

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

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

INDEPENDENT AUDITORS' REVIEW REPORT

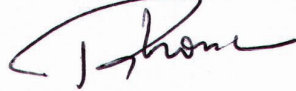
To
The Board of Directors,
Jayaswal Neco Industries Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results ("the statement") of **Jayaswal Neco Industries Limited** ("the Company") for the quarter ended 30th June 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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. Our review has been restricted to the figures shown in the column headed "Quarter ended 30th June 2016". Figures shown in the column headed "Quarter ended 30th June 2015" are as provided by the management of the Company
3. We conducted our review 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 financial statements are free of material misstatements. 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.



4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable Indian Accounting Standards and other accounting practices and principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

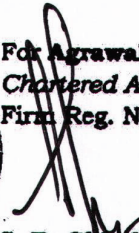
For Chaturvedi & Shah
Chartered Accountants
Firm Reg. No. 101720W



R. Koris
Partner
Membership No. 35629



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



S. R. Chhallani
Partner
Membership No. 30154



Mumbai
Date: 12th August, 2016

Nagpur
Date: 12th August, 2016

JAYASWAL NECO INDUSTRIES LIMITED

CIN : L28920MH1972PLC016154

(FORMERLY JAYASWALS NECO LIMITED)

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

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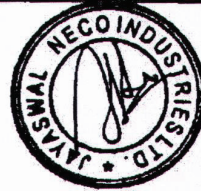
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PART - I

(₹ in lacs, except per equity share data)

PARTICULARS		Quarter Ended	
		30.06.2016	30.06.2015
		UNAUDITED	UNAUDITED
1. Income from Operations			
a) Net Sales / Income from Operations (Net of Excise duty and Service Tax)		58213	70502
b) Other Operating Income		4	3
Total Income from Operations (Net)		58217	70505
2. Expenses			
a) Cost of Materials Consumed		32134	43202
b) Purchases of Stock-in-Trade		456	3865
c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		(1747)	1277
d) Employee Benefits Expenses		3887	3313
e) Depreciation and Amortisation Expenses		6224	1847
f) Stores and Spares Consumed		6680	4685
g) Other Expenses		10798	7230
Total Expenses		58432	65419
3. Profit / (Loss) from Operations before Other Income and Finance Costs (1-2)		(215)	5086
4. Other Income		790	1005
5. Profit from Ordinary Activities before Finance Costs (3+4)		575	6091
6. Finance Costs		12700	5308
7. Profit / (Loss) from Ordinary Activities before tax (5-6)		(12125)	783
8. Tax expense / (Credits) Including Deferred tax		(249)	(454)
9. Net Profit / (Loss) for the period after tax (7-8)		(11876)	1237
10. Other Comprehensive Income (Net of Tax)		59	27
11. Total Comprehensive Income / (Loss) (after tax) (9+10)		(11817)	1264
12. Paid-up Equity Share Capital (Face Value per Share : Rs.10/- each)		63863	63863
13. Earnings Per Share (of Rs.10/- each) (not annualised)			
a) Basic		(1.85)	0.20
b) Diluted		(1.85)	0.20

**BRANCH OFFICES :**

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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 12th August, 2016. The Statutory Auditors of the Company have carried out a Limited Review of the above results.
2. The Company adopted Indian Accounting Standard ("Ind AS") and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder. The date of transition to Ind AS is 1st April, 2015. Figures for the quarter ended 30th June, 2015 are also Ind AS compliant. They have not been subjected to review or audit, however, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs. The Company will provide a reconciliation of its equity for the previous year ended 31st March, 2016, at the time of submitting the audited yearly balance sheet for the year ended 31st March, 2017. These results have been prepared in accordance with regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular dated 5th July, 2016.

Reconciliation between Financial Results as previously reported under previous GAAP and Ind AS for the Quarter ended 30th June, 2015.

(₹ in Lacs)

Particulars	Quarter Ended 30th June, 2015
Net Profit as per Previous Indian GAAP	942
Impact due to Lease Accounting	(7)
Fair Valuation of Financial Assets / Liabilities	2
Actuarial (Gain) / Loss on Defined Benefit Plan Considered as Other Comprehensive Income	(40)
Depreciation	(33)
Deferred Taxes	373
Net Profit before Other Comprehensive Income as per Ind AS	1237

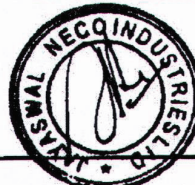
3. The Company's Project for enhancement of Iron making capacities for its DRI Plant and Captive Power Plant as part of the Integrated Steel Plant in Chhattisgarh are facing further time delay of about six months.
The SMS Rolling Mill Project - Steel making facilities as part of Integrated Steel Plant and Bright Bar project in Chhattisgarh have been commissioned during the quarter.
4. The figures for the corresponding previous period have been restated/regrouped wherever necessary to make them comparable.



NAGPUR
12th August, 2016



For Jayaswal Neco Industries Limited



Arbind Jayaswal
Managing Director
DIN : 00249864

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UNAUDITED SEGMENT INFORMATION FOR THE QUARTER ENDED 30TH JUNE, 2016

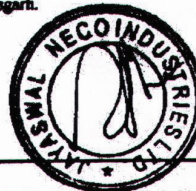
PARTICULARS	₹ in Lacs	
	Quarter Ended	
	30.06.2016	30.06.2015
	UNAUDITED	UNAUDITED
1. Segment Revenue		
a) Steel	48839	59521
b) Iron & Steel Castings	9369	8882
c) Others	26	2230
Total	58234	70633
Less : Inter-segment Revenue	21	131
Net Sales / Income from Operations	58213	70502
2. Segment Results (Profit / (Loss) before tax and interest from each segment)		
a) Steel	(330)	4780
b) Iron & Steel Castings	271	425
c) Others	2	86
Total	(57)	5291
Less : i) Finance Cost	(12700)	(5308)
ii) Other Un-allocable Expenditure	(122)	(100)
Add : Unallocable Income	754	900
Total Profit / (Loss) Before Tax	(12123)	783
3. Segment Assets		
a) Steel	656191	669141
b) Iron & Steel Castings	34977	36084
c) Others	317	3254
d) Unallocated	13525	17998
Total Segment Assets	705010	726477
4. Segment Liabilities		
a) Steel	58237	64452
b) Iron & Steel Castings	10090	8498
c) Others	0	3066
d) Unallocated	438659	432137
Total Segment Liabilities	506986	508153

Notes to Segment Information for the Quarter Ended 30th June, 2016 :

- As per Indian Accounting Standard 108 'Operating Segment' (Ind-AS 108), the Company has reported 'Segment Information', as described below:
 - Steel Segment is engaged in manufacture and sale of Pig Iron, Billets, Rolled Products including alloy steel and Sponge Iron and its captive power plants at its units located at Siltara, Raipur and Mining activities in the state of Chhattisgarh and Maharashtra and trading of steel items
 - Iron and Steel Castings Segment comprises of manufacture and sale of Engineering and Automotive Castings with production facilities at Nagpur in Maharashtra and Bhilai and Anjora in Chhattisgarh.
 - Other Segment comprise of trading of cotton yarn, coal and PVC pipes.



NAGPUR
12th August, 2016



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