

# JAYASWAL NECO INDUSTRIES LTD

CIN : L28920MH1972PLC016154

(FORMERLY JAYASWALS NECO LIMITED)

REGD. OFFICE : F-8, MIDC INDUSTRIAL AREA, HINGNA ROAD, NAGPUR - 440 016 (INDIA)

PHONES : +91-7104-237276, 237471, 237472, 237461, 237462, 236253, 236254, 236256

FAX : +91-7104-237583, 236255 • E-mail : contact@necoindia.com • Website : www.necoindia.com



9<sup>th</sup> August, 2022

To  
Manager (Listing),  
National Stock Exchange of India Ltd.,  
Exchange Plaza, 5<sup>th</sup> Floor  
Plot No. C/1, G Block,  
Bandra Kurla Complex,  
Bandra (E), Mumbai- 400051

Manager (Listing),  
Department of Corporate Services,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400001.

Dear Sirs,

**Sub.: - Outcome of Board Meeting dated 9<sup>th</sup> August, 2022.**

We wish to inform you that the Board of Directors of the Company at its meeting held today has inter-alia:-

- i) Approved and took on records the Unaudited Financial Results of the Company for the quarter ended 30<sup>th</sup> June, 2022.
- ii) Approved convening of the 49<sup>th</sup> Annual General Meeting of the Company and Book Closure Dates:-

49<sup>th</sup> Annual General Meeting (AGM) of the members of Company will be held on Thursday, the 29<sup>th</sup> September, 2022.

Register of Members and Share Transfer Book shall remain closed from Friday, 23<sup>rd</sup> September, 2022 to Thursday, the 29<sup>th</sup> September, 2022 (both days inclusive).

The meeting commenced at 12.45 p.m. and concluded at 3.50 p.m.

This is for your information and records.

Thanking You,

Yours Faithfully,

**For Jayaswal Neco Industries Limited**

**Vikash Kumar Agarwal**  
Company Secretary & Compliance Officer



**BRANCH OFFICES :**

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PHONES : 0 11 - 4 9 0 7 0 5 4 8

301, TULSIANI CHAMBERS  
NARIMAN POINT, MUMBAI 400 021 (INDIA)  
P H . : ( 0 2 2 ) 4 2 1 3 - 4 8 1 3 ,  
(022) : 22832381 FAX : (022) 22832367

TRUST HOUSE, 5th FLOOR,  
32-A, CHITTARANJAN AVENUE,  
KOLKATTA - 700012 INDIA FAX : 033-22122560  
PHONES: 033-22122368. 22120502

THANOD ROAD, ANJORA-491001.  
PHONES : 0788-2623410  
FAX : 0788-2623410

**CHATURVEDI & SHAH LLP**  
Chartered Accountants  
714-715, Tulsiani Chambers,  
212, Nariman Point,  
Mumbai – 400021

**NARESH PATADIA & CO.**  
Chartered Accountants  
Opposite Ram Mandir,  
Tilak Road, Mahal,  
Nagpur – 440002

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**Independent Auditors' Review Report on Unaudited Financial Results of the Company Pursuant to the Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
**The Board of Directors of  
JAYASWAL NECO INDUSTRIES LIMITED**

1. We have reviewed the accompanying statement of Unaudited Financial Results of **JAYASWAL NECO INDUSTRIES LIMITED** ("the Company") for the quarter ended June 30, 2022 ("the statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), as amended.
2. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.
3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



4. **Emphasis of Matter**

We draw your attention to the Note no. 2 to the statement regarding the attachment of the properties of the Company to the extent of Rs. 30,758 lakhs by the Directorate of Enforcement, which has been contested by the Company and presently stayed.

Our conclusion is not modified in respect of this matter.

5. Based on our review conducted as above, read with our comments in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying statement of Unaudited Financial Results, prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

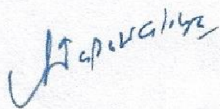
6. **Other Matter**

Attention is drawn to the fact that the figures for the quarter ended June 30 2021, are based on previously issued Financial Results that were jointly audited by predecessor auditors and one of the joint auditors (vide their unmodified review report dated August 14, 2021).

Our conclusion is not modified in respect of this matter.

For **Chaturvedi & Shah LLP**

*Chartered Accountants*  
Firm Reg. No. 101720W / W100355



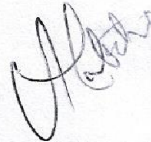
**Vijay Napawaliya**  
**Partner**  
Membership No. 109859  
UDIN No.: 22109859AOPFYS1805



**Mumbai**  
**Date: August 09, 2022**

For **Naresh Patadia & Co.**

*Chartered Accountants*  
Firm Reg. No. 106936W



**Naresh Patadia**  
**Proprietor**  
Membership No. 35620  
UDIN No.: 22035620AOPNEH3949



**Nagpur**  
**Date: August 09, 2022**

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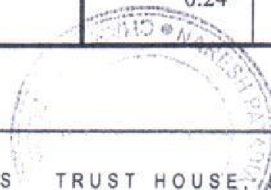
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(₹ in Lakhs, except per equity share data)					
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2022					
	PARTICULARS	QUARTER ENDED			YEAR ENDED
		30.06.2022	31.03.2022	30.06.2021	31.03.2022
		UNAUDITED	(Refer Note. 5)	UNAUDITED	AUDITED
1.	<b>Income</b>				
	a) Revenue from Operations	152712	159197	139435	595855
	b) Other Income	351	25	188	628
	<b>Total Income</b>	<b>153063</b>	<b>159222</b>	<b>139623</b>	<b>596483</b>
2.	<b>Expenses</b>				
	a) Cost of Materials Consumed	90300	75280	54138	264477
	b) Purchase of Stock-in-Trade	3259	3502	2893	14098
	c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(15976)	2727	(3338)	(7589)
	d) Employee Benefits Expense	6143	6170	5677	25449
	e) Finance Costs	11347	(27272)	24533	45863
	f) Depreciation and Amortisation Expense	6523	5968	6660	26099
	g) Other Expenses	48220	42479	36751	169451
	<b>Total Expenses</b>	<b>149816</b>	<b>108854</b>	<b>127314</b>	<b>537848</b>
3.	<b>Profit Before Exceptional Items and Tax (1-2)</b>	<b>3247</b>	<b>50368</b>	<b>12309</b>	<b>58635</b>
4.	Exceptional Items (Refer Note 4)	-	171340	1110	172450
5.	<b>Profit Before Tax (3+4)</b>	<b>3247</b>	<b>221708</b>	<b>13419</b>	<b>231085</b>
6.	<b>Tax Expenses / (Credits) Including Deferred tax</b>				
	Deferred Tax	923	6410	(17)	6358
	Income Tax for Earlier years	-	2	-	(1)
7.	<b>Profit for the period / year (5-6)</b>	<b>2324</b>	<b>215296</b>	<b>13436</b>	<b>224728</b>
8.	<b>Other Comprehensive Income (OCI)</b>				
	(I) Item that will not be reclassified to profit or loss				
	(a) Remeasurement Gain / (Loss) on Defined Benefit Plans	16	(142)	68	64
	(b) Tax Effect on above	(4)	36	(17)	(16)
	(II) Item that will be reclassified to profit or loss	-	-	-	-
	<b>Total Other Comprehensive Income (Net of Tax)</b>	<b>12</b>	<b>(106)</b>	<b>51</b>	<b>48</b>
9.	<b>Total Comprehensive Income for the period / year (7+8)</b>	<b>2336</b>	<b>215190</b>	<b>13487</b>	<b>224776</b>
10.	<b>Paid-up Equity Share Capital</b> (Face Value per share : Rs. 10/- each)	97099	97099	63863	97099
11.	<b>Other Equity excluding Revaluation Reserve</b>				86219
12.	<b>Earnings Per Share (of Rs. 10/- each)</b>				
	a) Basic after Exceptional items (Not Annualised) *	0.24*	22.17*	2.10*	28.40
	b) Basic before Exceptional items (Not Annualised) *	0.24*	4.52*	2.10*	6.60
	c) Diluted after Exceptional items (Not Annualised) *	0.24*	22.17*	2.10*	23.57
	d) Diluted before Exceptional items (Not Annualised) *	0.24*	4.52*	2.10*	5.81



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 PHONES : 0 1 1 - 4 9 0 7 0 5 4 8  
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 PHONES : (0 2 2) 4 2 1 3 - 4 8 1 3, (0 2 2) : 2 2 8 3 2 3 8 1 FAX : (0 2 2) 2 2 8 3 2 3 6 7

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## Notes :

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 9th August, 2022. The Statutory Auditors have carried out a Limited Review of the above results.
- 2 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 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 22nd September, 2022. The Company has a good case on merits, is likely to succeed in refuting the allegations and does not expect any material liability on the Company on this account.
- 3 As informed earlier:
  - (i) Debt restructuring with the Assets Care and Reconstruction Enterprise Limited (ACRE) acting in its capacity as trustee of various trusts ("These Trusts") has become effective on 23rd May, 2022 from the cut-off date of 31st March, 2020 and as per IND AS -10 "Events after the Reporting Period", the same had been considered as an adjusting event as at 31st March, 2022 and accordingly accounting effects have been given in the quarter ended 31st March, 2022.
  - (ii) On account of the acquisition of the entire Principal Outstanding Debt of the Company by These Trusts declared and managed by ACRE in its capacity as a trustee of These Trusts and the above debt restructuring, Special Leave Petition filed by the Company with the Hon'ble Supreme Court challenging the Judgment dated 5th March, 2018 passed by the Hon'ble Bombay High Court, has been disposed off by the Hon'ble Supreme Court as withdrawn on 4th May, 2022.
  - (iii) On account of the acquisition of the entire Principal Outstanding Debt of the Company by These Trusts declared and managed by ACRE in its capacity as a trustee of These Trusts and the above debt restructuring, ACRE-54 Trust (acting through its trustee ACRE and being assignee of the debt of State Bank of India) had also made the necessary filing for substitution and withdrawal of insolvency proceedings earlier initiated against the Company by the State Bank of India before the National Company Law Tribunal (NCLT), Mumbai Bench, under Section 7 of the Insolvency and Bankruptcy Code, 2016 in view of no default under the debt restructuring by the Company. The NCLT Mumbai Bench had closed the matter for appropriate order after hearing the matter on 10th May, 2022. During the quarter ended 30th June, 2022, the NCLT Mumbai Bench vide its order dated 10th June, 2022 has allowed the withdrawal of the insolvency proceedings against the Company.
- 4 Exceptional items for the year ended 31st March, 2022 represents write back of borrowings etc. of Rs. 20243 Lakhs, reversal of excess interest charged from 1st April, 2020 to 31st March, 2021 of Rs. 45518 Lakhs (Net of amortisation at effective interest rate) and one-time fair value gain of Rs. 106689 Lakhs.
- 5 The Figures for the quarter ended 31st March, 2022 represent the difference between the audited figures in respect of full financial year and the unaudited published figures of nine months ended 31st December, 2021.
- 6 The figures for the corresponding previous period/year have been rearranged/regrouped wherever necessary, to make them comparable.

NAGPUR  
9th August, 2022



For Jayaswal Neco Industries Limited

  
Arvind Jayaswal  
Managing Director and CEO  
DIN : 00249864



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NEW DELHI - 110 024. (INDIA)  
PHONES : 011-49070548

301, TULSIANI CHAMBERS  
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## UNAUDITED SEGMENT INFORMATION FOR THE QUARTER ENDED 30TH JUNE, 2022

(₹ in Lakhs)

PARTICULARS	QUARTER ENDED			YEAR ENDED
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
	UNAUDITED	(Refer Note. 5)	UNAUDITED	AUDITED
<b>1. Segment Revenue</b>				
a) Steel	140480	148914	129794	550280
b) Iron & Steel Castings	14284	12426	10929	50995
c) Others	0	0	-	1
<b>Turnover</b>	<b>154764</b>	<b>161340</b>	<b>140723</b>	<b>601276</b>
Less : Inter Segment Revenue	2052	2143	1288	5421
<b>Revenue from Operations</b>	<b>152712</b>	<b>159197</b>	<b>139435</b>	<b>595855</b>
<b>2. Segment Results</b> (Profit before tax)				
a) Steel	13726	23470	37044	105342
b) Iron & Steel Castings	771	(58)	(153)	(409)
c) Others	0	0	-	1
<b>Total</b>	<b>14497</b>	<b>23412</b>	<b>36891</b>	<b>104934</b>
Less : i) Finance Cost	11347	(27272)	24533	45863
ii) Other Un-allocable Expenditure	118	489	111	828
Add : Unallocated Income	215	173	62	392
<b>Profit Before Exceptional Items and Tax</b>	<b>3247</b>	<b>50368</b>	<b>12309</b>	<b>58635</b>
Add: Exceptional Items	-	171340	1110	172450
<b>Profit Before Tax</b>	<b>3247</b>	<b>221708</b>	<b>13419</b>	<b>231085</b>
<b>3. Segment Assets</b>				
a) Steel	566144	556988	573042	556988
b) Iron & Steel Castings	26575	24333	25642	24333
c) Others	39	39	39	39
d) Unallocated	31935	50884	16269	50884
<b>Total Segment Assets</b>	<b>624693</b>	<b>632244</b>	<b>614992</b>	<b>632244</b>
<b>4. Segment Liabilities</b>				
a) Steel	41626	48127	35269	48127
b) Iron & Steel Castings	6010	5290	6154	5290
c) Others	-	-	-	-
d) Unallocated	391381	395488	696343	395488
<b>Total Segment Liabilities</b>	<b>439017</b>	<b>448905</b>	<b>737766</b>	<b>448905</b>

### Notes to Segment Information for the Quarter Ended 30th June, 2022 :

- As per Indian Accounting Standard 108 'Operating Segments', the chief operating decision maker of the Company has identified following reportable segments of its business:
  - Steel Segment is engaged in manufacture and sale of Pig Iron, Billets, Rolled Products including Alloy Steel and Sponge Iron and includes its captive power plants at its units located at Siltara, Raipur and Mining activities in the state of Chhattisgarh and Maharashtra.
  - Iron and Steel Castings Segment is engaged in 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.
- The Company has operations in India. There is no identified Geographical Segment.



NAGPUR  
9th August, 2022



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