlier known as Jayaswal Chemicals Private Limited) erstwhile Company that was amalgamated with Jayaswal Neco Industries Limited under the Companies Act, 1956. Subsequent to the year ended, the transfer process has been completed.



## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

**2.02** Buildings include cost of building aggregating to Rs. 125.82 lakhs (Previous Year: Rs. 125.82 lakhs) constructed on Land, ownership of which does not vest with the Company.

**2.03** Property, Plant and Equipment include assets pledged as security. (Refer Note No. 18)

**2.04** Refer Note No. 38D for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

	As at 31.03.2024	As at 31.03.2023
<b>2.05 CAPITAL WORK-IN-PROGRESS INCLUDES:</b>		
Building under Construction	451.18	153.98
Plant and Equipment under installation	35852.19	27157.15
Pre-operative Expenses (Refer Note No. 2.06)	23765.01	23765.01
Impairment	(43670.11)	(43670.11)
Capital Inventories	3508.30	-
	<b>19906.57</b>	<b>7406.03</b>

(a) CWIP AGEING (NET OF IMPAIRMENT) AS AT 31<sup>ST</sup> MARCH 2024 AND 31<sup>ST</sup> MARCH 2023 ARE AS FOLLOWS:

CWIP as on 31.03.2024	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	13204.74	2402.83	-	-	15607.57
Projects temporarily suspended	-	-	-	4299.00	4299.00
<b>TOTAL</b>	<b>13204.74</b>	<b>2402.83</b>	<b>-</b>	<b>4299.00</b>	<b>19906.57</b>

CWIP as on 31.03.2023	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	3016.47	8.07	82.49	-	3107.03
Projects temporarily suspended	-	-	-	4299.00	4299.00
<b>TOTAL</b>	<b>3016.47</b>	<b>8.07</b>	<b>82.49</b>	<b>4299.00</b>	<b>7406.03</b>

(b) THE EXPECTED COMPLETION OF THE AMOUNTS LYING IN CAPITAL WORK-IN-PROGRESS WHICH ARE DELAYED ARE AS BELOW:

CWIP as on 31.03.2024	To be completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects temporarily suspended					
Bilha Bilaspur Project (Refer Note No. 2.10)	-	-	-	4299.00	4299.00
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4299.00</b>	<b>4299.00</b>

CWIP as on 31.03.2023	To be completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects temporarily suspended					
Bilha Bilaspur Project (Refer Note No. 2.10)	-	-	-	4299.00	4299.00
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4299.00</b>	<b>4299.00</b>

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### 2.06 Pre-operative Expenses

Details of Pre-operative Expenses included as part of Capital Work-in-Progress and Intangible Assets under Development are as under:

	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Pre-operative Expenses up to Previous Year	23795.52	23795.52
Less: Charged to the Statement of Profit and Loss	-	-
<b>TOTAL</b>	<b>23795.52</b>	<b>23795.52</b>

**2.07** In the earlier years, the Directorate of Enforcement by way of two attachments had provisionally attached the Plant and Machinery under installation at Dagori Integrated Steel Plant situated at Bilha, Bilaspur (Chhattisgarh) and certain property, plant and equipment at Steel Plant Division, Siltara, Raipur to the extent of Rs. 30758.39 lakhs for alleged misuse of coal raised from Gare Palma IV/4 coal block in Chhattisgarh.

The Adjudicating Authority had confirmed the above provisional attachments. Subsequently, the Appellate Authority stayed both the attachments on an appeal filed by the Company where the matter has been put up for hearing on 15<sup>th</sup> May, 2024. The Court of Special Judge (PC Act) (CBI), (Coal Block Cases-01), New Delhi, in the matter of ED vs M/s Jayaswal Neco industries Limited Case no 23/19 of 2019, vide its order dated 19<sup>th</sup> March, 2024 has discharged the Company, Mr Arvind Jayaswal and Mr Ramesh Jayaswal U/S 3 and 4 of the Prevention of Money Laundering Act, 2002 (PMLA), holding that there was no offence of money laundering in the absence of any charge of cheating in securing the allocation of coal block.

In view of the above order, the Company is confident that under Section 8(6) & (7) of the PMLA, it would succeed in removal of the said attachments and does not expect any material liability on the Company on this account.

**2.08** In the earlier years, after completion of investigation the CBI had filed Charge-Sheet against the Company and Mr. Ramesh Jayaswal, the Managing Director (MD) alleging misrepresentation and violation of the terms and conditions of the Gare IV/4 Coal Block Allotment Letter and the executed Mining Lease.

The aforesaid action was in connection with FIR of Central Bureau of Investigation (CBI), Economic Offence Wing, New Delhi, registered on 22<sup>nd</sup> May, 2014, against the Company and unknown Public Servants in connection with the allotment of Gare IV/4 Coal Block situated in the State of Chhattisgarh.

On 30<sup>th</sup> May, 2019, the Special CBI Court, New Delhi, took cognisance of the matter and issued summons against the Company and Mr. Ramesh Jayaswal – (MD). The summons was received by the Company in June, 2019. The Company and Mr. Ramesh Jayaswal had been charged for the offence under Section 120-B/420/406 of the Indian Penal Code.

The Company strongly refutes all the allegations. The Company believes it has a good case on merits and is confident that the Company and Mr Ramesh Jayaswal –(MD) would be able to defend themselves before the authorities during the course of trial.

**2.09** During the year, active development of project of DRI and Captive Power Plant at Bilaspur, Chhattisgarh remained suspended and accordingly the Company has not capitalised Borrowing Costs as per Ind AS - 23.

**2.10** CWIP includes Bilha Bilaspur project amounting to Rs. 47969.11 lakhs (Previous Year Rs. 47969.11 lakhs) had been put under abeyance on account of cancellation of the captive coal mines of the Company by the Honourable Supreme Court of India. The Company had recognised an impairment provision of Rs. 43670.11 lakhs (Previous Year Rs. 43670.11 lakhs) for the same in accordance with the Indian Accounting Standards (Ind AS) 36 – ‘Impairment of Assets’ and the Project remained suspended during the year.

**2.11** In accordance with the Indian Accounting Standard (Ind AS 36) on “ Impairment of Assets”, during the year, the management carried out an exercise of identifying the assets that may have been impaired in accordance with the said Ind AS. On the basis of a review carried out by the management, there was no further impairment loss on property, plant and equipment and Capital Work-in-Progress during the year ended 31<sup>st</sup> March, 2024.

**2.12** There are no projects under capital work-in-progress (CWIP) whose completion is overdue except as stated above in Note No. 2.09 and 2.10.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### NOTE: 3 INTANGIBLE ASSETS \*

	(Rs. in lakhs)				
PARTICULARS	Software	Technical Know-How	Indefeasible Right-to-Use	Mining Rights	Total
<b>COST / DEEMED COST</b>					
Balance as at 1 <sup>st</sup> April, 2022	758.83	337.21	1.30	2055.19	3152.53
Additions	246.10	-	-	2219.53	2,465.63
Disposals / Adjustments	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>1004.93</b>	<b>337.21</b>	<b>1.30</b>	<b>4274.72</b>	<b>5618.16</b>
Additions	55.23	-	-	-	55.23
Disposals / Adjustments	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>1060.16</b>	<b>337.21</b>	<b>1.30</b>	<b>4274.72</b>	<b>5673.39</b>
<b>ACCUMULATED AMORTISATION</b>					
Balance as at 1 <sup>st</sup> April, 2022	133.72	197.22	1.28	1631.10	1963.32
Amortisation Expense for the year	136.44	28.15	-	198.55	363.14
Disposals / Adjustments	-	-	-	-	-
<b>Depreciation and Amortisation Balance as at 31<sup>st</sup> March, 2023</b>	<b>270.16</b>	<b>225.37</b>	<b>1.28</b>	<b>1829.65</b>	<b>2326.46</b>
Amortisation Expense for the year	174.67	28.15	-	200.15	402.97
Disposals / Adjustments	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>444.83</b>	<b>253.52</b>	<b>1.28</b>	<b>2029.80</b>	<b>2729.43</b>
<b>NET CARRYING VALUE</b>					
Balance as at 31 <sup>st</sup> March, 2023	734.77	111.84	0.02	2445.07	3291.70
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>615.33</b>	<b>83.69</b>	<b>0.02</b>	<b>2244.92</b>	<b>2943.96</b>

\* Other than internally generated.

**3.01** Indefeasible Right-to-Use represents the cost incurred by the Company for the exclusive right of usage of certain pieces of land during the contract period.

	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
<b>3.02 INTANGIBLE ASSETS UNDER DEVELOPMENT:</b>		
Mining Rights	1986.46	1969.44
Pre-operative Expenses (Refer Note No. 2.06)	30.51	30.51
<b>TOTAL</b>	<b>2016.97</b>	<b>1999.95</b>

(a) INTANGIBLE ASSETS UNDER DEVELOPMENT AGEING AS AT 31<sup>ST</sup> MARCH 2024 AND 31<sup>ST</sup> MARCH 2023 ARE AS FOLLOWS:

	Amount in Intangible assets under development for a period of				Total
Intangible assets under development as on 31.03.2024	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	33.12	32.57	356.25	-	421.94
Projects temporarily suspended (Refer Note No. 3.03)	-	-	-	1595.03	1595.03
<b>TOTAL</b>	<b>33.12</b>	<b>32.57</b>	<b>356.25</b>	<b>1595.03</b>	<b>2016.97</b>

	Amount in Intangible assets under development for a period of				Total
Intangible assets under development as on 31.03.2023	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	48.67	356.25	-	-	404.92
Projects temporarily suspended (Refer Note No. 3.03)	-	-	-	1595.03	1595.03
<b>TOTAL</b>	<b>48.67</b>	<b>356.25</b>	<b>-</b>	<b>1595.03</b>	<b>1999.95</b>

(b) The Company does not have any intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan except as mentioned in Note No.3.03.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

**3.03** The Intangible Assets under Development include Rs. 1520.75 lakhs towards Metabodeli Mines (50 Hectares) and Rs. 46.88 lakhs towards the Ramdongri Mines and Rs. 27.40 lakhs towards Sonadehi Mines; in the case of Metabodeli Mines, the Company had challenged the validity of Section 10 A (2) (c) of the MMDR Amendment Act, 2015 and Rule 8 (4) of the MCR 2016 before the Hon'ble Chhattisgarh High Court which was pleased to pass an interim order dated 12<sup>th</sup> January, 2017, keeping the application of the Company alive for consideration. A Transfer Petition was filed in the Hon'ble Supreme Court by the Union of India, however, the same was dismissed as withdrawn on 17<sup>th</sup> July, 2023.

In the case of Ramdongri Mines, the State Government of Maharashtra had granted Mining Lease in favour of the Company on 17<sup>th</sup> August, 2004. The said order was challenged by an aggrieved party before the Mines Tribunal first and then before the Hon'ble Bombay High Court, Nagpur Bench, Nagpur. On 17<sup>th</sup> November, 2022, the Petitioner has withdrawn the petition filed before the Hon'ble High Court. Now the Company is perusing the matter with the Government authorities for completion of procedural formalities for execution of the Mining Lease.

The Company has challenged the 2021 Amendment to the MMDR Act, 1957, before the Hon'ble Chhattisgarh High Court, vide Writ Petition No. 3696 of 2021, wherein, after hearing the parties, the Hon'ble High Court was pleased to grant interim stay on 6<sup>th</sup> October, 2021. Vide the above referred Writ Petition, the Company has included Sonadehi, Devpura and Metabodeli Mines while challenging the provisions of Amendment of MMDR Act, 2021.

In view of the Central Government's clarification to the State Government as regards the eligibility of the Prospecting license holder for the grant of Mining Lease, the Company opines that its case with respect to the Metabodeli Mines falls Under Section 10 A (2) (b) and not under clause (C) thereof, as advised by the State Government in the past.

That in view of above, the Company filed Writ Petition No. 2757 of 2020, before the Hon'ble Chhattisgarh High Court,

to ensure that the Mining Lease over the subject area is granted in favour of the Company in terms of Section 10 A (2) (b) of the MMDR Act, 1957, upon completion of all the conditions contained therein. Presently the matter is pending for consideration before the Hon'ble High Court.

The Company is also of the view that the Company's above cases are already pending under Section 10A (2) (c) of the Mining Act and the matters are subjudice, therefore the amendments done in Section 10A (2) (b) will not have any impact on the status of the Mines. Further the amendment under the Mining Act in the second Proviso of Section 10A (2) (b) provides that "the holder of a reconnaissance permit or prospecting license whose rights lapsed under the first proviso, shall be reimbursed the expenditure incurred towards reconnaissance or prospecting operations in such a manner as may be prescribed by the Central Government"; accordingly, the Company does not envisage any losses on account of the above amendment.

**3.04** The Company had filed Mining Lease applications for Rowghat Iron Ore Deposit, Bastar, Chhattisgarh. The Chhattisgarh State Government (SG) had rejected the same by a common order which was challenged by the Company. The SG had filed a complaint before the Ministry of Mines which had referred the matter to the Chief Vigilance Officer (CVO), which couldn't make out any case against the Company. The revision petition of the Company was allowed and subsequently the Hon'ble Delhi High Court also confirmed the order. The Hon'ble Delhi High Court had specifically observed that the Company had successfully undertaken prospecting operations in the area.

Subsequently in 2012, SG filed a fresh complaint containing the same allegations before the Chief Vigilance Commission (CVC). The Central Bureau of Investigation (CBI) on the directions of the CVC had registered an FIR against the Company alleging certain irregularities. Post completion of the investigations by CBI, the Chargesheet was filed by the CBI before Special CBI Court Nagpur where the trial is under progress. The Company doesn't expect any financial effect of the above matter under litigation.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### NOTE: 4 OTHER NON-CURRENT FINANCIAL ASSETS

(Unsecured Considered Good)

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Fixed Deposits with Banks held as Margin Money	1497.53	817.43
<b>TOTAL</b>	<b>1497.53</b>	<b>817.43</b>

### NOTE: 5 NON-CURRENT TAX ASSETS (NET)

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Advance Payment of Income-Tax (Net)	2361.95	652.28
<b>TOTAL</b>	<b>2361.95</b>	<b>652.28</b>

### NOTE: 6 OTHER NON-CURRENT ASSETS

(Unsecured, Considered Good unless stated otherwise)

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Capital Advances	3376.63	619.87
Security Deposits with Government and others		
Considered Good	7649.34	3699.68
Credit Impaired	45.37	16.74
	<b>7694.71</b>	<b>3716.42</b>
Less: Provision for Credit Impaired	45.37	16.74
	<b>7649.34</b>	<b>3699.68</b>
Prepaid Expenses	20.58	29.15
<b>TOTAL</b>	<b>11046.55</b>	<b>4348.70</b>

### NOTE: 7 INVENTORIES

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Raw Materials	39755.07	55953.13
Raw Materials-in-Transit	2186.46	1157.51
Work-in-Progress	3153.39	5082.91
Finished Goods	80015.43	40851.65
Finished Goods-in-Transit	4992.07	5803.37
Stock-in-Trade	24.02	24.58
Stores, Spares and Consumables	19329.07	19486.39
<b>TOTAL</b>	<b>149455.51</b>	<b>128359.54</b>

**7.01** For method of valuation Refer Note No. 1C(V).

**7.02** For Inventories hypothecated as security refer Note No. 18.

**7.03** The cost of Inventories of Stores, Spares and Consumables recognised as reversal of provision of non-moving items amounting to Rs. 258.21 lakhs (Previous Year: Rs. Nil).

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### NOTE: 8 CURRENT INVESTMENTS

PARTICULARS	Number of Shares		Rs. Face Value	(Rs. in lakhs)	
	31.03.2024	31.03.2023		As at 31.03.2024	As at 31.03.2023
<b>Investment designated at Fair Value through Profit and Loss</b>					
<b>In Equity Shares - Fully Paid Up (Quoted)</b>					
Antarctica Limited	53000	53000	1	0.95	0.29
Triveni Glass Limited	1000	1000	10	0.22	0.22
<b>In Equity Shares - Fully Paid Up (Unquoted)</b>					
Saraswat Co-operative Bank Limited	50	50	10	0.01	0.01
Datar Switchgears Limited	2200	2200	10	0.00	0.00
Elbee Services Limited	1400	1400	10	0.00	0.00
<b>TOTAL</b>				<b>1.18</b>	<b>0.52</b>
<b>8.01</b> Aggregate Amount of Quoted Investments				1.17	0.51
<b>8.02</b> Aggregate Market Value of Quoted Investments				1.17	0.51
<b>8.03</b> Aggregate Amount of Unquoted Investments				0.01	0.01

### NOTE: 9 TRADE RECEIVABLES

(Unsecured)

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
<b>Trade Receivable</b>		
Considered Good*	42025.79	47167.55
Significant Increase in Credit Risk	94.42	119.20
Credit Impaired	1249.27	1243.18
	<b>43369.48</b>	<b>48529.93</b>
Less: Provision for Credit Impaired	1249.27	1243.18
Less: Provision for Expected Credit Loss	225.33	428.88
	<b>41894.88</b>	<b>46857.87</b>
<b>TOTAL</b>	<b>41894.88</b>	<b>46857.87</b>

\*Includes amounts of Rs. 1.88 lakhs (Previous Year: Rs. Nil) due from NSSL Private Limited, Rs. 0.24 lakhs (Previous Year: Rs. 275.67 lakhs) due from Neco Heavy Engineering and Castings Private Limited and Rs. Nil (Previous Year: Rs. 3.03 lakhs) due from Neco Deserttech Defence Private Limited. (Refer Note No. 40).

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### 9.01 Trade Receivables Ageing Schedule

Particulars	Not Due	Outstanding for following periods from due date of payment as on 31.03.2024					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	32501.76	8935.45	159.28	429.30	-	-	42025.79
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	94.42	-	94.42
Undisputed Trade Receivables – credit impaired	-	2.95	1.09	119.14	0.55	466.65	590.38
Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	2.50	17.69	638.70	658.89
<b>Sub Total</b>	<b>32501.76</b>	<b>8938.40</b>	<b>160.37</b>	<b>550.94</b>	<b>112.66</b>	<b>1105.35</b>	<b>43369.48</b>
Less: Provision for Credit Impaired	-	2.95	1.09	121.64	18.24	1105.35	1249.27
Less: Provision for Expected Credit Loss	-	-	-	-	-	-	225.33
<b>TOTAL</b>	<b>32501.76</b>	<b>8935.45</b>	<b>159.28</b>	<b>429.30</b>	<b>94.42</b>	<b>-</b>	<b>41894.88</b>

Particulars	Not Due	Outstanding for following periods from due date of payment as on 31.03.2023					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	28612.42	15415.81	2525.24	612.87	-	1.21	47167.55
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	55.89	63.31	119.20
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	324.93	324.93
Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	17.69	39.77	860.79	918.25
<b>Sub Total</b>	<b>28612.42</b>	<b>15415.81</b>	<b>2525.24</b>	<b>630.56</b>	<b>95.66</b>	<b>1250.24</b>	<b>48529.93</b>
Less: Provision for Credit Impaired	-	-	-	17.69	39.77	1185.72	1243.18
Less: Provision for Expected Credit Loss	-	-	-	-	-	-	428.88
<b>TOTAL</b>	<b>28612.42</b>	<b>15415.81</b>	<b>2525.24</b>	<b>612.87</b>	<b>55.89</b>	<b>64.52</b>	<b>46857.87</b>

### NOTE: 10 CASH AND CASH EQUIVALENTS

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Balances with Banks in Current Accounts	8918.13	7177.44
Cash on hand	27.42	23.58
<b>TOTAL</b>	<b>8945.55</b>	<b>7201.02</b>

**10.01** For the purpose of the Statement of Cash Flow, Cash and Cash Equivalents comprise the followings:

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Balances with Banks in Current Accounts	8918.13	7177.44
Cash on hand	27.42	23.58
<b>TOTAL</b>	<b>8945.55</b>	<b>7201.02</b>

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### NOTE: 11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Fixed Deposits with Banks Pledged as Margin Money	5066.82	21065.39
<b>TOTAL</b>	<b>5066.82</b>	<b>21065.39</b>

### NOTE: 12 CURRENT FINANCIAL ASSETS- LOANS

(Unsecured, Considered Good)

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Loan To Employees	19.09	-
<b>TOTAL</b>	<b>19.09</b>	<b>-</b>

### NOTE: 13 OTHERS CURRENT FINANCIAL ASSETS

(Unsecured, Considered Good unless stated otherwise)

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Security Deposits		
Considered Good	126.76	129.47
Considered Doubtful	33.71	35.06
	<b>160.47</b>	<b>164.53</b>
Less: Provision for Doubtful	33.71	35.06
	<b>126.76</b>	<b>129.47</b>
Interest Receivables	134.70	131.52
<b>TOTAL</b>	<b>261.46</b>	<b>260.99</b>

### NOTE: 14 CURRENT TAX ASSETS (NET)

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Advance Payment of Income-Tax (Net)	475.85	414.91
<b>TOTAL</b>	<b>475.85</b>	<b>414.91</b>

### NOTE: 15 OTHER CURRENT ASSETS

(Unsecured, Considered Good unless stated otherwise)

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Advances to Suppliers		
Related Parties (Refer Note No. 40)	30.29	-
Others		
Considered Good	24718.88	11967.54
Considered Doubtful	1343.56	1630.19
	<b>26092.73</b>	<b>13597.73</b>
Less: Provision for Doubtful	1343.56	1630.19
	<b>24749.17</b>	<b>11967.54</b>
Prepaid Expenses	419.88	503.63
Other Receivables*	5307.30	6915.81
<b>TOTAL</b>	<b>30476.35</b>	<b>19386.98</b>

\* Mainly includes GST &amp; Mines Receivables, VAT Refund Receivable, Export Incentive and others.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### NOTE: 16 EQUITY SHARE CAPITAL

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
<b>Authorised</b>		
2,50,00,00,000 (Previous Year 2,50,00,00,000) Equity Shares of Rs. 10/- each	250000.00	250000.00
	<b>250000.00</b>	<b>250000.00</b>
<b>Issued, Subscribed and Paid up</b>		
97,09,98,244 (Previous Year 97,09,98,244) Equity Shares of Rs. 10/- each fully paid up	97099.82	97099.82
Less: Allotment Money Unpaid (from other than Directors)	0.72	0.72
<b>TOTAL</b>	<b>97099.10</b>	<b>97099.10</b>

#### 16.01 Reconciliation of Equity Shares outstanding at the beginning and at the end of the year

Particulars	As at 31.03.2024		As at 31.03.2023	
	No. of Shares	Amount (Rs. in lakhs)	No. of Shares	Amount (Rs. in lakhs)
Equity Shares outstanding at the beginning and at the end of the year	97,09,98,244	97099.82	97,09,98,244	97099.82

#### 16.02 Details of Shareholders, holding more than 5% shares of the Company

Name of Shareholders	As at 31.03.2024		As at 31.03.2023	
	No of Shares held	Percentage held	No of Shares held	Percentage held
Jayaswal Holdings Private Limited	5,57,90,771	5.75	5,30,98,951	5.47
Karamveer Impex Private Limited	4,99,20,820	5.14	4,72,29,000	4.86
Nine Star Plastic Packaging Services Private Limited	5,06,32,253	5.21	4,79,40,433	4.94
Asset Care And Reconstruction Enterprise Limited	25,68,29,088	26.45	30,52,81,848	31.44

#### 16.03 Shares held by promoters and promoter group in the Company

Sr. No.	Promoter's Name	No. of Shares as on 31.03.2024	% of total shares	No. of Shares as on 31.03.2023	% of total shares	% Change during the Year
1	Basant Lall Shaw	1,30,04,670	1.34	1,03,12,850	1.06	0.28
2	Arvind Jayaswal	50,89,740	0.52	23,97,920	0.25	0.27
3	Ramesh Jayaswal	50,89,740	0.52	23,97,920	0.25	0.27
4	Nisha Jayaswal	27,16,820	0.28	25,000	0.00	0.28
5	Rita Jayaswal	27,16,820	0.28	25,000	0.00	0.28
6	Neco Valves And Pumps Private Limited	35,55,820	0.37	8,64,000	0.09	0.28
7	Neco Leasing And Finance Private Limited	35,91,320	0.37	8,99,500	0.09	0.28
8	Jayaswal Neco Steel And Mining Limited	2,20,18,209	2.27	1,93,26,389	1.99	0.28
9	Jayaswal Neco Infrastructures Private Limited	4,19,38,431	4.32	3,92,46,611	4.04	0.28
10	Apex Spinning Mills Private Limited	4,07,69,198	4.20	3,80,77,378	3.92	0.28
11	Jayaswal Neco Power Private Limited	4,00,87,987	4.13	3,73,96,167	3.85	0.28
12	Anurag Sales And Services Private Limited	4,16,22,820	4.29	3,89,31,000	4.01	0.28
13	Avon Sales And Services Private Limited	4,17,86,820	4.30	3,90,95,000	4.03	0.27
14	Jayaswal Neco Energy Private Limited	4,71,11,320	4.85	4,44,19,500	4.58	0.27
15	Jayaswal Neco Metallics Private Limited	4,73,95,375	4.88	4,47,03,555	4.60	0.28
16	Nine Star Plastic Packaging Services Private Limited	5,06,32,253	5.21	4,79,40,433	4.94	0.27
17	Karamveer Impex Private Limited	4,99,20,820	5.14	4,72,29,000	4.86	0.28
18	Jayaswal Holdings Private Limited	5,57,90,771	5.75	5,30,98,951	5.47	0.28
<b>Total</b>		<b>51,48,38,934</b>	<b>53.02</b>	<b>46,63,86,174</b>	<b>48.03</b>	<b>4.99</b>

#### 16.04 Rights of Equity Shareholders

The Company has only one class of equity shares having a face value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the equity shareholders will be entitled to receive any of remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

**16.05** There are no shares reserved for issue under options and contracts / commitments.

**16.06** Dividend Paid and Proposed of Rs. Nil (Previous Year: Rs. Nil.)

### NOTE: 17 OTHER EQUITY

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
<b>Equity Component of Compound Financial Instruments</b>		
Balance as per last Balance Sheet	620.64	620.64
<b>Capital Reserve</b>		
Balance as per last Balance Sheet	7762.89	7762.89
<b>Securities Premium</b>		
Balance as per last Balance Sheet	158830.46	158830.46
<b>General Reserve</b>		
Balance as per last Balance Sheet	16700.87	16700.87
<b>Capital Redemption Reserve</b>		
Balance as per last Balance Sheet	5100.37	5100.37
<b>Retained Earnings</b>		
Balance as per last Balance Sheet	(80800.19)	(103487.56)
Add: Profit for the year	20998.28	22687.37
	(59801.91)	(80800.19)
<b>Revaluation Reserve</b>		
Balance as per last Balance Sheet	21.47	21.47
<b>Other Comprehensive Income (OCI)</b>		
Balance as per last Balance Sheet	446.02	691.08
Add: Movement in OCI (Net) during the year	(450.74)	(245.06)
	(4.72)	446.02
<b>TOTAL</b>	<b>129230.07</b>	<b>108682.53</b>

### NATURE AND PURPOSE OF RESERVES

#### Capital Reserve

The Capital Reserve was created pursuant to the Scheme of Merger of the Steel Division of Corporate Ispat Alloys Limited, Amalgamation of Nagpur Alloy Casting Limited and Capital incentive received from Government of Maharashtra. It shall be utilised in accordance with the provisions of the Companies Act, 2013.

#### Securities Premium

Securities Premium was created when shares were issued at premium. It shall be utilised in accordance with the provisions of the Companies Act, 2013.

#### General Reserve

The General Reserve was created pursuant to the Scheme of, Amalgamation of Inertia Iron and Steel Industries Private Limited, Merger of Sponge Iron Plant and Power Plant of Corporate Ispat Alloys Limited and Abhijeet Infrastructure Limited. It shall be utilised in accordance with the provisions of the Companies Act, 2013.

#### Capital Redemption Reserve

Capital Redemption Reserve was created for redemption of Preference Shares. It shall be utilised in accordance with the provisions of the Companies Act, 2013.

#### Retained Earnings

Retained Earnings represent the accumulated profits/losses made by the Company over the years.

#### Revaluation Reserve

Revaluation Reserve was created for revaluation of Factory Building and Shed. It shall be utilised in accordance with the provisions of the Companies Act, 2013.

#### Other Comprehensive Income

Other Comprehensive Income (OCI) represents the amount recognised in Other Equity consequent to remeasurement of Defined Benefit Plan.

#### Equity Component of Compound Financial Instruments

The Company had received the Interest free Inter Corporate Deposits from the Promoters and under Ind AS the difference between the Fair Value and Transaction Value is recognised as Equity Component of Compound Financial Instruments under Other Equity.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### NOTE: 18 NON-CURRENT BORROWINGS

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
<b>Secured</b>		
Non-Convertible Debentures - At Amortised Cost (Refer Note No. 18.01 to 18.04)*	301264.09	-
<b>Unsecured</b>		
Sales Tax Deferral (Under Package Scheme of Incentives) (Refer Note No. 18.05)	1709.98	2578.63
Non-Convertible Debentures to Related party - At Amortised Cost (Refer Note No. 18.06)	716.83	-
<b>TOTAL</b>	<b>303690.90</b>	<b>2578.63</b>

\*Net Off Facilitation Fees amounting to Rs. 2985.91 lakhs (Previous Year: Nil.)

**18.01** As per the terms of the Restructuring Support Agreement (RSA) dated 23<sup>rd</sup> August, 2021, the Company had to refinance its outstanding amount of Principal Term Loans and Interest Accrued but not due on Borrowings from ACRE Trusts on or before 15<sup>th</sup> December, 2023. The Company has duly repaid its entire Secured Obligations to the ACRE Trusts on 14<sup>th</sup> December, 2023 through Debt Refinancing by way of issuance of Secured Non-Convertible Debentures.

On 14<sup>th</sup> December, 2023, the Company has made allotment of 3,20,000 Unlisted, Secured, Redeemable, Non-Convertible Debentures with 14.50% per annum as Scheduled Coupon Rate and 3.00% per annum as Additional Coupon Rate, having face value of Rs. 100,000/- each aggregating to Rs. 320000.00 lakhs on private placement basis to the various Debenture holders with a tenor of sixty months from the Date of Allotment, commencement of Principal Repayment from 31<sup>st</sup> July, 2024 with Vistra ITCL (India) Limited as the Debenture Trustee.

The Proceeds of the issue to the extent of Rs. 317362.00 lakhs has been used for repayment of Secured Obligations of the ACRE Trusts, the remaining amount has been partly used and the balance is lying with the State Bank of India, Nagpur for part financing the Debt Refinancing related costs, fees etc.

**18.02** The Secured Non-Convertible Debentures referred to above aggregating to Rs. 320000.00 lakhs are guaranteed by an unconditional and irrevocable personal guarantee provided by Mr. Arvind Jayaswal (Chairman of Company)

and Mr. Ramesh Jayaswal (Managing Director of Company). Further the entire Secured Non-Convertible Debentures are secured by way of first and exclusive pledge of the entire Equity Shares of the Company held by the Promoters and Promoter Group Companies.

**18.03** The Secured Non-Convertible Debentures referred to above aggregating to Rs. 320000.00 lakhs are further secured by way of:

- a first and exclusive equitable mortgage on all the immovable properties of the Company, both present and future (excluding the Enforcement Directorate (ED) Attached Assets and the Corporate Ispat Alloys Limited (CIAL) Steel Division Land acquired under merger).
- a first and exclusive equitable mortgage on the Land of Neco Ceramics Limited.
- a first and exclusive charge by way of hypothecation on all the movable assets including Current Assets of the Company, both present and future (excluding the ED Attached Assets).

**18.04** The Secured Non-Convertible Debentures are issued by the Company subject to Early Repayment Option of 24 months from Date of Allotment (i.e. from 14<sup>th</sup> December, 2023) and Mandatory Redemption Option of 36 months from Date of Allotment (i.e. from 14<sup>th</sup> December, 2023). The Secured Non-Convertible Debentures referred to above aggregating to Rs. 320000.00 lakhs are to be repaid as per the documented terms as under:

Maturity Profile	Financial Year	(Rs. in lakhs)	
		Repayment	Amount
Principal Outstanding of Vistra ITCL (India) Limited - Debenture Trustee	2024-2025		15750.00
	2025-2026		30600.00
	2026-2027		39000.00
	2027-2028		45000.00
	2028-2029		35850.00
	Refinance	2028-2029	153800.00





## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

**18.05** The Company was entitled to defer its liability to pay Sales Tax (including a portion of Purchase Tax) in respect of its certain units. The liability under the Schemes as on 31<sup>st</sup> March, 2024 is Rs. 7863.02 lakhs (Previous Year: Rs. 7863.02 lakhs) which is provided for on the basis of its Net Present Value (Net of payments) of Rs. 2780.01 lakhs (Previous Year: Rs. 3559.50 lakhs). This Sales-tax liability is repayable in five equal annual instalments starting at the end of the tenth year from the year to which it relates and will be fully paid up by 30<sup>th</sup> April, 2028.

**18.06** During the year, on 10<sup>th</sup> February, 2024, the Company has issued and allotted total no. 28,08,766 zero coupon, unlisted, unsecured, redeemable, Non-Convertible Debentures of Rs. 100 each to Maa Usha Urja Limited (MUUL) aggregating to Rs. 2808.76 lakhs, on private placement basis, by conversion of the payable amount by the Company to MUUL and is to be repaid on 9<sup>th</sup> February, 2032 (subject to availability of call/put options). The Fair value of NCDs as on 31<sup>st</sup> March, 2024 has been calculated at 17.50% p.a. Interest rate.

### NOTE: 19 NON-CURRENT LEASE LIABILITIES

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Finance Lease Obligations	787.02	462.19
<b>TOTAL</b>	<b>787.02</b>	<b>462.19</b>

**19.01 In respect of Property, Plant and Equipment acquired on finance lease, the minimum lease rentals outstanding as on 31<sup>st</sup> March, 2024 are as follows:**

#### a) In relation to Leasehold Land

	(Rs. in lakhs)	
	31.03.2024	31.03.2023
<b>Minimum Lease Payments</b>		
(i) Payable not later than 1 year	46.80	43.55
(ii) Payable later than 1 year and not later than 5 years	200.30	197.04
(iii) Payable later than 5 years	3737.04	3787.12
Total Minimum Lease Payments	<b>3984.14</b>	<b>4027.71</b>
Less: Future Finance Charges	3473.97	3524.56
Present Value of Minimum Lease Payments	<b>510.17</b>	<b>503.15</b>
<b>Present Value of Minimum Lease Payments</b>		
(i) Payable not later than 1 year	43.95	40.96
(ii) Payable later than 1 year and not later than 5 years	148.06	145.21
(iii) Payable later than 5 years	318.16	316.98
<b>Total Present Value of Minimum Lease Payments</b>	<b>510.17</b>	<b>503.15</b>

#### General description of Lease terms:

- (i) Lease Rentals are charged on the basis of agreed terms.
- (ii) Assets are taken on lease for a period of 5 to 99 years.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### b) In relation to Right-of-Use Asset

	(Rs. in lakhs)	
	31.03.2024	31.03.2023
(i) Opening Balance	9.74	21.26
(ii) Add: Addition during the Year	395.27	-
(iii) Add: Finance cost accrued during the Year	39.04	1.78
(iv) Less: Payment of lease liabilities	59.67	13.30
<b>Closing Balance</b>	<b>384.38</b>	<b>9.74</b>
<b>The following is the contractual maturity profile of lease liabilities:</b>		
(i) Less than one year	115.20	10.20
(ii) One year to Five years	408.82	-
(iii) More than five years	-	-
<b>Total</b>	<b>524.02</b>	<b>10.20</b>

### NOTE: 20 OTHER NON-CURRENT FINANCIAL LIABILITIES

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Interest Accrued but not due on Redemption of Non-Convertible Debentures (Refer Note No. 18.01)	2749.42	-
Security Deposits	0.90	1.66
<b>TOTAL</b>	<b>2750.32</b>	<b>1.66</b>

### NOTE: 21 NON-CURRENT PROVISIONS

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Provision for Assets Retirement Obligations	34.94	31.65
<b>TOTAL</b>	<b>34.94</b>	<b>31.65</b>

### NOTE: 22 OTHER NON-CURRENT LIABILITIES

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Unamortised Portion of Non-Convertible Debenture to Related party	1808.10	-
<b>TOTAL</b>	<b>1808.10</b>	<b>-</b>

### NOTE: 23 INCOME TAX

**23.01 THE MAJOR COMPONENTS OF TAX EXPENSES / (INCOME) ARE AS FOLLOWS:**

PARTICULARS	(Rs. in lakhs)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>Recognised in the Statement of Profit and Loss</b>		
Deferred Tax - Relating to Origination and Reversal of Temporary Differences	8105.72	(19271.27)
Income Tax for Earlier Years	-	(6.11)
<b>Total Tax Expenses / (Income)</b>	<b>8105.72</b>	<b>(19277.38)</b>

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### 23.02 Reconciliation between Tax (Expenses)/ Incomes and Accounting Profit/ (Loss) multiplied by Tax Rate for the year ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023:

PARTICULARS	(Rs. in lakhs)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Accounting Profit / (Loss) before Tax	29104.00	3409.99
Applicable tax rate (in %)	25.17	25.17
Computed Tax (Expenses) / Income	(7324.89)	(858.23)
<b>Tax effect on account of:</b>		
Property, Plant and Equipment and Intangible Assets	2316.64	(74.00)
Expenses / Income not allowed	(479.43)	(301.91)
Items disallowed u/s 43B of the Income Tax Act, 1961	(2384.99)	(648.14)
Utilisation / credit of unrecognised tax losses	(92.63)	21153.55
Long-Term Capital Gain	(140.40)	-
Income Tax for Earlier Years	-	6.11
<b>Income Tax (Expenses) / Incomes recognised in the Statement of Profit and Loss</b>	<b>(8105.72)</b>	<b>19277.38</b>

### 23.03 Deferred Tax Liabilities / (Assets) relates to the followings:

Particulars	(Rs. in lakhs)			
	Balance Sheet		Statement of Profit and Loss Including OCI	
	As at 31.03.2024	As at 31.03.2023	For the year ended 31.03.2024	For the year ended 31.03.2023
Property, Plant and Equipment and Intangible Assets	32014.78	34578.30	(2563.52)	1204.27
Financial Instruments - Liabilities	531.30	(1024.94)	1556.24	(7528.55)
Financial Instruments - Assets	(0.85)	(1.02)	0.17	0.08
Items disallowed under the Income Tax Act, 1961	(2932.24)	(2411.45)	(520.79)	(264.40)
Provision for Doubtful Debts/Expected Credit Loss	(729.18)	(844.15)	114.97	407.71
Provision for Non-moving Inventories	(164.37)	(229.35)	64.98	(66.38)
Unabsorbed Depreciation	(33736.43)	(43039.32)	9302.89	(13105.67)
Assets Retirement Obligations	(8.79)	(7.97)	(0.82)	(0.75)
	<b>(5025.78)</b>	<b>(12979.90)</b>	<b>7954.12</b>	<b>(19353.69)</b>

### 23.04 Reconciliation of Deferred Tax Assets (Net):

Particulars	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
<b>Opening Balance at the beginning of the year (Deferred Tax Liabilities)</b>	<b>12979.90</b>	<b>(6,373.79)</b>
Deferred Tax (Expense) / Income recognised in the Statement of Profit and Loss	(8105.72)	19271.27
Deferred Tax (Expense) / Income recognised in OCI	151.60	82.42
<b>Closing Balance at the end of the year</b>	<b>5025.78</b>	<b>12979.90</b>

### NOTE: 24 CURRENT BORROWINGS

Particulars	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
<b>Secured</b>		
Current Maturities of Non-Convertible Debentures - At Amortised Cost	15750.00	-
Current Maturities of Long-Term Borrowings from Assets Reconstruction Company (Refer Note No. 24.02)	-	335088.18
<b>Unsecured</b>		
Current Maturities of Sales Tax Deferral	1070.03	980.87
Inter Corporate Deposits taken from Related Party (Refer Note No. 40)	-	2237.91
<b>TOTAL</b>	<b>16820.03</b>	<b>338306.96</b>

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

**24.01** As on 31<sup>st</sup> March, 2024, the Company has overdue Interest on unsecured loan of Rs. Nil lakhs (Previous Year: Rs. 292.05 lakhs) included in Interest Accrued and Due in Note No. 27 for a period of less than 4 years.

**24.02** Rs. Nil (Previous Year: Rs. 339288.18 lakhs (Including Interest Accrued but not due) was guaranteed by an unconditional and irrevocable personal guarantee provided by Mr. Basant Lal Shaw (then, Chairman of Company), Mr. Arvind Jayaswal (then, Managing Director of Company) and Mr. Ramesh Jayaswal (then, Joint Managing Director of Company). These Term Loans were secured by way of pledge of the entire Equity Shares of the Company held by the Promoters and Promoter Group Companies. Also these Term Loans were secured by way of:

- a *pari passu* first charge / equitable mortgage on all the immovable properties of the Company (excluding the ED Attached Assets – Dagori (Bilaspur) and the CIAL Assets acquired under merger), including but not limited to the immovable properties of the Company.
- b a *pari passu* first charge / equitable mortgage on the Land of Neco Ceramics Limited and other immovable assets, if any.
- c a *pari passu* first charge on all the present and future movable fixed assets of the Company (excluding the ED Attached Assets – Dagori (Bilaspur)), including but not limited to its movable plant and machinery, machinery spares, tools and accessories and movables (except current assets), including but not limited to goodwill, undertaking, uncalled capital and intellectual property rights, present and future howsoever and whosoever in the possession of the Company.
- d a *pari passu* second charge on all the present and future current assets of the Company, including but not limited to raw materials, finished and semi-finished goods, book debts, revenue and receivables, claims, consumable stores and marketable securities.)

### NOTE: 25 CURRENT LEASE LIABILITIES

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Finance Lease Obligations	107.53	50.70
<b>TOTAL</b>	<b>107.53</b>	<b>50.70</b>

### NOTE: 26 TRADE PAYABLES

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Micro, Small and Medium Enterprises	4148.67	3785.19
Others	24744.32	28193.05
<b>TOTAL</b>	<b>28892.99</b>	<b>31978.24</b>

### 26.01 Disclosures of the Micro, Small And Medium Enterprises Development Act, 2006

Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information as available with the Company and the required disclosures are given below:

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	4148.67	3785.19
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	15.06	7.33
(iii) The amount of Interest paid, along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of Interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	15.06	7.33
(vi) The amount of Further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### 26.02 Trade Payables Ageing

(Rs. in lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment as on 31.03.2024				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSME	1152.63	2977.33	18.70	0.01	-	4148.67
(ii) Undisputed dues - Others	13560.81	9955.81	334.33	121.58	771.79	24744.32
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>TOTAL</b>	<b>14713.44</b>	<b>12933.14</b>	<b>353.03</b>	<b>121.59</b>	<b>771.79</b>	<b>28892.99</b>

(Rs. in lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment as on 31.03.2023				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSME	1668.52	2116.39	0.28	-	-	3785.19
(ii) Undisputed dues - Others	9499.38	17591.15	194.14	100.24	808.14	28193.05
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>TOTAL</b>	<b>11167.90</b>	<b>19707.54</b>	<b>194.42</b>	<b>100.24</b>	<b>808.14</b>	<b>31978.24</b>

### NOTE: 27 OTHERS CURRENT FINANCIAL LIABILITIES

(Rs. in lakhs)

PARTICULARS	As at 31.03.2024	As at 31.03.2023
Interest Accrued but not due on Borrowings	-	4200.00
Interest Accrued and due	15.06	299.38
Creditors for Capital Goods	434.19	-
Other Payables*	14582.94	8738.88
<b>TOTAL</b>	<b>15032.19</b>	<b>13238.26</b>

\* Mainly includes Provision for Expenses, Payable to Employees and Others.

### NOTE: 28 OTHER CURRENT LIABILITIES

(Rs. in lakhs)

PARTICULARS	As at 31.03.2024	As at 31.03.2023
Advances from Customers	1349.52	2739.46
Statutory Liabilities	1287.39	849.84
Unamortised Portion of Debenture to Related Party	264.18	-
<b>TOTAL</b>	<b>2901.09</b>	<b>3589.30</b>

### NOTE: 29 CURRENT PROVISIONS

(Rs. in lakhs)

PARTICULARS	As at 31.03.2024	As at 31.03.2023
Provision for Employee Benefits	4156.20	3030.34
Provision for Energy Development Cess (Refer Note No. 29.01)	6340.94	5904.56
Other Provisions*	396.75	396.75
<b>TOTAL</b>	<b>10893.89</b>	<b>9331.65</b>

\* Includes provision for disputed Entry Tax and Cess on Metallurgical Coke.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

**29.01** During the year 2005, the Government of Chhattisgarh published the Chhattisgarh Upkar (Sansodhan) Adhiniyam, 2004, according to which the Company is liable to pay energy development cess @10 paise per unit generated from its captive power plants. The levy of energy development cess has been disputed by the Company and the matter is pending before the Hon'ble Supreme Court of India.

The Office of the Chief Electrical Inspector, Government of Chhattisgarh, had sent demands for the energy development cess since the Hon'ble Supreme Court of India vide its interim order dated 2<sup>nd</sup> November, 2007, permitted the department to raise the bill, however it directed that no coercive steps shall be taken by the State to recover the dues till further orders.

The legislative competence of the Government of Chhattisgarh is not under challenge. The Company had been legally advised in the past that it is highly unlikely that the provision by which the State Government has imposed energy development cess will be struck down by the Hon'ble Supreme Court of India. In view of the above and as a matter of prudence, the Company has made a provision of energy development cess aggregating to Rs. 6340.94 lakhs till 31<sup>st</sup> March, 2024.

### NOTE: 30 REVENUE FROM OPERATIONS

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2024	For the year ended 31.03.2023
Sale of Products	592375.55	632786.27
Sale of Services / Job Work Income	230.97	412.47
Other Operating Revenues - Sale of Scrap	748.56	1087.11
<b>TOTAL</b>	<b>593355.08</b>	<b>634285.85</b>

### 30.01 Revenue Disaggregation by type of Products and Services as follows:

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2024	For the year ended 31.03.2023
Iron and Steel Castings	55665.88	52836.40
Pig Iron / Skull	12307.05	22746.98
Billets / Rolled Products	397424.64	407526.30
Sponge Iron	49278.35	77358.49
Pellet	75728.87	60691.76
Job Work / Commission	230.97	412.47
Others	2719.32	12713.45
<b>TOTAL</b>	<b>593355.08</b>	<b>634285.85</b>

### 30.02 Revenue disaggregation by geography is as follows:

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2024	For the year ended 31.03.2023
India	588905.88	630612.39
Outside India	4449.20	3673.46
<b>TOTAL</b>	<b>593355.08</b>	<b>634285.85</b>

### 30.03 Reconciliation of Revenue from Operations with Contract Price:

(Rs. in lakhs)

PARTICULARS	For the year ended 31.03.2024	For the year ended 31.03.2023
Contract Price	599913.27	637468.98
Reduction towards variables considerations components *	6558.19	3183.13
<b>TOTAL</b>	<b>593355.08</b>	<b>634285.85</b>

\* The reduction towards variable consideration comprises of volume discounts, quality claims, breakage, etc.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### NOTE: 31 OTHER INCOME

PARTICULARS	(Rs. in lakhs)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Interest Income from Financial Assets measured at Amortised Cost		
- Fixed Deposits with Banks	557.16	723.05
- Others	187.03	154.23
Dividend on Current Investments	0.00	-
Profit on Sale of Property, Plant and Equipment (Net)	764.01	541.73
Gain on Financial Instruments measured at Fair Value through Profit and Loss (Net)	0.66	0.31
Account Written Back	44.81	405.54
Export Incentives	102.07	66.86
Other Miscellaneous Receipts	189.35	315.39
<b>TOTAL</b>	<b>1845.09</b>	<b>2207.11</b>

### NOTE: 32 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

PARTICULARS	(Rs. in lakhs)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>Closing Inventories</b>		
Finished Goods	80015.43	40851.65
Finished Goods-in-Transit	4992.07	5803.37
Work-in-Progress	3153.39	5082.91
Stock-in-Trade	24.02	24.58
	<b>88184.91</b>	<b>51762.51</b>
<b>Opening Inventories</b>		
Finished Goods	40851.65	40563.54
Finished Goods in Transit	5803.37	4940.13
Work-in-Progress	5082.91	3539.86
Stock-in-Trade	24.58	24.60
	<b>51762.51</b>	<b>49068.13</b>
<b>Increase in Inventories TOTAL</b>	<b>(36422.40)</b>	<b>(2694.38)</b>

### NOTE: 33 EMPLOYEE BENEFITS EXPENSE

PARTICULARS	(Rs. in lakhs)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Salaries, Wages and Allowances	29509.04	24726.86
Contribution to Provident and Other Funds	2257.80	1903.26
Welfare and Other Amenities	1032.59	1042.91
<b>TOTAL</b>	<b>32799.43</b>	<b>27673.03</b>

33.01 As per Ind AS - 19 "Employee Benefits", the disclosures of Employee Benefits as defined in the Ind AS are given below:

#### (a) Contribution to Defined Contribution Plan, recognised as expense for the year are as under

PARTICULARS	(Rs. in lakhs)	
	2023-24	2022-23
Employer's Contribution to Provident Fund, ESIC and Other Funds	1676.48	1399.16

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### (b) Defined Benefit Plan

The Employees Gratuity Fund Scheme, which is a Defined Benefit Plan, is managed by Life Insurance Corporation of India (LIC). The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation.

Particulars	Gratuity (Funded)	
	As at 31.03.2024	As at 31.03.2023
<b>Actuarial Assumptions</b>		
Mortality Table (LIC)	Indian Assured Lives Mortality (2012-14) Ult	Indian Assured Lives Mortality (2012-14) Ult
Salary growth	8.00% & 7.00%	7.18% & 7.19%
Discount rate	6.97% & 6.97%	7.25% & 6.98%
Attrition age	5.00% & 2.50%	5.00% & 2.50%
Expected return on Plan Assets	7.18% & 7.19%	7.25% & 6.98%

Particulars	Gratuity (Funded)	
	As at 31.03.2024	As at 31.03.2023
<b>Movement in Present Value of Defined Benefit Obligations</b>		
Defined Benefit Obligations at the beginning of the year	6590.65	5794.19
Current Service Cost	522.75	478.45
Interest Cost	462.00	405.09
Benefit Paid	(313.76)	(375.40)
Actuarial Loss / (Gain)	555.91	288.32
<b>Defined Benefit Obligations at the end of the year</b>	<b>7817.55</b>	<b>6590.65</b>
<b>Movement in Fair Value of Plan Assets</b>		
Fair Value of Plan Assets at the beginning of the year	5606.65	5333.82
Interest Income	403.43	382.89
Employer Contribution	336.75	304.50
Benefit Paid	(313.76)	(375.40)
Remeasurement Loss arising from return on Plan Assets	(46.43)	(39.16)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>5986.64</b>	<b>5606.65</b>
<b>Expense recognised in the Statement of Profit and Loss</b>		
Current Service Cost	522.75	478.45
Interest on Defined Benefit Obligations	462.00	405.09
Interest Income	(403.43)	(382.89)
<b>Total included in "Remuneration and Benefits to Employees"</b>	<b>581.32</b>	<b>500.65</b>
<b>Remeasurements (recognised in Other Comprehensive Income)</b>		
Effect of changes in financial assumptions	555.91	288.32
Effect of experience adjustments	-	-
Loss on Plan Assets (excluding Interest Income)	46.43	39.16
<b>Total remeasurements included in OCI</b>	<b>602.34</b>	<b>327.48</b>

### (c) Fair Value of Plan Assets

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Life Insurance Corporation of India (LIC)	5986.64	5606.65

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### (d) Net Defined Benefit Obligations / (Assets) reconciliation

Particulars	Gratuity (Funded)	
	As at 31.03.2024	As at 31.03.2023
Present Value of Obligations at the end of the year	7817.55	6590.65
Less: Fair Value of Plan Assets at the end of the year	5986.64	5606.65
<b>Net Obligations recognised at the end of the year</b>	<b>1830.91</b>	<b>984.00</b>

(e) The estimate of rate of escalation in Salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other retirement factors including supply and demand in the employment market. The above information is certified by the actuary.

### 33.02 Sensitivity Analysis

Particulars	Change in Assumption	Effect on Gratuity Increase / (Decrease)	
		As at 31.03.2024	As at 31.03.2023
Discount Rate	+1%	(595.52)	(471.95)
Discount Rate	-1%	644.59	537.33
Salary Increase Rate	+1%	632.34	514.41
Salary Decrease Rate	-1%	(565.01)	(460.69)
Attrition Rate	+1%	(61.82)	(35.10)
Attrition Rate	-1%	72.26	39.14

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of Defined Benefit Obligation has been calculated using the Projected Unit Credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognised in the Balance Sheet.

### 33.03 Expected payments towards contributions to gratuity in future years:

Year Ended	Expected Payment
31 <sup>st</sup> March, 2025	686.84
31 <sup>st</sup> March, 2026	719.77
31 <sup>st</sup> March, 2027	606.37
31 <sup>st</sup> March, 2028	695.53
31 <sup>st</sup> March, 2029	726.39
31 <sup>st</sup> March, 2030 to 31 <sup>st</sup> March, 2035	3878.50

### 33.04 Risk Exposures

These plans typically expose the Company to Actuarial risks as Investment Risk, Interest Rate risk, Longevity risk and Salary risk.

Investment Risk	The present value of the defined benefit plan obligation is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest Rate Risk	A decrease in the bond interest rate will increase the plan obligation; however, this will be partially offset by an increase in the return on the plan debt investments.
Longevity Risk	The present value of the defined benefit plan Obligation is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's obligation.
Salary Risk	The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's obligation.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### Details of Asset-Liability Matching Strategy:-

Gratuity Benefits liabilities of the Company are Funded. There are no minimum funding requirements for a Gratuity Benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan. The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

### NOTE: 34 FINANCE COSTS

PARTICULARS	(Rs. in lakhs)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Interest Expenses on Financial Liabilities measured at Amortised Cost	46544.09	45069.17
Other Borrowing Cost	396.99	233.07
<b>TOTAL</b>	<b>46941.08</b>	<b>45302.24</b>

### NOTE: 35 DEPRECIATION AND AMORTISATION EXPENSE

PARTICULARS	(Rs. in lakhs)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Depreciation of Property, Plant and Equipment (Refer Note No. 2)	26189.45	26207.67
Amortisation of Intangible Assets (Refer Note No. 3)	402.97	363.14
<b>TOTAL</b>	<b>26592.42</b>	<b>26570.81</b>

### NOTE: 36 OTHER EXPENSES

PARTICULARS	(Rs. in lakhs)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>MANUFACTURING EXPENSES</b>		
Consumables, Stores and Spares Consumed	83209.60	76459.88
Power and Fuel	53187.23	40481.34
Repairs and Maintenance -		
Buildings	3.57	130.37
Plant and Equipments	17059.59	14353.76
Others	2.35	1.33
Royalty and Cess	17348.02	13815.17
Internal Material Movement	10643.00	10134.19
Lease Rent	642.00	830.50
Other Manufacturing Expenses	1989.61	1993.26
	<b>184084.97</b>	<b>158199.80</b>
<b>SELLING AND DISTRIBUTION EXPENSES</b>		
Advertisement and Publicity	81.85	12.35
Commission	147.41	177.36
Sales Promotion Expenses	47.64	77.22
Freight and Forwarding	16298.83	16557.04
	<b>16575.73</b>	<b>16823.97</b>
<b>ADMINISTRATIVE EXPENSES</b>		
Rent	428.48	362.11
Rates and Taxes	180.63	724.15
Insurance	713.98	790.10
Loss on Foreign Currency Fluctuation (Net)	49.39	1511.17
Printing and Stationery	25.92	18.19
Communication	99.64	86.10

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

PARTICULARS	(Rs. in lakhs)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Travelling and Conveyance	1661.36	1365.73
Vehicle Maintenance	143.10	249.82
Legal and Professional Charges	3023.57	2836.15
Director sitting Fees	14.60	10.75
Payment to Auditors (Refer Note No. 36.01)	104.86	92.61
Security Expenses	793.51	735.22
Miscellaneous	2345.72	2366.48
	<b>9584.76</b>	<b>11148.58</b>
<b>OTHER EXPENSES</b>		
Bank Charges and Commission	100.08	21.50
Bad Debts / Advances written off	481.60	1515.86
Less: Provision written back	514.34	1771.96
	<b>(32.74)</b>	<b>(256.10)</b>
Cash Discount	4695.28	4605.35
Provision / (Reversal) for Credit Impaired Trade Receivable / Advances (Net off)	304.23	159.70
Reversal for Expected Credit Loss on Trade Receivable	(203.55)	(3.72)
Corporate Social Responsibility Expenditure	945.96	218.78
Loss on Sale / Discard of Property, Plant and Equipment (Net)	0.03	-
Impairment of Capital Work-in-Progress	-	323.02
Donations	18.54	13.26
	<b>5827.83</b>	<b>5081.79</b>
<b>TOTAL</b>	<b>216073.29</b>	<b>191254.14</b>

### 36.01 Break-up of Payment to Auditors:

PARTICULARS	(Rs. in lakhs)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
For Statutory Audit	83.00	75.35
For Quarterly Review Fees	9.90	9.00
For Out of Pocket Expenses	11.96	8.26
<b>TOTAL</b>	<b>104.86</b>	<b>92.61</b>
Cost Audit Fees	1.44	1.44
Tax Audit Fees	8.25	8.25

### NOTE: 37 EARNINGS PER SHARE

PARTICULARS	(Rs. in lakhs except per equity share data)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>Basic Earnings Per Share</b>		
Profit for the year after Exceptional items	(A) 20998.28	22687.37
Profit for the year before Exceptional items	(B) 22884.42	27806.28
Weighted average number of Equity Shares (Nos.)	(C) 970998244	970998244
Basic Earnings Per Share of Rs. 10/- each after Exceptional items	Rs. (A) / (C) 2.16	2.34
Basic Earnings Per Share of Rs. 10/- each before Exceptional items	Rs. (B) / (C) 2.36	2.86
<b>Diluted Earnings Per Share</b>		
Amount available for calculation of Diluted EPS after Exceptional items	(A) 20998.28	22687.37
Amount available for calculation of Diluted EPS before Exceptional items	(B) 22884.42	27806.28
Weighted average number of Equity Shares (Nos.)	970998244	970998244
Add: Potential number of Equity Shares (Nos.)	-	-
No. of shares used for calculation of Diluted EPS	(C) 970998244	970998244
Diluted Earnings Per Share of Rs. 10/- each after Exceptional items	Rs. (A) / (C) 2.16	2.34
Diluted Earnings Per Share of Rs. 10/- each before Exceptional items	Rs. (B) / (C) 2.36	2.86

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### NOTE: 38 CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

PARTICULARS	(Rs. in lakhs)	
	31.03.2024	31.03.2023
<b>A I GUARANTEES</b>		
a) Guarantees given by the Company's Bankers (Bank guarantees are provided under contractual / legal obligation)	2544.26	1833.66
<b>TOTAL</b>	<b>2544.26</b>	<b>1833.66</b>
<b>II LETTERS OF CREDIT OUTSTANDING</b>		
a) Letters of Credit opened in favour of Suppliers (Cash flow is expected on receipt of material from suppliers)	2953.69	11638.61
b) Liability in respect of Bills Discounted	1994.16	460.17
<b>TOTAL</b>	<b>4947.85</b>	<b>12098.78</b>
<b>III OTHER CONTINGENT LIABILITIES</b>		
<b>Claims against the Company not acknowledged as debts</b>		
a) Disputed Excise Duty and Service Tax	1240.74	907.68
b) Disputed Sales Tax and Goods and Service Tax (GST)	1476.87	1494.17
c) Disputed Customs Duty	184.79	184.79
d) Other Disputed Demands (Mainly related to demand of Electricity Duty)	7494.57	6984.04
e) Third Party Claims (Matters are pending before various forums)	254.72	254.72
<b>TOTAL</b>	<b>10651.69</b>	<b>9825.40</b>

**B** Management is of the view that above litigations will not impact significantly the financial position of the Company.

**C** The Company has received Show Cause notices from the Excise and Goods and Service Tax (GST) department which mainly relates to demand of duty for sale of exempted goods, denial of credit on structural steel used in new plants, bank expenses, outward freight, Demand on CAMPA fund and Royalty and excess ITC claimed then appeared in GSTR-2A etc. The Company does not foresee any losses on this account.

PARTICULARS	(Rs. in lakhs)	
	31.03.2024	31.03.2023
<b>D Capital Commitments:</b>		
Estimated amount of contracts remaining to be executed on		
Capital Accounts and not provided for (Net of Advances)	12306.91	1322.88

### NOTE: 39 SEGMENT REPORTING:

#### A. Segment information as per Indian Accounting Standard - 108 - "Operating Segments":

Information provided in respect of Revenue items for the year ended 31<sup>st</sup> March, 2024 and in respect of Assets / Liabilities as at 31<sup>st</sup> March, 2024

#### Information about Primary (Product wise) segments:

Particulars	(Rs. in lakhs)					Total
	Steel	Iron & Steel Castings	Others	Unallocated	Eliminations	
<b>1. REVENUE</b>						
External Sales	537458.33	55894.80	1.95	-	-	593355.08
	(574633.97)	(59651.70)	(0.18)	(-)	(-)	(634285.85)
Inter-segment Sales	5743.97	-	-	-	(5743.97)	-
	(5263.35)	(-)	(-)	(-)	(-5263.35)	(-)
<b>Total Revenue</b>	<b>543202.30</b>	<b>55894.80</b>	<b>1.95</b>	<b>-</b>	<b>(5743.97)</b>	<b>593355.08</b>
	(579897.32)	(59651.70)	(0.18)	(-)	(-5263.35)	(634285.85)

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

(Rs. in lakhs)						
Particulars	Steel	Iron & Steel Castings	Others	Unallocated	Eliminations	Total
<b>2. RESULTS</b>						
Segment Results	<b>77098.57</b>	<b>1116.11</b>	<b>1.46</b>	-		<b>78216.14</b>
	(50834.15)	(2479.53)	(0.17)	(-)		(53313.85)
Less: Unallocated Corporate Expenses	-	-	-	<b>1704.18</b>		<b>1,704.18</b>
	(-)	(-)	(-)	(798.21)		(798.21)
Less: Unallocated Depreciation	-	-	-	<b>4.70</b>		<b>4.70</b>
	(-)	(-)	(-)	(4.70)		(4.70)
<b>Operating Profit / (-) Loss</b>	<b>77098.57</b>	<b>1116.11</b>	<b>1.46</b>	<b>(1708.88)</b>		<b>76507.26</b>
	(50834.15)	(2479.53)	(0.17)	(-802.91)		(52510.94)
Less: Finance Cost	-	-	-	<b>46941.08</b>		<b>46941.08</b>
	(-)	(-)	(-)	(45302.24)		(45302.24)
Add: Unallocated Interest Income	-	-	-	<b>557.16</b>		<b>557.16</b>
	(-)	(-)	(-)	(723.05)		(723.05)
Add: Unallocated Income	-	-	-	<b>866.80</b>		<b>866.80</b>
	(-)	(-)	(-)	(597.15)		(597.15)
Less: Exceptional Items	-	-	-	<b>1886.14</b>		<b>1886.14</b>
	(-)	(-)	(-)	(5118.91)		(5118.91)
Less: Tax Expenses / (Income) (Including Deferred Tax)	-	-	-	<b>8105.72</b>		<b>8105.72</b>
	(-)	(-)	(-)	(-19277.38)		(-19277.38)
<b>Net Profit / (-) Loss</b>	<b>77098.57</b>	<b>1116.11</b>	<b>1.46</b>	<b>(57217.86)</b>		<b>20998.28</b>
	(50834.15)	(2479.53)	(0.17)	(-30626.48)		(22687.37)
<b>3. OTHER INFORMATION</b>						
Segment Assets	<b>557966.14</b>	<b>28344.26</b>	<b>24.02</b>	-		<b>586334.42</b>
	(533950.74)	(27903.46)	(24.58)	(-)		(561878.78)
Unallocated Corporate Assets	-	-	-	<b>23713.75</b>		<b>23713.75</b>
	(-)	(-)	(-)	(43472.09)		(43472.09)
<b>Total Assets</b>	<b>557966.14</b>	<b>28344.26</b>	<b>24.02</b>	<b>23713.75</b>		<b>610048.17</b>
	(533950.74)	(27903.46)	(24.58)	(43472.09)		(605350.87)
Segment Liabilities	<b>51329.61</b>	<b>6053.62</b>	-	-		<b>57383.23</b>
	(47929.56)	(5656.83)	(-)	(-)		(53586.39)
Unallocated Corporate Liabilities	-	-	-	<b>326335.77</b>		<b>326335.77</b>
	(-)	(-)	(-)	(345982.85)		(345982.85)
<b>Total Liabilities</b>	<b>51329.61</b>	<b>6053.62</b>	-	<b>326335.77</b>		<b>383719.00</b>
	(47929.56)	(5656.83)	(-)	(345982.85)		(399569.24)
Capital Expenditure	<b>17188.14</b>	<b>1858.95</b>	-	-		<b>19047.09</b>
	(5961.75)	(647.92)	(-)	(-)		(6609.67)
Depreciation	<b>25515.51</b>	<b>1072.21</b>	-	<b>4.70</b>		<b>26592.42</b>
	(25563.10)	(1003.01)	(-)	(4.70)		(26570.81)
Non-cash Expenses other than Depreciation	<b>(72.98)</b>	<b>140.92</b>	-	-		<b>67.94</b>
	(-565.66)	(60.00)	(-)	(-)		(-505.66)

Note: Figures in brackets represent previous year's 2022-23 amounts.

### B. Segment Identification, Reportable Segments and definition of each segment:

#### i. Reportable Segments:

The Company's operating segments are established on the basis of those components that are evaluated regularly by the Chief Operating Decision Maker, in deciding how to allocate resources and in assessing performance. These have been identified and reported taking into account the differing risks and returns, nature of products, the organisational structure and the internal reporting system of the Company.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### ii. Primary / Secondary Segment Reporting Format:

- The risk-return profile of the Company's business is determined predominantly by the nature of its products. Accordingly, the business segments constitute the Primary Segments for disclosure of segment information.
- Since all the operations of the Company are predominantly conducted within India, there are no separate reportable geographical segments.
- No Non-Current Assets of the Company is located outside India as on 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March 2023.
- No single customer has accounted for more than 10% of the Company revenue for the year ended 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March 2023.

### iii. Segment Composition:

- Steel Segment is engaged in manufacture and sale of Pig Iron, Billets, Rolled Products including Alloy Steel, Sponge Iron and includes its captive Power Plants at its unit located at Siltara, Raipur and Mining activities in the state of Chhattisgarh and Maharashtra.
- Iron and Steel Castings Segment comprises of manufacture and sale of Engineering and Automotive Castings with production facilities at Nagpur in Maharashtra and Anjora in Chhattisgarh.
- Other Segment comprises of trading of PVC pipes.
- Unallocated comprises of income, expenses, assets and liabilities which can not be directly identified to any of the above segments.

### NOTE: 40 RELATED PARTY DISCLOSURES:

In accordance with the requirements of Ind AS 24, on Related Party Disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported year, are as detailed below:

#### A. List of Related Parties:

##### I. Associate Company

Maa Usha Urja Limited

##### II. Key Management Personnel and their Relatives

###### Key Management Personnel

Shri B. L. Shaw (up to 24.11.2023)  
 Shri Arvind Jayaswal  
 Shri Ramesh Jayaswal  
 Shri P.K.Bhardwaj (up to 24.02.2023)  
 Shri Sangram Keshari Swain (from 13.11.2023)  
 Shri Ashish Srivastava (from 15.04.2023)  
 Shri Vikash Kumar Agarwal (up to 13.01.2023)  
 Shri M. P. Singh (up to 12.11.2023)  
 Shri Kapil Shroff (from 25.02.2023)

###### Relatives of Key Management Personnel

Shri Avneesh Jayaswal  
 Shri Anshul Bhardwaj (up to 24.02.2023)

##### III. Enterprises in which key managerial personnel and their relatives are able to exercise significant influence with whom transactions have taken place during the year:

###### Other Related Parties

The Jayaswal Basant Lall Shaw Family Trust  
 Shashi Enterprises (up to 12.11.2023)  
 Neco Mining Company Private Limited  
 NSSL Private Limited  
 Neco Deserttech Defence Private Limited

Jayaswal Neco Urja Private Limited  
 Neco Defence Systems Private Limited  
 Neco Heavy Engineering and Castings Private Limited  
 Synergy CapCorp India Private Limited \*

\* Nominee Director is able to exercise significant influence.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### B. Transactions and Balances with Related Parties:

		(Rs. in lakhs)	
Nature of Transactions	Name of the Related Parties	2023-24	2022-23
<b>Transactions with Associate:</b>			
Lease Rent	Maa Usha Urja Limited	642.00	610.50
<b>Conversion into Non-Convertible Debentures</b>			
Current Borrowings - Inter Corporate Deposits	Maa Usha Urja Limited	2237.91	-
Trade payables	Maa Usha Urja Limited	278.80	-
Interest Accrued and due	Maa Usha Urja Limited	292.05	-
Power and Fuel	Maa Usha Urja Limited	172.03	-
<b>Transactions with Other Related Parties:</b>			
Purchase of Property, Plant and Equipment	Neco Heavy Engineering and Castings Private Limited	68.21	207.73
	Neco Defence Systems Private Limited	12.15	7.69
	NSSL Private Limited	5.36	22.73
Sale of Property, Plant and Equipment	Neco Deserttech Defence Private Limited	-	2.57
Sale of Products	NSSL Private Limited	7016.93	11204.67
	Neco Heavy Engineering and Castings Private Limited	1577.94	992.47
Purchase of Goods and Services	NSSL Private Limited	7815.28	11392.19
	Neco Heavy Engineering and Castings Private Limited	2685.90	674.94
	Neco Defence Systems Private Limited	7.68	-
Purchase of Goods (Overburden Cost)	Neco Mining Company Private Limited	19557.28	17,010.92
Other Manufacturing Expenses	NSSL Private Limited	71.15	204.37
	Neco Heavy Engineering and Castings Private Limited	0.65	732.59
Consultancy Charges	Synergy CapCorp India Private Limited	800.79	767.02
Rent / Lease Rent	The Jayaswal Basant Lall Shaw Family Trust	103.13	101.46
	Shashi Enterprises	11.33	17.32
	Shri Arvind Jayaswal	11.91	11.62
	Shri Ramesh Jayaswal	11.91	11.62
Security Deposits Given:	The Jayaswal Basant Lall Shaw Family Trust	2.54	2.31
	Shri Arvind Jayaswal	-	0.50
	Shri Ramesh Jayaswal	-	0.50
Sitting Fees	Shri B.L. Shaw	1.25	1.00
Managerial Remuneration	Shri Arvind Jayaswal	160.85	168.65
	Shri Ramesh Jayaswal	160.85	168.65
	Shri P.K.Bhardwaj	-	49.02
	Shri M.P. Singh	57.86	80.00
	Shri Avneesh Jayaswal	166.24	53.09
	Shri Kapil Shroff	89.65	7.25
	Shri Ashish Srivastava	24.58	-
	Shri Sangram Keshari Swain	38.89	-
	Shri Vikash Kumar Agarwal	-	29.87
	Shri Anshul Bhardwaj	-	1.38

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

		(Rs. in lakhs)	
Nature of Transactions	Name of the Related Parties	2023-24	2022-23
<b>Bad Debts (Already Provided Earlier)</b>			
Current - Loans	Jayaswal Neco Urja Private Limited	-	738.30
Interest Receivables	Jayaswal Neco Urja Private Limited	-	157.93

		(Rs. in lakhs)	
Nature of Transactions	Name of the Related Parties	2023-24	2022-23
<b>Reimbursement of Expenses to the Company</b>			
	Neco Heavy Engineering and Castings Private Limited	11.77	11.14
	NSSL Private Limited	11.76	11.14
	Neco Mining Company Private Limited	1.17	-

		(Rs. in lakhs)	
Nature of Transactions	Name of the Related Parties	As at 31.03.2024	As at 31.03.2023
<b>Balances with Associate:</b>			
Current Borrowings - Inter Corporate Deposits	Maa Usha Urja Limited	-	2237.91
Trade payables	Maa Usha Urja Limited	62.06	340.86
Interest Accrued and due	Maa Usha Urja Limited	-	292.05
Non-Convertible Debenture	Maa Usha Urja Limited	2808.76	-
<b>Balance with Other Related Parties:</b>			
Trade Payables and Other Payable	NSSL Private Limited	-	196.51
	Neco Heavy Engineering and Castings Private Limited	103.16	104.64
	Neco Defence Systems Private Limited	3.24	3.45
	Synergy Cap Corp India Private Limited	-	63.69
	Neco Mining Company Private Limited	-	1492.98
Deposit Given	The Jayaswal Basant Lall Shaw Family Trust	27.95	25.41
	Shashi Enterprises	-	3.00
	Shri Arvind Jayaswal	2.90	2.90
	Shri Ramesh Jayaswal	2.90	2.90
Trade Receivables and Other Receivable	Neco Heavy Engineering and Castings Private Limited	0.24	275.67
	Neco Deserttech Defence Private Limited	-	3.03
	NSSL Private Limited	1.88	-
Advance to Supplier	Neco Defence Systems Private Limited	5.43	-
	Neco Mining Company Private Limited	19.16	-
	Synergy CapCorp India Private Limited	5.70	-
Rent / Lease Rent Payable	Shri Arvind Jayaswal	4.62	0.87
	Shri Ramesh Jayaswal	4.62	0.87

### C. Compensation to Key Managerial Personnel of the Company

		(Rs. in lakhs)	
Nature of Transaction		2023-24	2022-23
Short-Term Employee Benefits		533.75	503.44
Post-employment Benefits		2.00	7.57
<b>TOTAL</b>		<b>535.75</b>	<b>511.01</b>

D. The Company is not the beneficiary owner of the shares of the Associate Company, accordingly Consolidation of the Associate company's Financial Statements is not required.



## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### NOTE: 41 DIVIDEND ACCRUED ON REDEEMABLE PREFERENCE SHARES NOT PROVIDED FOR:

PARTICULARS	(Rs. in lakhs)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
a) 16% Redeemable Cumulative Preference Shares	1700.51	1700.51
b) 0.0001% Cumulative Redeemable Preference Shares	0.01	0.01
<b>TOTAL</b>	<b>1700.52</b>	<b>1700.52</b>

### NOTE: 42 EXPENDITURE RELATED TO CORPORATE SOCIAL RESPONSIBILITY (CSR) AS PER SECTION 135 OF THE COMPANIES ACT, 2013 READ WITH SCHEDULE VII.

- a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is Rs. 1070.71 lakhs (Previous Year: Rs. 218.78 lakhs)
- b) i) Expenditure incurred related to Corporate Social Responsibility is Rs. 945.96 lakhs (Previous Year: Rs. 377.63 lakhs).  
ii) Expenditure carried forward to the Financial Year 2024-25 is Rs. 34.10 lakhs (Previous Year: Rs. 158.85 lakhs).
- c) The amount of Shortfall at the end of the year out of the amount required to be spent by the Company during the Financial Year 2023-24: Rs. Nil Financial Year 2022-23: Rs. Nil
- d) Total amount of Previous years shortfall: Rs. Nil
- e) Reason for shortfall: Not Applicable
- f) Details of Expenditure incurred towards CSR given below:

PARTICULARS	(Rs. in lakhs)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Rural Development Projects	727.84	196.05
Environmental Sustainability	80.77	55.38
Education and Training	39.21	21.42
Health Care, Sanitation and providing Drinking Water	32.17	60.00
Promotion and Development of Traditional Art and Culture, Community Welfare	26.16	32.04
Others	39.81	12.74
<b>TOTAL</b>	<b>945.96</b>	<b>377.63</b>

- g. There are no related party transactions included in above CSR expenditure.

### NOTE: 43 PROVISIONS

#### Disclosures as required by Ind AS 37 - "Provisions, Contingent Liabilities and Contingent Assets":

PARTICULARS	(Rs. in lakhs)				
	Assets Retirement Obligations	Provision for Credit Impaired / Doubtful on Trade Receivables / Advances	Provision for Expected Credit Loss on Trade Receivables	Provision for Energy Development Cess	Provision for Entry Tax and Cess
As at 1 <sup>st</sup> April, 2022	28.67	4541.45	432.60	5505.88	396.75
Provision during the year	2.98	159.70	-	398.68	-
Payment during the year	-	(195.04)	-	-	-
Provision reversed during the year	-	(1580.94)	(3.72)	-	-
<b>As at 31<sup>st</sup> March, 2023</b>	<b>31.65</b>	<b>2925.17</b>	<b>428.88</b>	<b>5904.56</b>	<b>396.75</b>
Provision during the year	3.29	304.23	-	436.38	-
Amount received during the year	-	(8.20)	-	-	-
Provision Written Back during the year	-	(34.95)	-	-	-
Provision reversed during the year	-	(514.34)	(203.55)	-	-
<b>As at 31<sup>st</sup> March, 2024</b>	<b>34.94</b>	<b>2671.91</b>	<b>225.33</b>	<b>6340.94</b>	<b>396.75</b>

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### NOTE: 44 FAIR VALUES

#### 44.01 Financial Instruments by category:

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial assets and liabilities that are recognised in the financial statements.

#### a) Financial Assets / Liabilities measured at Fair Value

PARTICULARS	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
<b>Financial Assets designated at Fair Value through Profit and Loss:</b>		
- Investments	1.18	0.52
<b>TOTAL</b>	<b>1.18</b>	<b>0.52</b>

#### b) Financial Assets / Liabilities designated at Amortised Cost:

Particulars	As at 31.03.2024		As at 31.03.2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets:</b>				
<b>Financial Assets designated at Amortised Cost:</b>				
- Trade Receivables	41894.88	41894.88	46857.87	46857.87
- Cash and Cash Equivalents	8945.55	8945.55	7201.02	7201.02
- Bank Balances other than Cash and Cash Equivalents	5066.82	5066.82	21065.39	21065.39
- Loans	19.09	19.09	-	-
- Others	1758.99	1758.99	1078.42	1078.42
<b>TOTAL</b>	<b>57685.33</b>	<b>57685.33</b>	<b>76202.70</b>	<b>76202.70</b>
<b>Financial Liabilities:</b>				
<b>Financial Liabilities designated at Amortised Cost:</b>				
- Borrowings	320510.93	320510.93	340885.59	340885.59
- Lease Liabilities	894.55	894.55	512.89	512.89
- Trade Payables	28892.99	28892.99	31978.24	31978.24
- Other Financial Liabilities	17782.51	17782.51	13239.92	13239.92
<b>TOTAL</b>	<b>368080.98</b>	<b>368080.98</b>	<b>386616.64</b>	<b>386616.64</b>

#### 44.02 Fair Valuation techniques used to determine Fair Value

The Company maintains procedures to value its financial assets or financial liabilities using the best and most relevant data available. The Fair Values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the Fair Values:

- Fair Value of Cash and Cash Equivalents, Other Bank Balances, Trade Receivable, Trade Payables, Current Loans, Current Borrowings, Deposits and other Current Financial Assets and Liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- The Fair Values of Non-Interest bearing and Concessional Interest bearing Secured Non-current Borrowings is calculated based on discounted cash flows using a lending rate. They are classified as level 2 fair values in the fair value hierarchy due to the inclusion of observable inputs. The Fair Value of Security Deposits are approximate at their carrying amount due to interest bearing features of these instruments.
- Fair values of Investment in equity are derived from quoted market prices in active markets.
- The Fair Value of the remaining financial instruments is determined using discounted cash flow analysis.
- The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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for the year ended 31<sup>st</sup> March, 2024

### 44.03 Fair Value Hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

- Level 1:-** Quoted prices / published Net Assets Value (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the Balance Sheet date and financial instruments like mutual funds for which Net Assets Value is published by mutual fund operators at the Balance Sheet date.
- Level 2:-** Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.
- Level 3:-** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table provides hierarchy of the fair value measurement of Company's asset and liabilities, grouped into Level 1 (Quoted prices in active markets), Level 2 (Significant observable inputs) and Level 3 (Significant unobservable inputs) as described below:

Particulars	As at 31.03.2024		
	Level 1	Level 2	Level 3
<b>Financial Assets</b>			
<b>Financial Assets designated at Fair Value through Profit and Loss:</b>			
Investments	1.17	-	0.1#

(Rs. in lakhs)

Particulars	As at 31.03.2023		
	Level 1	Level 2	Level 3
<b>Financial Assets</b>			
<b>Financial Assets designated at Fair Value through Profit and Loss:</b>			
Investments	0.51	-	0.1#

(Rs. in lakhs)

# Since the Investments under level 3 category are not material and its fair value is zero, so the disclosure for the same is not given.

### NOTE: 45 Financial Risk Management - Objective and Policies

The Company is exposed to Market Risk, Credit Risk and Liquidity Risk. Risk management is carried out by the Company under the policy and plan as approved by the Board of Directors. The Risk management plan defines how risks associated with the Company will be identified, analysed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the Company. The basic objective of risk management plan is to implement an integrated risk management approach to ensure that all significant areas of risks are identified, understood and effectively managed, to promote a shared vision of risk management and encourage discussions on risks at all levels of the organisation to provide a clear understanding of risk / benefit trade-offs, to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks, and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage / optimise key risks. The activities are developed to provide feedback to management and other interested parties (e.g. Audit committee, Board etc.) by way of Action taken report. The results of these activities ensure that risk management plan is effective in the long-term.

#### 45.01 Market Risk and Sensitivity:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risks: Foreign Currency Rate risk, Interest Rate risk and other Price risks, such as Commodity price risk. Financial instruments affected by market risk include Loans and Borrowings, Deposits and Investments.

The sensitivity analysis relates to the position as at 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as at 31<sup>st</sup> March, 2024 and 31<sup>st</sup> March, 2023.

#### (a) Foreign Currency Exchange Risk and Sensitivity:

Foreign Currency Exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in Foreign Currency Exchange rates. The Company's exposure to the risk of changes in foreign currency exchange rates relates primarily to the Company's operating activities. The Company transacts forex business primarily in USD, SEK and EURO. The Company has foreign currency trade payables and trade receivables and is therefore, exposed to foreign currency exchange risk. The Company regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies and plan.

The following table demonstrates the sensitivity in the USD, SEK, GBP and EURO to the Indian Rupee with all other variables held constant. The impact on the Company's Profit Before Tax (PBT) due to changes in the fair values of monetary assets and liabilities is given below:

Unhedged Foreign currency exposure as at 31 <sup>st</sup> March, 2024	Currency	Amount in FC	(Rs. in lakhs)
Trade Receivable	USD	870940	726.14
Trade Receivable	EURO	82257	74.21
Trade Payable	USD	211760	176.57
Trade Payable	EURO	69025	62.14
Trade Payable	SEK	650000	50.70
Trade Payable	GBP	14800	15.58

Unhedged Foreign currency exposure as at 31 <sup>st</sup> March, 2023	Currency	Amount in FC	(Rs. in lakhs)
Trade Receivable	USD	1413798	1162.38
Trade Receivable	EURO	164674	147.56
Trade Payable	USD	(13709509)	(11266.47)
Trade Payable	EURO	(78247)	(69.97)
Trade Payable	SEK	(650000)	(51.42)
Trade Payable	GBP	(14800)	(15.01)

#### Foreign Currency sensitivity

2% increase or decrease in foreign exchange rates will have the following impact on Profit Before Tax (PBT):-

Particulars	2023-24		2022-23	
	2% Increase - Profit / (Loss)	2% Decrease - Profit / (Loss)	2% Increase - Profit / (Loss)	2% Decrease - Profit / (Loss)
USD	10.99	(10.99)	(202.08)	202.08
EURO	0.24	(0.24)	1.55	(1.55)
SEK	(1.01)	1.01	(1.03)	1.03
GBP	(0.31)	0.31	(0.30)	0.30
Increase / (Decrease) in Profit Before Tax	9.91	(9.91)		
Increase / (Decrease) in Profit Before Tax			(201.86)	201.86

(Rs. in lakhs)

#### b) Interest Rate Risk and Sensitivity:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is having Long-Term borrowings in the form of Non-Convertible Debentures (NCD). They have a fixed rate of interest and hence, there is no interest rate risk associated with these borrowings.

#### c) Commodity Price Risk:

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its iron, steel and castings products. Market forces generally determine prices for the products sold by the Company. These prices may be influenced

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

by factors such as supply and demand, production costs (including the costs of raw material inputs), global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its products.

The Company prices its Iron and Steel products as per the accepted market practices.

The Company primarily purchases its raw materials (other than captively sourced material) in the open market from third parties or from approved suppliers on contract basis. The Company is therefore subject to fluctuations in prices for the purchase of non-coking and coking coal and other raw material inputs. The Company purchased substantially large part of its coal requirement from third parties and approved suppliers from the open market during the year ended 31<sup>st</sup> March, 2024. The Company's almost entire requirement of the Iron ore and fines (major raw material) is fulfilled from its captive Iron ore mines. Hence, the commodity price risk of raw materials has been reduced to a great extent.

The Company aims to sell its products at prevailing market prices. Similarly, the Company procures key raw materials like coal based at prevailing market rates. Predominantly the selling prices of steel and castings and that of input raw materials move in the same direction although with a lag effect

The following table details the Company's sensitivity to a 5% movement in the input price of Coking Coal.

(Rs. in lakhs)

Particulars	2023-24		2022-23	
	5% Increase - (Decrease) in PBT	5% Decrease - Increase in PBT	5% Increase - (Decrease) in PBT	5% Decrease - Increase in PBT
Coal / Coke	(8472.28)	8472.28	(11244.40)	11244.40
Increase / (Decrease) in Profit Before Tax	(8472.28)	8472.28		
Increase / (Decrease) in Profit Before Tax			(11244.40)	11244.40

### 45.02 Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

#### a) Trade Receivables:

The Company measures the expected credit loss of trade receivables, which are subject to credit risk, based on historical trend, industry practices and the business environment in which the entity operates and adjusted for forward-looking information. Loss rates are based on actual credit loss experience and past trends.

The Company has used practical expediency by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix has taken into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

The following table summarises the Gross carrying amount of the trade receivable and provision made:

(Rs. in lakhs)

Particulars	31 <sup>st</sup> March, 2024		31 <sup>st</sup> March, 2023	
	Gross Carrying Amount	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivables	43369.48	1474.60	48529.93	1672.06
<b>Total</b>	<b>43369.48</b>	<b>1474.60</b>	<b>48529.93</b>	<b>1672.06</b>

The following table summarises the changes in the Provisions made for the receivables:

(Rs. in lakhs)

Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
Opening Balance	1672.06	1924.26
Reverse during the year	(197.46)	(252.20)
<b>Closing Balance</b>	<b>1474.60</b>	<b>1672.06</b>

No significant changes in estimation techniques or assumptions were made during the reporting year.

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for the year ended 31<sup>st</sup> March, 2024

### b) Financial Instruments and Cash Deposits:

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which its balances are maintained. The Credit risk from balances with bank is managed by the Company's finance and treasury department. Utilisation of surplus funds, as and when required are also managed by finance and treasury department.

The Company does not maintain significant cash in hand. Excess balance of cash other than those required for its day-to-day operations is deposited into the bank.

For other financial instruments, the finance and treasury department assesses and manages credit risk based on internal assessment. Internal assessment is performed for each class of financial instrument with different characteristics.

### 45.03 Liquidity Risk:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. It will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on short-term borrowings and operating cash flows to meet its need for fund.

With implementation of the debt refinancing, the cash flow position of the Company, financial leverage levels, liquidity position have improved significantly and have resulted in elimination of the financial stress. Previous implementation of the Debt Restructuring had already led to realignment of debt to sustainable level, the Company has been doing promptly servicing of debt dues as per the Debt Refinancing from the cut-off date of 14<sup>th</sup> December, 2023. (Refer Note No.18)

The below table summaries the maturity profile of the Company's financial liability:

(Rs. in lakhs)

Particulars	Maturity				Total
	On Demand	Less than 1 year	1 to 5 years	More than 5 years	
<b>As at 31<sup>st</sup> March, 2024</b>					
Non-Current Borrowings	-	-	303690.90	-	303690.90
Lease Liabilities (Non-Current)	-	-	468.86	318.16	787.02
Other Financial Liabilities (Non-Current)	-	-	2,750.32	-	2750.32
Current borrowings	-	16820.03	-	-	16820.03
Lease Liabilities	-	107.53	-	-	107.53
Trade Payables	-	28892.99	-	-	28892.99
Other Financial Liabilities	-	15032.19	-	-	15032.19
<b>Total</b>	<b>-</b>	<b>60852.74</b>	<b>306910.08</b>	<b>318.16</b>	<b>368080.98</b>
<b>As at 31<sup>st</sup> March, 2023</b>					
Non Current Borrowings	-	-	2578.63	-	2578.63
Lease Liabilities (Non-Current)	-	-	145.21	316.98	462.19
Other Financial Liabilities (Non-Current)	-	-	1.66	-	1.66
Current borrowings	2237.91	3,36,069.05	-	-	338306.96
Lease Liabilities	-	50.70	-	-	50.70
Trade Payables	-	31978.24	-	-	31978.24
Other Financial Liabilities	-	13238.26	-	-	13238.26
<b>Total</b>	<b>2237.91</b>	<b>381336.25</b>	<b>2725.50</b>	<b>316.98</b>	<b>386616.64</b>

### 45.04 Competition and Price Risk:

The Company faces competition from the local and foreign competitors. Nevertheless, it believes that it has competitive advantage as it sells high quality value added made to order products. Further by continuously upgrading its expertise and range of products, it strictly adheres to the delivery schedules to meet the needs of its customers.

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for the year ended 31<sup>st</sup> March, 2024

### NOTE: 46 CAPITAL RISK MANAGEMENT

For the purpose of Company's capital management, capital includes issued capital, all other equity reserves and debt. The primary objective of the Company's capital management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is Net debt divided by the Total Capital Employed (Equity plus Net Debt). Net debt is non-current and current debts as reduced by cash and cash equivalents, other bank balances, non-current bank deposits and current investments. Equity comprises all components including other comprehensive income.

The Company monitors its capital employed using Gearing ratio, which is Net debt divided by Total Capital Employed (Equity plus Net Debt)

Particulars	(Rs. in lakhs)	
	As at 31.03.2024	As at 31.03.2023
Total Debt	326227.18	341398.48
Less: Cash and cash equivalent	8945.55	7201.02
Less: Other Bank Balances	5066.82	21065.39
Less: Non-current Bank Deposits	1497.53	817.43
Less: Current Investments	1.18	0.52
Net Debt	310716.10	312314.12
Equity	226329.17	205781.63
Total Capital Employed (Equity plus Net Debt)	537045.27	518095.75
Gearing ratio	57.86%	60.28%

### NOTE:47 Key Financial Ratios:

Sr. No.	Particulars	Numerator	Denominator	As at 31.03.2024	As at 31.03.2023	% Variance	Reason for Variance (If more than 25%)
i)	Current ratio (times)	Current Assets	Current Liabilities	3.17	0.56	462.16%	The ratio has significantly increased as Current Liabilities in FY 2022-23 included the entire amount of ACRE Trusts led Principal Term Loan Outstanding as Current, in view of IND AS-1 (Presentation of Financial Statements) requirement, which had to be refinanced on or before 15 <sup>th</sup> December, 2023. The Company has successfully refinanced ACRE Trusts led debt with Financial Closure achieved on 14 <sup>th</sup> December, 2023 (in FY 2023-24) with the issuance of Secured long-term Non-Convertible Debentures (NCDs) (for five years) under Debt Refinancing. With achievement of refinance new principal payment terms of NCDs is applicable to the Company and accordingly the current liabilities are at normal levels in FY 2023-24. There is some increase in the Current Assets of the Company in FY 2023-24 as compared to FY 2022-23 which has also improved the Current Ratio.
ii)	Debt equity ratio (times)	Total Debts	Total Equity (Closing)	1.44	1.66	-13.12%	
iii)	Debt Service Coverage Ratio (times)	Earnings available for debt service (Net profit after taxes+depreciation and amortisation+finance cost+ non-cash operating items+other adjustment)	Debt service	1.35	0.79	70.41%	The ratio has improved mainly due to increase in Earnings available for debt service of the Company in FY 2023-24 compared to FY 2022-23 and also due to moratorium in Principal repayment on the Secured Non-Convertible Debentures which has reduced the Principal repayment as compared to the previous year.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

Sr. No.	Particulars	Numerator	Denominator	As at 31.03.2024	As at 31.03.2023	% Variance	Reason for Variance (If more than 25%)
iv)	Return on equity ratio (%)	Net Profit/ (Loss) after taxes*	Average Total Equity [(Opening Total Equity + Closing Total Equity)/2]	9.72%	11.66%	-16.65%	
v)	Inventory Turnover ratio (times)	Revenue from operations	Average Inventory [(Opening balance+ Closing balance)/2]	4.27	5.09	-16.12%	
vi)	Trade receivables turnover ratio (times)	Revenue from operations	Average trade receivable [(Opening balance+ Closing balance)/2]	13.37	13.70	-2.39%	
vii)	Trade payables turnover ratio (times)	Purchases	Average trade payable [(Opening balance+ Closing balance)/2]	11.37	14.26	-20.25%	
viii)	Net capital turnover ratio (times)	Revenue from operations	Working capital (Current assets - current liabilities)	3.66	(3.67)	199.90%	The ratio has significantly increased as Current Liabilities in FY 2022-23 included the entire amount of ACRE Trusts led Principal Term Loan Outstanding as Current, in view of IND AS-1 (Presentation of Financial Statements) requirement, which had to be refinanced on or before 15 <sup>th</sup> December, 2023. The Company has successfully refinanced ACRE Trusts led debt with Financial Closure achieved on 14 <sup>th</sup> December, 2023 (in FY 2023-24) with the issuance of Secured long-term Non-Convertible Debentures (NCDs) (for five years) under Debt Refinancing. With achievement of refinance new principal payment terms of NCDs is applicable to the Company and accordingly the current liabilities are at normal levels in FY 2023-24. There is some increase in the Current Assets of the Company in FY 2023-24 as compared to FY 2022-23.
ix)	Net profit ratio (%)	Net Profit/ (Loss) after tax*	Revenue from operations	3.54%	3.58%	-1.06%	
x)	Return on capital employed (%)	Profit before interest and taxes	Capital Employed= Tangible Net Worth + Total Debts+ Deferred Tax Liability	14.36%	10.18%	41.12%	This increased is principally on account of increase in profits before interest & taxes in FY 2023-24 due to better operational performance of the Company.
xi)	Return on investment (%)	Income of investment	Current investments	55.93%	59.62%	-6.18%	

\* Net Profit / (Loss) after taxes includes Exceptional Items.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

### NOTE: 48 Relationship with Struck off Companies

Details of the transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 are as follows:

(Rs. in lakhs)					
Name of the struck off company	Nature of transactions with struck off company	Balance outstanding As at 31.03.2024	Relationship with the struck off company, if any, to be disclosed	Balance outstanding As at 31.03.2023	Relationship with the struck off company, if any, to be disclosed
M/s. Kunj Bhari Const Private Limited	Trade Receivables	-	No	-	No
M/s. Springfield Forestry Private Limited	Advance Received from customer	-	No	2.15	No
<b>Total</b>		<b>-</b>		<b>2.15</b>	

### NOTE: 49 Exceptional Items include:

(Rs. in lakhs)		
Particulars	As at 31.03.2024	As at 31.03.2023
70 TPD Oxygen Plant (Refer Note No. 49.01)	61.19	5118.91
100 TPD Oxygen Plant (Refer Note No. 49.02)	1824.95	-
<b>Total</b>	<b>1886.14</b>	<b>5118.91</b>

**49.01** During the year, based on the direction of Samadhan (Delhi High Court Mediation & Conciliation Centre), a settlement agreement between M/s Goyal MG Gases Pvt. Ltd. (Lessor) and the Company was executed on 29<sup>th</sup> May, 2023 for a dispute related to 70 TPD Oxygen Plant and the Company purchased the said Oxygen Plant from the Lessor for Rs. 850 lakhs plus applicable Taxes. Exceptional items for Rs. 61.19 lakhs during the year represent payments related to Lease rentals, interest paid in pursuance to the orders of the Honorable Delhi High Court and Samadhan related to the 70 TPD Oxygen Plant.

**49.02** In FY 2006-07, Corporate Ispat Alloys Limited (CIAL) had entered into a lease agreement and other agreement for Operation and Maintenance (O&M) with Goyal MG Gases Private Limited (GMG) for 100 TPD Air Separation Plant (ASP). In FY 2013-14, the Steel Division of CIAL merged in the Company. Subsequently disputes arose between the Company and GMG, and the matter was referred to Sole Arbitrator for adjudication of dispute. On 1<sup>st</sup> June, 2023, the Ld. Arbitrator passed an Arbitral Award, which was subsequently corrected (vide two orders). Both the parties have challenged the Arbitral Award before the Hon'ble Delhi High Court.

On 15<sup>th</sup> January, 2024, the Hon'ble Delhi High Court granted stay to the effect and operation of the Arbitration Award with conditions that the Company had to deposit Rs. 900 lakhs with the High Court Registry to be kept in Fixed deposit by the Registry and pay Rs. 900 lakhs directly to GMG, without prejudice to the rights and contentions of the Company and GMG. The Company has already complied with the order of Hon'ble Delhi High Court. Presently the appeals filed by the Company & GMG are pending before the Hon'ble Delhi High Court. The next date for hearing in this matter is 7<sup>th</sup> May, 2024.

During the year, without prejudice to the outcome of litigation, as a matter of prudence, the Company has made provision of Rs. 1824.95 lakhs and disclosed as Exceptional item.

### NOTE: 50 Other Statutory Information

**50.01** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**50.02** The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall: (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**50.03** The Company has not received any fund from any person(s) or entity(s), including entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**50.04** The Company does not have any such transaction which is not recorded in the books of account surrendered or disclosed as income during the year in the tax assessments under the Income-tax act, 1961.

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**50.05** No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**50.06** The Company is not declared wilful defaulter by any bank or financial institution or other lender.

**50.07** There is no charge or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period excepting twenty-three old charges totalling to Rs. 15105.00 lakhs appearing on the website of the Ministry of Corporate Affairs due to certain factors beyond the control of the Company.

The principal reasons for non-satisfaction of the ROC Charge are as under:-

- 1) Lender no longer exists,
- 2) Lender merged with other lender, current lender is unable to track the transaction,
- 3) Documents are not traceable since being very old,
- 4) Legacy documents being in Physical form etc.

These old charges are for the period starting from 1976 to 2005 when the ROC was not digitalised. Further, against these old charges no loan is presently outstanding in the Books of Account of the Company.

Specific brief description and reasons for delay in Satisfaction of the above-mentioned twenty-three old Charges are as under:-

Sr. No.	Charge Holder / Lender Name as per ROC	Amount (Rs. in lakhs)	Due date for Satisfaction	ROC Address	Brief Description & Reasons for Delay in Satisfaction of Charges
1	BANK OF PUNJAB LTD.	150.00	21/12/2008	ROC, Mumbai	The Charge was not satisfied due to certain reasons. Thereafter Bank of Punjab Ltd. got merged into Centurion Bank of Punjab which got further merged into HDFC Bank. The present bank had then informed they do not have track of transactions of old banks. The Company has got No Dues Certificate from the Lender as it has fully paid off the loans. The Company would attempt to satisfy this charge.
2	EXPORT IMPORT BANK OF INDIA	12.00	Not Available	ROC, Mumbai	The Charge was not satisfied due to certain reasons. The Bank had then informed that they do not have track of the transactions. The Company has got No Dues Certificate from the Lender as it had fully paid off the loans. The Company would attempt to satisfy this charge.
3	ALL AND SINGULAR THE LEASEHOLD LANDS SITUSTE	800.00	Not Available	ROC, Mumbai	The Charge was not satisfied due to certain reasons. The Company is unable to locate this charge Lender as the Company's old records do not reflect any such Lender with this name. However, the Company would attempt to satisfy this charge.
4	GLOBAL TRUST BANK LIMITED	500.00			The Charges were not satisfied due to certain reasons. The said loans were duly paid off by the Company before 6 <sup>th</sup> January, 2009. The said lender was part of the Corporate Debt Restructuring (CDR) forum from which the Company exited successfully on 6 <sup>th</sup> January, 2009 when it got No Dues Certificate from the CDR Cell. The said lender is no longer into existence. However, the Company would attempt to satisfy these charges.
5	GLOBAL TRUST BANK LIMITED	1050.00			
6	GLOBAL TRUST BANK LIMITED	500.00	Not Available	ROC, Mumbai	
7	GLOBAL TRUST BANK LIMITED	500.00			
8	GLOBAL TRUST BANK LIMITED	1010.00			
9	ICICI LIMITED	1210.00			
10	ICICI LIMITED	9.00	Not Available	ROC, Mumbai	The Charges were not satisfied due to certain reasons. The said loans were duly paid off by the Company before 6 <sup>th</sup> January, 2009. The said lender was part of the Corporate Debt Restructuring (CDR) forum from which the Company exited successfully on 6 <sup>th</sup> January, 2009 when it got No Dues Certificate from the CDR Cell. However, the Company would attempt to satisfy these charges.
11	ICICI LIMITED	10.00			



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for the year ended 31<sup>st</sup> March, 2024

Sr. No.	Charge Holder / Lender Name as per ROC	Amount (Rs. in lakhs)	Due date for Satisfaction	ROC Address	Brief Description & Reasons for Delay in Satisfaction of Charges
12	INDUSTRIAL DEVELOPMENT BANK OF INDIA (IDBI)	2948.00			The Charges were not satisfied due to certain reasons. The said loans were duly paid off by the Company before 6 <sup>th</sup> January, 2009. The said lender was part of the Corporate Debt Restructuring (CDR) forum from which the Company exited successfully on 6 <sup>th</sup> January, 2009 when it got No Dues Certificate from the CDR Cell. However, the Company would attempt to satisfy these charges.
13	INDUSTRIAL DEVELOPMENT BANK OF INDIA (IDBI)	625.00			
14	INDUSTRIAL DEVELOPMENT BANK OF INDIA LTD. (IDBI)	1653.00	Not Available	ROC, Mumbai	
15	INDUSTRIAL DEVELOPMENT BANK OF INDIA (IDBI)	2700.00			
16	THE STATE INDUSTRIAL INVESTMENT CORPORATION OF MAHARASHTRA LTD.	2.00	Not Available	ROC, Mumbai	The Charge was not satisfied due to certain reasons, its very old charge of the Financial Year 1976-77. The name of lender was changed to SICOM Ltd. The said loan was taken by the Company prior to its entry into CDR forum from which it successfully exited on 6 <sup>th</sup> January, 2009. The said lender had no loan outstanding during CDR regime. The Company would attempt to satisfy this charge.
17	INDUSTRIAL INVESTMENT BANK OF INDIA LTD.	142.00			The lender is no more in existence and its closure was announced by Central Government in Union Budget of 2012. The Company would attempt to satisfy these charges.
18	INDUSTRIAL INVESTMENT BANK OF INDIA LTD.	500.00	21/12/2008	ROC, Mumbai	
19	INDUSTRIAL INVESTMENT BANK OF INDIA LTD.	700.00			
20	M S F C	4.00	Not Available	ROC, Mumbai	The Company is unable to trace the lender, documents and transaction as they relate to the Financial Year 1975-76. However, the Company would attempt to satisfy these charges.
21	ORIENTAL INS COMPANY LTD.	19.00	13/11/2008	ROC, Mumbai	The Charge was not satisfied due to certain reasons. The lender had intimated that they do not have track of old transaction. The said loan was duly paid off fully by the Company and it has got the No Dues Certificate from the Lender. The Company would attempt to satisfy these charges.
22	ORIENTAL INS COMPANY LTD.	45.00			
23	UNITED INDIA INSURANCE COMPANY LTD.	16.00	13/12/2008	ROC, Mumbai	The Charge was not satisfied due to certain reasons. The lender had intimated that they do not have track of old transaction. The said loan was duly paid off fully by the Company and it has got the No Dues Certificate from the Lender. The Company would attempt to satisfy this charge.
<b>Total</b>		<b>15105.00</b>			

**50.08** The Company does not have any borrowings from banks or financial institutions on the basis of security of current assets.

## Notes to the Financial Statements

for the year ended 31<sup>st</sup> March, 2024

**NOTE:51** Previous Year's figures have been regrouped / rearranged wherever necessary, to make them comparable with those of current year.

As per our Report of even date

For **CHATURVEDI & SHAH LLP**  
Chartered Accountants  
(Registration No.: 101720W/W100355)

**RUPESH SHAH**  
Partner  
Membership No.: 117964

**ARVIND JAYASWAL**  
Chairman  
DIN: 00249864

**ASHISH SRIVASTAVA**  
Company Secretary  
Membership No.: A20141

For and on behalf of Board of Directors

**RAMESH JAYASWAL**  
Managing Director  
DIN: 00249947

**KAPIL SHROFF**  
Chief Financial Officer

**Nagpur**  
**30<sup>th</sup> April, 2024**



## NOTICE

**NOTICE** is hereby given that the 51<sup>st</sup> Annual General Meeting (“AGM”) of the Members of Jayaswal Neco Industries Limited (“JNIL”) will be held on Saturday, the 28<sup>th</sup> day of September, 2024 at 12:30 P.M. through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”) to transact the following businesses:

### ORDINARY BUSINESS

- To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2024 and the reports of the Board of Directors and Auditors thereon.
- To appoint a Director in place of Shri Arvind Jayaswal (DIN: 00249864), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

### SPECIAL BUSINESS

#### 3. Re-appointment of Shri Manoj Balkrishna Shah (DIN: 00010473) as an Independent Director.

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 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17, 25 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and on the recommendation of the Nomination and Remuneration Committee and that of the Board of Directors of the Company, Shri Manoj Balkrishna Shah (DIN: 00010473), who was appointed as a Non-Executive Independent Director of the Company for a term of three (3) years effective from 21<sup>st</sup> October, 2021 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of the Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and the rules made thereunder and regulation 16(1)(b) of the Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second and final term of five (5) years effective from 21<sup>st</sup> October, 2024 till 20<sup>th</sup> October, 2029.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary to give effect to this resolution.”

#### 4. Re-appointment of Smt. Kumkum Rathi (DIN: 03128864) as an Independent Director.

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 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17, 25 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and on the recommendation of the Nomination and Remuneration Committee and that of the Board of Directors of the Company, Smt. Kumkum Rathi (DIN: 03128864), who was appointed as a Non-Executive Independent Director of the Company for a term of three (3) years effective from 21<sup>st</sup> October, 2021 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of the Director and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and the rules made thereunder and regulation 16(1)(b) of the Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second and final term of five (5) years effective from 21<sup>st</sup> October, 2024 till 20<sup>th</sup> October, 2029.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary to give effect to this resolution.”

#### 5. Re-appointment of Shri Vinod Kumar Kathuria (DIN: 06662559) as an Independent Director.

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 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors)

Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17, 25 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and on the recommendation of the Nomination and Remuneration Committee and that of the Board of Directors of the Company, Shri Vinod Kumar Kathuria (DIN: 06662559), who was appointed as a Non-Executive Independent Director of the Company for a term of three (3) years effective from 11<sup>th</sup> November, 2021 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of the Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and the rules made thereunder and regulation 16(1)(b) of the Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second and final term of five (5) years effective from 11<sup>th</sup> November, 2024 till 10<sup>th</sup> November, 2029.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary to give effect to this resolution.”

#### 6. Revision in Remuneration of Shri Avneesh Jayaswal, Group Director, related party holding the office or place of profit.

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 188 (1) (f) and other applicable provisions of the Companies Act, 2013, if any and the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable laws and in accordance with the recommendation of the Nomination and Remuneration Committee, the Audit Committee and the Board of Directors, the consent of the Company be and is hereby accorded for revision in remuneration of Shri Avneesh Jayaswal (Son of Shri Ramesh Jayaswal, Managing Director of the Company), holding the office of Group Director (an office or place of profit, presently without being a member of the Board) of the Company w.e.f. 1<sup>st</sup> April, 2025, as per the details given below:

#### A] Fixed Remuneration:

Period	CTC (includes PF @ 12% on basic salary)	
	Monthly	Yearly
(Present Remuneration) 01.04.2024 to 31.03.2025	8,36,427*	1,00,37,124*
(Proposed Remuneration) 01.04.2025 to 31.03.2026 (Increase of 9% P.A.)	9,11,706*	1,09,40,472*
01.04.2026 and onwards	Increase in remuneration shall be as per the Nomination and Remuneration Policy and HR Policy of the Company as applicable to Senior Management Personnel of the Company similar to his cadre.	

\*Bifurcation of Basic Salary, HRA, Conveyance, other allowances etc. as per HR Policy/Salary slab.

**B] Variables:** One Time Performance Pay, Ex-gratia Amount, Club Membership (One) and other benefits, perquisites etc., as applicable/ payable to the other employees occupying similar position in the said cadre, as per the applicable policy of the Company.

“**RESOLVED FURTHER THAT** the revised remuneration of Shri Avneesh Jayaswal shall be subject to the approval of any authorities/lenders.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary to give effect to this resolution.”

#### 7. To approve the alterations to the Articles of Association of the Company.

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 Section 14 and all other applicable provisions of the Companies Act, 2013, if any, read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of the Members be and is hereby accorded to amend the Articles of Association (“Articles”) of the Company as follows:



Sr. No.	Clause No.	Existing Clause	Proposed Amendment
1.	<b>The existing clause no. 179 be replaced as follows:</b>		
	179)	Any trust Deed for securing debentures or debenture stocks, may, if so arranged provide for the appointment, from time to time by the Trustees thereof or by the holders of debentures or debenture stocks, of some person to be a Director of the Company and may empower such trustees or holder of debentures or debenture stocks, from time to time, to remove and reappoint any Director so appointed. The Director appointed under this article is herein referred to as "Debenture Director" the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust deed may contain such ancillary provision as may be arranged between the Company and the Trustees and all such provision shall have effect notwithstanding any of other provisions herein contained.	179) Notwithstanding anything to the contrary contained in these Articles, any debenture trustee(s) appointed in respect of the issuance of any debentures or debenture stocks, shall have the right to appoint and replace from time to time, nominee director(s) on the board of directors of the Company and/ or any of the Committees at any time during the tenor of the relevant debentures/ debenture stock. The Director(s) appointed under this article is herein referred to as "Debenture Director(s)".
2.	<b>Following clauses be added after existing clause no. 179:</b>		
		Newly inserted	<p><b>179A)</b> In relation to any Debenture Director appointed in terms of this article, the following shall apply:</p> <p>(i) Such Debenture Director shall not be required to hold qualification shares nor be liable to retire by rotation;</p> <p>(ii) Any expenditure incurred by the debenture holders and/ or Debenture Director in connection with such appointment shall be borne and payable by the Company.</p> <p><b>179B)</b> The Debenture Director shall be entitled to all the rights, privileges and indemnities of other directors including the sitting fees and expenses as are payable by the Company to the other directors, but if any other fees, commission, moneys or remuneration in any form are payable by the Company to the directors in their capacity as directors, the fees, commission, moneys and remuneration in relation to such Debenture Director shall accrue to the relevant debenture trustee and the same shall accordingly be paid by the Company directly for the respective accounts of the relevant debenture trustee appointed in respect of the issuance of any debentures or debenture stocks or as otherwise agreed in writing.</p> <p><b>179C)</b> The Debenture Director shall be entitled to receive all notices, agenda, etc. and to attend all general meetings and board meetings and meetings of any Committees of which they are member.</p> <p><b>179D)</b> Unless otherwise agreed in writing in the relevant trust deed, the appointment/removal of the Debenture Director shall be by a notice in writing addressed to the Company by the trustee appointed under the relevant trust deed and shall (unless otherwise indicated by the trustees) take effect forthwith upon such a notice being delivered and receipt of which is acknowledged by the Company. The Company will do all such steps, deeds and actions and take all corporate actions as may be required to effectuate such right of the holders of the debentures/ their trustees.</p> <p><b>179E)</b> The trust deed executed in relation to any issuance of debentures may also contain such ancillary provision as may be arranged between the Company and the relevant debenture trustees and all such provision shall have effect notwithstanding any of other provisions herein contained.</p>

**"RESOLVED FURTHER THAT** the Board of Directors, be and is hereby authorised to take such steps, actions and do all such acts and deeds as may be required or are necessary so as to give effect to this Resolution."

**"RESOLVED FURTHER THAT** all acts done by and with the authority of the Board of Directors are hereby confirmed and ratified."

**8. To ratify the remuneration of Cost Auditors for the financial year ending 31<sup>st</sup> March, 2025.**

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 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or

Place: Nagpur

Dated: 14<sup>th</sup> August, 2024

**Registered Office:**

**Jayaswal Neco Industries Limited**

CIN - L28920MH1972PLC016154

F-8, MIDC Industrial Area,  
Hingna Road, Nagpur - 440016

Tel No: (07104) 237276

E-mail: [contact@necoindia.com](mailto:contact@necoindia.com)

Website: [www.necoindia.com](http://www.necoindia.com)

**Notes:**

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business above is attached herewith.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, particulars of Directors seeking re-appointment at this meeting are also annexed hereto.

2. Pursuant to the General Circular Nos. 14/2020 dated 8<sup>th</sup> April, 2020 and 17/2020 dated 13<sup>th</sup> April, 2020, followed by General Circular Nos. 20/2020 dated 5<sup>th</sup> May, 2020, 10/2022 dated 28<sup>th</sup> December, 2022 and subsequent circulars issued in this regard, the latest being 09/2023 dated 25<sup>th</sup> September, 2023 in relation to "Clarification on holding of Annual General Meeting ('AGM') through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars"), Companies are allowed to hold Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without physical presence of the Members at the AGM venue.

re-enactment(s) thereof for the time being in force) and on the recommendation of the Audit Committee and approval of the Board of Directors, consent of the Members of the Company be and hereby accorded for the ratification of the payment of remuneration of ₹ 1,75,000/- (Rupees One Lakh Seventy-Five Thousand Only) for Cost Audit and ₹ 9,000/- (Rupees Nine Thousand Only) for XBRL documents preparation plus applicable taxes and reimbursement of out-of-pocket expenses on actual basis to M/s. Manisha & Associates, Cost Accountants, (FRN: 000321), Nagpur, to conduct the audit of the cost records of the Company for the Financial Year ending 31<sup>st</sup> March, 2025."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors

**Ashish Srivastava**

Company Secretary & Compliance Officer

Membership No. A20141

Further, the Securities and Exchange Board of India ('SEBI'), vide its Circulars dated 12<sup>th</sup> May, 2020, 15<sup>th</sup> January, 2021, 13<sup>th</sup> May, 2022, 5<sup>th</sup> January, 2023 and 7<sup>th</sup> October, 2023 ('SEBI Circulars') and other applicable circulars issued in this regard, has provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

In compliance with the provisions of the Companies Act, 2013 ('the Act'), the Listing Regulations and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM will be the Corporate Office of the Company, i.e. Plot No. D-3/1 Central MIDC Road, Hingna MIDC Industrial Area, Nagpur - 440 016 (Maharashtra).

3. Pursuant to the Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint their authorised representatives to attend the AGM through VC / OAVM and participate there at and cast their votes through e-voting.





4. As the AGM of the Company will be held through VC / OAVM, the route map of the venue of the Meeting is not attached to this notice.
5. The Members can join the AGM in the VC / OAVM mode 30 minutes before and within 15 Minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Register of Members and Share Transfer Books of the Company will remain closed from Sunday, the 22<sup>nd</sup> September, 2024 to Saturday, the 28<sup>th</sup> September, 2024 (both days inclusive).
8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs and SEBI Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. The Company has engaged the services of National Securities Depositories Limited (NSDL) for providing e-voting facility. Instructions and other information relating to remote e-voting are given in the Notice under **Note No. 14**.
9. In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report for the financial year 2023-24 will also be available on the Company's website [www.necoindia.com](http://www.necoindia.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and <https://www.nseindia.com/> respectively and on the website of the e-voting agency – National Securities Depository Limited at <https://www.evoting.nsdl.com>.
10. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the

Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

11. As per the MCA Circular, Service of documents through electronic mode i.e. e-mail by the Company will be a valid compliance of Section 101 of the Companies Act, 2013. As such the members who are yet to register are requested to furnish/register their e-mail id's at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) along with their Folio No. and No. of shares/ Client ID/ DP ID with Depository Participants (DP) for shares held in electronic form or with the Registrar and Share Transfer Agent (Link Intime India Pvt. Ltd.) to enable the Company to send all notices, periodical statements etc. of the Company through electronic mode.
12. Voting rights will be in proportion to the shares registered in the name of the Members as on 21<sup>st</sup> September, 2024 (cut-off date). Only those members whose names are recorded in the Registers of Members of the Company or in the Register of Beneficial owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or by e-voting at the AGM. Members, who cast their votes by remote e-voting prior to AGM, may attend the Meeting but will not be entitled to cast their vote again or change their vote subsequently.  
  
The e-voting facility shall be made available during the meeting to the members attending the meeting through Video Conferencing and who have not cast their vote before the AGM.
13. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_ RTAMB/P/ CIR/2021/655 dated 3<sup>rd</sup> November, 2021 (subsequently amended by Circular Nos. SEBI/ HO/MIRSD/MIRSD\_ RTAMB/P/CIR/2021/687 dated 14<sup>th</sup> December, 2021, SEBI/ HO/MIRSD/MIRSD-PoD1/P/CIR/2023/37 16<sup>th</sup> March, 2023, SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated 17<sup>th</sup> May, 2023 and SEBI/HO/ MIRSD/POD-1/P/CIR/2023/181 17<sup>th</sup> November, 2023) has mandated that members holding shares in physical mode are required to update the following with the Company/RTA:
  - PAN;
  - KYC details containing address, mobile number, e-mail address, bank account details;
  - Nomination details.

Members holding shares in physical mode, who have not registered their above particulars are requested to register the same with the Company/RTA at the earliest. The forms for updating the same are available at the website of the Company at <https://www.necoindia.com/shareholder-information.php>.

The Shareholders shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents.

To mitigate unintended challenges on account of freezing of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/ CIR/2023/181 dated 17<sup>th</sup> November, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC, and Nomination details.

**14. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:**

**The remote e-voting period begins on Wednesday, 25<sup>th</sup> September, 2024 at 9:00 a.m. and ends on Friday, 27<sup>th</sup> September, 2024 at 5:00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. 21<sup>st</sup> September, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity**

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>'IDeAS'</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>"Access to e-Voting"</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App <b>"NSDL Speede"</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

NSDL Mobile App is available on



**share capital of the Company as on the cut-off date, being 21<sup>st</sup> September, 2024.**

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail Id in their demat accounts in order to access e-Voting facility.



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi /Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a e-Voting available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; E-mail as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above-mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at: 022-4886 7000 and 022-2499 7000.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat ac-count with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat ac-count with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Num-ber registered with the Company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
  - If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - If your e-mail ID is not registered, please follow steps mentioned below in **process for those shareholders whose e-mail ids are not registered.**

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system. How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC / OAVM" link placed under "Join General Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser



- by e-mail to [scrutinizer@necoindia.com](mailto:scrutinizer@necoindia.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/ Power of Attorney/ Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
  - In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on: 022-4886 7000 or send a request to **Ms. Pallavi Mhatre, Senior Manager, NSDL** at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - The e-voting period shall commence at 9:00 A.M. on Wednesday, 25<sup>th</sup> September, 2024 and end at 5:00 P.M. on Friday, 27<sup>th</sup> September, 2024. During the period, Members of the Company, holding shares either in physical or dematerialised form, as on the cut-off date i.e. 21<sup>st</sup> September, 2024 may cast their vote electronically. The e-voting module shall be blocked by NSDL for voting thereafter.
  - Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 21<sup>st</sup> September, 2024 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [helpdesk@nsdl.co.in](mailto:helpdesk@nsdl.co.in).
  - A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting.
  - Smt. Rachana Daga, Company Secretary, Proprietor of M/s. R. A. Daga & Co., Company Secretaries, Nagpur (FCS No. 5522, CP No. 5073), has been appointed by the Board of Directors of the Company to act as the Scrutiniser to scrutinise the voting process (remote e-voting) in a fair and transparent manner and submit a consolidated Scrutiniser's report of the total votes cast to the Chairman. Smt. Rachana Daga has submitted her consent to act as scrutiniser and will be available for the said purpose.
  - The Scrutiniser shall after the conclusion of voting at the AGM, will unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days of the conclusion of the AGM, a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman, who shall countersign the same and declare the result of the voting forthwith.
  - The results declared along with the report of the Scrutiniser shall be placed on the website of the Company [www.necoindia.com](http://www.necoindia.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the shares of the Company are listed.
  - In terms of requirements of Regulation 40 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the request for transfer of securities shall not be processed unless the securities are held in the dematerialised form with Depositories. While the request for transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/8 dated 25<sup>th</sup> January, 2022, has mandated the listed entities to issue securities for the following service requests only in dematerialised form: i. Issue of duplicate securities certificate; ii. Claim from Unclaimed Suspense Account; iii. Renewal/ Exchange of securities certificate; iv. Endorsement; v. Sub-division/Splitting of securities certificate; vi. Consolidation of securities certificates/folios; vii. Transmission; and viii. Transposition. The shareholders holding shares in physical form are requested to get their shares dematerialised at the earliest to avoid any inconvenience while transferring the shares. It may be noted that any service request can be processed only after the folio is KYC Compliant.

**Process for those shareholders whose e-mail ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-Voting for the resolutions set out in this notice:**

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to [contact@necoindia.com](mailto:contact@necoindia.com).
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [contact@necoindia.com](mailto:contact@necoindia.com). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
- Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above-mentioned documents.

- In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and e-mail ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ shareholders, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:**

- Member will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned

Place: Nagpur

Dated: 14<sup>th</sup> August, 2024

**Registered Office:**

**Jayaswal Neco Industries Limited**

CIN - L28920MH1972PLC016154

F-8, MIDC Industrial Area,  
Hingna Road, Nagpur - 440016

Tel No: (07104) 237276

E-mail: [contact@necoindia.com](mailto:contact@necoindia.com)

Website: [www.necoindia.com](http://www.necoindia.com)

above for Access to NSDL e-Voting system. After successful login, you can see link of "VC / OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC / OAVM link placed under Join General Meeting menu. The link for VC / OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, e-mail id, mobile number at [contact@necoindia.com](mailto:contact@necoindia.com). The same will be replied by the Company suitably.

By Order of the Board of Directors

**Ashish Srivastava**

Company Secretary & Compliance Officer

Membership No. A20141

## EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESSES PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 3:

In terms of the provisions of Section 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 ("the Act") and Rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Shareholders of the Company, at their 48<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> December, 2021, appointed Shri Manoj Balkrishna Shah (DIN: 00010473) as Independent Director of the Company, for a period of three (3) years effective from 21<sup>st</sup> October, 2021 up to 20<sup>th</sup> October, 2024, not liable to retire by rotation.

The Board of Directors and Nomination and Remuneration Committee, considering the expertise, experience and contribution made by Shri Manoj Balkrishna Shah during the first term and based on his performance evaluation, approved his re-appointment as Independent Director for a period of five (5) years effective from 21<sup>st</sup> October, 2024 to 20<sup>th</sup> October, 2029, and further recommended the same for the approval of Shareholders at this Annual General Meeting.

The Company has received a notice in writing under Section 160 of the Act, from a Member proposing the candidature of Shri Manoj Balkrishna Shah for the office of Director of the Company, not liable to retire by rotation.

Shri Manoj Balkrishna Shah is not disqualified from being re-appointed as a Director of the Company in terms of Section 164 of the Act.

The Company has received a self-declaration from Shri Manoj Balkrishna Shah that he was or is not debarred from holding the office of a Director pursuant to any order of the SEBI or such other authority in terms of SEBI's Circular No. LIST/COMP/14/2018-19 dated 20<sup>th</sup> June, 2018 on the subject "Enforcement of SEBI Orders regarding appointment of Directors by listed Companies".

Further, the Company has also received declaration from Shri Manoj Balkrishna Shah, that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and Listing Regulations. Shri Manoj Balkrishna Shah has also confirmed that he has registered himself in the database for Independent Directors.

In the opinion of the Board, Shri Manoj Balkrishna Shah, fulfils the criteria specified in the Act and Rules made thereunder and Listing Regulations, for his re-appointment as an Independent Director of the Company. Further based on the performance evaluation, the Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director on the Board of the Company.

Brief profile along with other particulars of Shri Manoj Balkrishna Shah, as required by Listing Regulations, is attached as annexure to this Notice. Shri Manoj Balkrishna Shah is not related to any other Director of the Company.

Copy of the letter of appointment of Shri Manoj Balkrishna Shah as an Independent Director setting out the terms and conditions is available for inspection by Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

Therefore, keeping in view his vast experience and expertise, it will be in the interest of the Company that Shri Manoj Balkrishna Shah's appointment as an Independent Director is approved by the Shareholders. Hence, the Board recommends the resolution set out at item No. 3 of the Notice, for Shareholders' approval as a Special Resolution.

Except, Shri Manoj Balkrishna Shah, none of the other Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested in the said resolution.

### Item No. 4:

In terms of the provisions of Section 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 ("the Act") and Rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Shareholders of the Company, at their 48<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> December, 2021, appointed Smt. Kumkum Rathi (DIN: 03128864) as Independent Director of the Company, for a period of three (3) years effective from 21<sup>st</sup> October, 2021 up to 20<sup>th</sup> October, 2024, not liable to retire by rotation.

The Board of Directors and Nomination and Remuneration Committee, considering the expertise, experience and contribution made by Smt. Kumkum Rathi during the first term and based on her performance evaluation, approved her re-appointment as Independent Director for a period of five (5) years effective from 21<sup>st</sup> October, 2024 to 20<sup>th</sup> October, 2029, and further recommended the same for the approval of Shareholders at this Annual General Meeting.

The Company has received a notice in writing under Section 160 of the Act, from a Member proposing the candidature of Smt. Kumkum Rathi for the office of Director of the Company, not liable to retire by rotation.

Smt. Kumkum Rathi is not disqualified from being re-appointed as a Director of the Company in terms of Section 164 of the Act.

The Company has received a self-declaration from Smt. Kumkum Rathi that she was or is not debarred from holding the office of a Director pursuant to any order of the SEBI or such other authority in terms of SEBI's Circular No. LIST/COMP/14/2018-19 dated 20<sup>th</sup> June, 2018 on the subject "Enforcement of SEBI Orders regarding appointment of Directors by listed Companies".

Further, the Company has also received declaration from Smt. Kumkum Rathi, that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and Listing



Regulations. Smt. Kumkum Rathi has also confirmed that she has registered herself in the database for Independent Directors.

In the opinion of the Board, Smt. Kumkum Rathi, fulfils the criteria specified in the Act and Rules made thereunder and Listing Regulations, for her re-appointment as an Independent Director of the Company. Further based on the performance evaluation, the Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail her services as an Independent Director on the Board of the Company.

Brief profile along with other particulars of Smt. Kumkum Rathi, as required by Listing Regulations, is attached as annexure to this Notice. Smt. Kumkum Rathi is not related to any other Director of the Company.

Copy of the letter of appointment of Smt. Kumkum Rathi as an Independent Director setting out the terms and conditions is available for inspection by Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

Therefore, keeping in view her vast experience and expertise, it will be in the interest of the Company that Smt. Kumkum Rathi's appointment as an Independent Director is approved by the Shareholders. Hence, the Board recommends the resolution set out at item No. 4 of the Notice, for Shareholders' approval as a Special Resolution.

Except, Smt. Kumkum Rathi, none of the other Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested in the said resolution.

### Item No. 5:

In terms of the provisions of Section 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 ("the Act") and Rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Shareholders of the Company, at their 48<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> December, 2021, appointed Shri Vinod Kumar Kathuria (DIN: 06662559) as Independent Director of the Company, for a period of three (3) years effective from 11<sup>th</sup> November, 2021 up to 10<sup>th</sup> November, 2024, not liable to retire by rotation.

The Board of Directors and Nomination and Remuneration Committee, considering the expertise, experience and contribution made by Shri Vinod Kumar Kathuria during the first term and based on his performance evaluation, approved his re-appointment as Independent Director for a period of five (5) years effective from 11<sup>th</sup> November, 2024 to 10<sup>th</sup> November, 2029, and further recommended the same for the approval of Shareholders at this Annual General Meeting.

The Company has received a notice in writing under Section 160 of the Act, from a Member proposing the candidature of Shri Vinod Kumar Kathuria for the office of Director of the Company, not liable to retire by rotation.

Shri Vinod Kumar Kathuria is not disqualified from being re-appointed as a Director of the Company in terms of Section 164 of the Act.

The Company has received a self-declaration from Shri Vinod Kumar Kathuria that he was or is not debarred from holding the office of a Director pursuant to any order of the SEBI or such other authority in terms of SEBI's Circular No. LIST/COMP/14/2018-19 dated 20<sup>th</sup> June, 2018 on the subject "Enforcement of SEBI Orders regarding appointment of Directors by listed Companies".

Further, the Company has also received declaration from Shri Vinod Kumar Kathuria, that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and Listing Regulations. Shri Vinod Kumar Kathuria has also confirmed that he has registered himself in the database for Independent Directors.

In the opinion of the Board, Shri Vinod Kumar Kathuria, fulfils the criteria specified in the Act and Rules made thereunder and Listing Regulations, for his re-appointment as an Independent Director of the Company. Further based on the performance evaluation, the Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director on the Board of the Company.

Brief profile along with other particulars of Shri Vinod Kumar Kathuria, as required by Listing Regulations, is attached as annexure to this Notice. Shri Vinod Kumar Kathuria is not related to any other Director of the Company.

Copy of the letter of appointment of Shri Vinod Kumar Kathuria as an Independent Director setting out the terms and conditions is available for inspection by Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

Therefore, keeping in view his vast experience and expertise, it will be in the interest of the Company that Shri Vinod Kumar Kathuria's appointment as an Independent Director is approved by the Shareholders. Hence, the Board recommends the resolution set out at item No. 5 of the Notice, for Shareholders' approval as a Special Resolution.

Except, Shri Vinod Kumar Kathuria, none of the other Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested in the said resolution.

### Item No. 6:

The Board of Directors of the Company ("the Board") at its meeting held on 13<sup>th</sup> November, 2014, on the recommendation of the Nomination and Remuneration Committee appointed Shri Avneesh Jayaswal (S/o Shri Ramesh Jayaswal, Managing Director of the Company) as Group Director (an office or place of profit, without being a member of the Board) of the Company with effect from 1<sup>st</sup> September, 2014.

Further, Shareholders of the Company at the Annual General Meeting held on 29<sup>th</sup> September, 2015 passed a Special Resolution for revision in remuneration of Shri Avneesh



Jayaswal, Group Director of the Company w.e.f. 1<sup>st</sup> October, 2015 and further authorised the Board to consider and approve any further increase from time to time.

Taking into account the varied experience of Shri Avneesh Jayaswal especially in Project Management & Execution, Human Resources, Information Technology, Procurement & Marketing, etc. and considering his dedicated approach, enthusiasm

and commitment, the Audit Committee, Nomination and Remuneration Committee and the Board of Directors of the Company in their meeting held on 14<sup>th</sup> August, 2024 have approved and recommended the revision in remuneration of Shri Avneesh Jayaswal, w.e.f. 1<sup>st</sup> April, 2025 as given below, in terms of the provisions of Sections 177, 188 and other applicable provisions of the Companies Act, 2013 (the 'Act').

**A] Fixed Remuneration:**

Period	CTC (includes PF @ 12% on basic salary)	
	Monthly	Yearly
(Present Remuneration) 01.04.2024 to 31.03.2025	8,36,427*	1,00,37,124*
(Proposed Remuneration) 01.04.2025 to 31.03.2026 (Increase of 9% P.A.)	9,11,706*	1,09,40,472*
01.04.2026 and onwards	Increase in remuneration shall be as per the Nomination and Remuneration Policy and HR Policy of the Company as applicable to Senior Management Personnel of the Company similar to his cadre.	

\*Bifurcation of Basic Salary, HRA, Conveyance, other allowances etc. as per HR Policy/Salary slab.

**B] Variables:** One Time Performance Pay, Ex-gratia Amount, Club Membership (One) and other benefits, perquisites etc., as applicable/ payable to the other employees occupying similar position in the said cadre, as per the applicable policy of the Company.

Section 188(1)(f) of the Companies Act, 2013 read with Rule 15(3) (i) of Companies (Meetings of Board and its Powers) Rules, 2014 as amended, provides that related party's appointment to any office or place of profit in the Company carrying monthly remuneration exceeding ₹ 2,50,000/- shall be subject to approval by the Board of Directors of the Company and the Members of the Company. Further, fourth proviso to Section 188(1) of the Act prescribes that nothing in this sub-section shall apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis. Although, the above transaction is at arms' length basis and in ordinary course of business for the Company, approval of shareholders is sought by way of Ordinary Resolution as a good governance practice.

Given below is a statement of disclosures as required under the Companies (Meetings of Board and its Powers) Rules, 2014:

Sr. No.	Particulars
(a)	Name of the related party Shri Avneesh Jayaswal
(b)	Name of the director or key managerial personnel who is related Shri Ramesh Jayaswal, Managing Director of the Company
(c)	Nature of Relationship Shri Avneesh Jayaswal is son of Shri Ramesh Jayaswal, Managing Director of the Company
(d)	Nature, material terms, monetary value and particulars of the contract or arrangements; i) Shri Avneesh Jayaswal has been holding the office or place of profit as Group Director w.e.f. 1 <sup>st</sup> September, 2014. ii) Considering his dedicated approach, enthusiasm and commitment it has been proposed to revise his remuneration as proposed in resolution.
(e)	Any other information relevant or important for the members to take a decision on the proposed resolution Shri Avneesh Jayaswal, aged 38 years, did his bachelor's in Business Administration from Eastern Michigan University (USA) and brought in the most modern business management ideas to the table. Shri Avneesh Jayaswal takes a keen interest in daily operations as well as the expansion and modernisation of Company's Integrated Steel Plant at Raipur. He is deeply engaged in the planning, implementation of critical projects & strategies for the Neco Group entities.

No Member of the Company shall vote on such resolution, to approve any contract or arrangement which may be entered into by the Company, if such Member is a related party of the Company.

None of the Directors or Key Managerial Personnel or their relatives, other than Shri Ramesh Jayaswal, Managing Director, and his relatives, are deemed to be concerned or interested financially or otherwise, in the resolution set out at Item No. 6 of this Notice.

**Item No. 7:**

The Articles of Association of the Company contains Clause No. 179 for 'Appointment of Debenture Directors'. In order to align it with the requirements of the Debenture holders, it is proposed to alter the said clause and add new clauses in the Articles of Association of the Company as mentioned in the proposed resolution.

Copy of the Articles of Association of the Company after incorporating proposed amendments is available for inspection by Members at the Registered Office of the Company on all working days, except Saturdays, and during business hours up to the date of the Meeting.

The alteration in the Articles of Association of the Company requires approval of Shareholders by way of Special Resolution. Hence, the Board recommends the resolution set out at item No. 7 of the Notice, be placed for Shareholders' approval as a Special Resolution.

None of the other Directors/Key Managerial Personnel of the Company/ their relatives is in any way, concerned or interested in the said resolution.

**Item No. 8:**

Members are hereby informed that on the recommendation of the Audit Committee, Board of Directors of your Company re-appointed M/s. Manisha & Associates, Cost Accountants, (FRN. 000321), Nagpur, as Cost Auditors of the Company for the year 2024-25 on the remuneration of ₹ 1,75,000/- for Cost Audit, ₹ 9,000/- for XBRL documents preparation plus applicable taxes and reimbursement of out-of-pocket expenses at actual.

As per Section 148 (3) read with Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified/approved by the Shareholders in General Meeting.

The Board of Directors of the Company recommend the resolution set out at item no. 8 of the notice, for Shareholders' approval as an Ordinary Resolution.

None of the other Directors/ Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.



## ANNEXURE

### DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

Name of Directors	Shri Arvind Jayaswal	Shri Manoj Balkrishna Shah
DIN	00249864	00010473
Date of Birth	26.11.1953	09.09.1961
Designation	Chairman & Whole time Director	Independent Director
Date of Appointment	28.11.1972	21.10.2021
Qualification	B.Sc.	M.Com, FCA
Brief Profile and Nature of expertise in specific functional areas	Shri Arvind Jayaswal is a Science graduate from Calcutta University and has been associated with Jayaswal Neco Industries Limited (JNIL) since its inception. He has an exemplary career of over five decades. He looks after the overall Management of the Company. He is spearheading the Foundry Division of the Company. An active member of various social organisations.	Shri Manoj Balkrishna Shah, a distinguished professional, is a Fellow Chartered Accountant and has around four decades of extensive experience in the fields of management of infrastructure projects, financial advisory, PPP structure projects, formulation of state infrastructure development policies, urban local bodies reforms, project feasibility and viability analysis, BOT policy finalisation, institutional support, project analysis etc.
Skills and capabilities required for the role and the manner in which the pro-posed person meets such requirements. (In case of independent directors)	NA	Shri Manoj Balkrishna Shah being expert in field of Project Management and being a fellow member of ICAI, meets the skills and capabilities required for the role as an Independent Director of the Company.
Other Directorships (In Listed Entities)	Nil	Nil
Membership of Committees of other Companies <sup>#</sup>	Nil	Nil
Listed entities from which resigned in past three years	Nil	Nil
No. of Equity Shares Held including shareholding as a beneficial owner	50,89,740	Nil
Disclosure of relationships with Directors/ Manager/ Key Managerial Personnel	Except Shri Ramesh Jayaswal, Managing Director who is brother of Shri Arvind Jayaswal, there is no relation between the other Directors/ Manager/ Key Managerial Personnel of the Company and the appointee Shri Arvind Jayaswal.	There is no relation between the Directors/ Manager/Key Managerial Personnel of the Company and the appointee Shri Manoj Balkrishna Shah.

Name of Directors	Smt. Kumkum Rathi	Shri Vinod Kumar Kathuria
Date of Birth	27.11.1977	23.07.1958
DIN	03128864	06662559
Designation	Independent Director	Independent Director
Date of Appointment	21.10.2021	11.11.2021
Qualification	B.Com, FCS	M.Com, CAIIB
Brief Profile and Nature of expertise in specific functional areas	Smt. Kumkum Rathi, a Commerce graduate from the Calcutta University and a Fellow member of the Institute of Company Secretaries of India. She has a rich experience spanning over two decades in the field of Corporate and SEBI Laws.	Shri Vinod Kumar Kathuria, a former Executive Director of Union Bank of India, having an unblemished banking service record of around four decades in key banking areas of Corporate Credit, Recovery, Retail Lending, Treasury Operations, International Banking Business, Agriculture, Financial Inclusion etc.
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements. (In case of independent directors)	Smt. Kumkum Rathi being qualified highly experienced practicing professional and expert in Corporate and SEBI Laws, meets the skills and capabilities required for the role as an Independent Director of the Company.	Shri Vinod Kumar Kathuria being expert in Banking and Finance fields, meets the skills and capabilities required for the role as an Independent Director of the Company.
Other Directorships (In Listed Entities)	Nil	1. Satia Industries Limited 2. A K Capital Services Limited 3. A. K. Capital Finance Limited (Debt listed) 4. Sharda Cropchem Limited
Membership of Committees of other Companies <sup>#</sup>	Nil	2 <sup>#</sup>
Listed entities from which resigned in past three years	Nil	Nil
No. of Equity Shares Held including shareholding as a beneficial owner	Nil	Nil
Disclosure of relationships with Directors/ Manager/ Key Managerial Personnel	There is no relation between the Directors/ Manager/ Key Managerial Personnel of the Company and the appointee Smt. Kumkum Rathi.	There is no relation between the Directors/ Manager/ Key Managerial Personnel of the Company and the appointee Shri Vinod Kumar Kathuria.

<sup>#</sup> Considered only Audit Committee and Stakeholders' Relationship Committee.

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Shri Arvind Jayaswal**

Chairman

**Shri Ramesh Jayaswal**

Managing Director

**Shri Sangram Keshari Swain**

Executive Director

**Smt. Kumkum Rathi**

Independent Director

**Shri Brajkishore Agrawal**

Independent Director

**Shri Manoj Shah**

Independent Director

**Shri Rajendraprasad Mohanka**

Independent Director

**Shri Ashwini Kumar**

Independent Director

**Shri Vinod Kumar Kathuria**

Independent Director

### OTHER KEY MANAGERIAL PERSONNEL

**Shri Kapil Shroff**

Chief Financial Officer

**Shri Ashish Srivastava**

Company Secretary & Compliance Officer

### Debenture Trustee

M/s. Vistra ITCL (India) Limited

### Statutory Auditor

M/s. Chaturvedi & Shah LLP,  
Chartered Accountants

### Secretarial Auditor

M/s. R.A. Daga & Co.,  
Company Secretaries

### Cost Auditor

M/s. Manisha & Associates,  
Cost Accountants

### Tax Auditor

M/s. Agrawal Chhallani & Co.,  
Chartered Accountants

### Registrar & Transfer Agent

Linkintime India Pvt. Ltd.  
C-101, 247 Park, L.B.S. Marg,  
Vikhroli West,  
Mumbai – 400 083.  
Ph. Nos. 022-49186270;  
Fax No. 022-49186060  
Email: rnt.helpdesk@linkintime.co.in

### Registered Office

F-8, MIDC Industrial Area,  
Hingna Road, Nagpur – 440 016.  
CIN: L28920MH1972PLC016154  
Tel No.: 07104 - 237276, 237471, 237472  
E-mail: contact@necoindia.com  
Website : www.necoindia.com

### Corporate Office

Plot No. D-3/1, Central MIDC Road,  
Hingna MIDC Industrial Area,  
Nagpur – 440016

### Works

- 1. Steel Plant Division –** Siltara Growth Centre, Raipur (Chhattisgarh).
- 2. Centricast Division–** MIDC Area, Hingna Road, Nagpur (Maharashtra).
- 3. Automotive Castings Division –** Butibori, Nagpur (Maharashtra).
- 4. Construction Castings Division –** Anjora (Chhattisgarh).
- 5. Engineering Casting Division -** MIDC Area, Hingna Road, Nagpur (Maharashtra).

## Blast Furnace Capital Repairs and Upgradation Journey



Blast Furnace top dismantling



Blast Furnace shell dismantling



Blast Furnace top structure erection



Blast Furnace water pipeline erection



Blast Furnace after Upgradation



Blast Furnace Upgradation team at Steel Plant Division

The capital repairs project commenced by way of shutdown of facilities on 10<sup>th</sup> May, 2024 and completed successfully on 1<sup>st</sup> August, 2024.



**“The journey continues  
and  
the impact grows”**



**Jayaswal Neco  
Industries Limited**

If undelivered, please return to:

**Jayaswal Neco Industries Limited**

CIN - L28920MH1972PLC016154

F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440016

Tel No: (07104) 237276, 237471, 237472

E-mail: [contact@necoindia.com](mailto:contact@necoindia.com) Website: [www.necoindia.com](http://www.necoindia.com)