

**CHATURVEDI & SHAH**  
Chartered Accountants  
912-913, Tulsiani Chambers,  
212, Nariman Point,  
Mumbai, 400021

**AGRAWAL CHHALLANI & CO.**  
Chartered Accountants  
51/A, Ground Floor, New Colony,  
Nagpur

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**REVIEW REPORT**

**To**  
**The Board of Directors**  
**Jayaswal Neco Industries Limited**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Result of *Jayaswal Neco Industries Limited* ("the Company") for the Quarter and nine months ended 31<sup>st</sup> December, 2014 ("the Statement"), being submitted by the company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' and details of Investor Complaints which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

***Basis for Qualified Conclusion***

3. *Attention is drawn to the Note no. 4 to the aforesaid financial results regarding:*
  - (i) *Disclosure of additional levy (net of taxes) in respect of coal extracted from the mine upto 24<sup>th</sup> September, 2014 amounting to Rs. 7314 lacs as "Extraordinary Items" instead of "Exceptional Items", in the results, which has resulted in the "Net Profit from Ordinary Activities after tax" for the quarter and nine months ended 31<sup>st</sup> December, 2014 being higher by the equivalent amount. The above disclosure does not have any impact on the "Net Profit for the period" as reported in serial no. 13 of the results.*



(ii) Cancellation of coal blocks of the Company and not making any adjustments in the value of the mining assets of those blocks for the reasons mentioned therein, the impact of which on these results cannot be quantified at this stage.

**Qualified Conclusion**

4. Based on our review conducted as above, *except for the possible effects of our observations in Para 3 above*, nothing has come to our notice that causes us to believe that the accompanying Statement of Standalone Unaudited Financial Results prepared in accordance with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 which continue to apply as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, and other recognised accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Chaturvedi & Shah  
Chartered Accountants  
Firm Reg. No. 101720W



**R. Korla**  
Partner  
Membership No. 35629



Mumbai  
Date: 12<sup>th</sup> February, 2015

For Agrawal Chhallani & Co.  
Chartered Accountants  
Firm Reg. No. 100125W



**S. R. Chhallani**  
Partner  
Membership No. 30154



Nagpur  
Date: 12<sup>th</sup> February, 2015



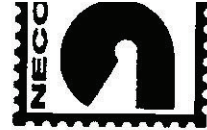
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(FORMERLY JAYASWALS NECO LIMITED)

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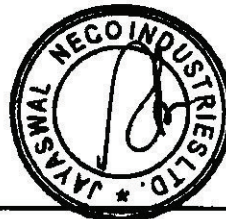
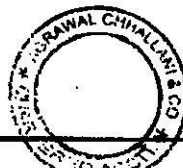
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## JAYASWAL NECO INDUSTRIES LIMITED

## PART - I

Statement of Standalone Unaudited Result for the Quarter / Nine Months Ended 31/12/2014 (₹ In Lacs)						
PARTICULARS	3 months ended 31/12/2014	Preceding 3 months ended 30/09/2014	Corresponding 3 months ended in the previous year 31/12/2013	Year to date figure for the current period ended 31/12/2014	Year to date figure for the previous period ended 31/12/2013	For the previous year ended 31/03/2014
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
<b>1. Income from Operations</b>						
a) Net sales/income from operations (Net of excise duty and Service Tax)	70300	82940	86482	222161	222676	316079
b) Other operating income	3	4	10	12	20	26
<b>Total Income from Operations (Net)</b>	<b>70303</b>	<b>82944</b>	<b>86492</b>	<b>222173</b>	<b>222696</b>	<b>316105</b>
<b>2. Expenses</b>						
a) Cost of materials consumed	43698	47101	49641	129536	135239	187833
b) Purchases of stock-in-trade	4682	11038	8111	17393	9341	16906
c) Changes in inventories of finished goods, work-in-progress and stock in trade	(6071)	(3645)	(1186)	(8789)	(5705)	(3093)
d) Employee benefits expenses	4112	4251	4023	12147	10834	14917
e) Depreciation and amortisation expense (Refer Note No.3)	1319	2978	2912	7243	8673	11572
f) Exchange difference (Net)	305	56	(174)	98	1575	1234
g) Other expenses	14486	14741	14970	44428	43558	59214
<b>Total Expenses</b>	<b>62829</b>	<b>78520</b>	<b>78317</b>	<b>202056</b>	<b>203516</b>	<b>288583</b>
<b>3. Profit from Operations before Other Income, Finance Costs &amp; Exceptional Items (1-2)</b>	<b>7774</b>	<b>6424</b>	<b>8175</b>	<b>20117</b>	<b>19181</b>	<b>27522</b>
<b>4. Other income</b>	<b>160</b>	<b>264</b>	<b>236</b>	<b>767</b>	<b>601</b>	<b>1032</b>
<b>5. Profit from Ordinary Activities before Finance Costs &amp; Exceptional Items (3+4)</b>	<b>7934</b>	<b>6688</b>	<b>8413</b>	<b>20884</b>	<b>19982</b>	<b>28554</b>
<b>6. Finance costs</b>	<b>4518</b>	<b>4150</b>	<b>4548</b>	<b>12836</b>	<b>13200</b>	<b>17338</b>
<b>7. Profit from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)</b>	<b>3416</b>	<b>2538</b>	<b>3865</b>	<b>8048</b>	<b>6782</b>	<b>11216</b>
<b>8. Exceptional items</b>	-	-	-	-	-	-
<b>9. Profit from Ordinary Activities before tax (7-8)</b>	<b>3416</b>	<b>2538</b>	<b>3865</b>	<b>8048</b>	<b>6782</b>	<b>11216</b>
<b>10. Tax expense</b>						
Current tax (Net of MAT Credit)	-	-	102	440	102	864
Deferred tax liability/(Deferred tax asset)	555	423	1375	1243	3396	4022
<b>11. Net Profit from Ordinary Activities after tax (9-10)</b>	<b>2861</b>	<b>2115</b>	<b>2388</b>	<b>6365</b>	<b>3284</b>	<b>6330</b>
<b>12. Extraordinary Items (Net of tax expenses)</b>	<b>7314</b>	-	-	<b>7314</b>	-	-
<b>13. Net Profit for the period (11 + 12)</b>	<b>(4453)</b>	<b>2115</b>	<b>2388</b>	<b>(849)</b>	<b>3284</b>	<b>6330</b>
<b>14. Paid-up equity share capital</b> (Face Value per share : Rs. 10/-)	<b>63863</b>	<b>63863</b>	<b>52983</b>	<b>63863</b>	<b>52983</b>	<b>59863</b>
<b>15. Reserves excluding Revaluation Reserves as per the audited balance sheet of previous accounting year</b>	-	-	-	-	-	<b>152502</b>
<b>16. Earning Per Share (before and after extraordinary items) (of Rs.10 each) (not annualised)</b>						
<b>Before extraordinary items</b>						
a) Basic	0.45	0.34	0.45	1.02	0.62	1.19
b) Diluted	0.45	0.34	0.45	1.02	0.62	1.17
<b>After extraordinary items</b>						
a) Basic	(0.70)	0.34	0.45	(0.15)	0.62	1.19
b) Diluted	(0.70)	0.34	0.45	(0.15)	0.62	1.17



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