

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, 236251, 325682, 325683, 325684,

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



11th August, 2017

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

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

Dear Sirs,

Sub.: - Outcome of Board Meeting dated 11th August, 2017.

We wish to inform you that the Board of Directors of the Company at its Meeting dated 11th August, 2017 has inter-alia approved and took on records. Unaudited Financial Result for the Quarter ended 30.06.2017 and has also:

1. Approved Notice of 44th Annual General Meeting and Book Closure.

44th Annual General Meeting (AGM) of the Members of the Company to be held on Wednesday, 27th September, 2017. Register of Members and Share transfer book shall remain closed from **20th September, 2017 to 27th September, 2017. (Both days inclusive)**

2. Approved Directors' Report for the Financial year 2016-17 along with its Annexures including Corporate Governance Report.

3. Approved and recommended for the approval of Members, the appointment of M/s. Naresh Patadia & Co., as the joint Statutory Auditors of the Company in place of M/s. Agrawal Chhallani & Co. whose office is expiring on the conclusion of ensuing AGM.

4. Took note of the appointment of Smt. Kanika Sharma as the Nominee Director of IDBI Bank Limited in place of Smt. Baljinder Kaur Mandal w.e.f 10th August, 2017. There is no relation between the Directors of the Company and the appointee Smt. Kanika Sharma inter-se. Brief profile of Smt. Kanika Sharma is attached herewith for records.

5. Approved and recommend for the approval of Members, the re-appointment of Shri Megh Pal Singh, as Executive Director (Steel), of the Company for a period of 3(Three) years w.e.f. 13.11.2017. There is no relation between the Directors of the



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Company and the appointee Shri.Megh Pal Singh inter-se. Brief profile of Shri.Megh Pal Singh is attached herewith for records.


6. Approved the appointment of Mr. Shantanu Jog, Practising Company Secretary as the Scrutinizer to scrutinize the voting process including e-voting in the ensuing AGM.

The meeting commenced at 12.30 p.m. and concluded at 4.15 p.m.

This is for your kind information and records.

Thanking You,

Yours Faithfully,
For Jayaswal Neco Industries Limited


Ashutosh Mishra
Company Secretary
Membership No.: A23011



PATHAK H. D. & ASSOCIATES

Chartered Accountants

814-815, Tulsiani Chambers,

212, Nariman Point,

Mumbai – 400021

AGRAWAL CHHALLANI & 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, 2017, being submitted by the company pursuant to the requirement 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. This Statement is the responsibility of the Company's Management and 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 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 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.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder 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 **Pathak H. D. & Associates**

Chartered Accountants

Firm Reg. No. 107783W

Mukesh Mehta

Mukesh Mehta

Partner

Membership No. 43495

Mumbai

Date: 11th August, 2017



For **Agrawal Chhallani & Co.**

Chartered Accountants

Firm Reg. No. 100125W

S. R. Chhallani

S. R. Chhallani

Partner

Membership No. 30154

Nagpur

Date: 11th August, 2017



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PART - I (₹ in Lakhs, except per equity share data)

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017

	PARTICULARS	QUARTER ENDED			YEAR ENDED
		30.06.2017	31.03.2017	30.06.2016	(Audited) 31.03.2017
1.	Income				
	a) Revenue from Operations	88814	79641	65393	284774
	b) Other Income	388	639	790	2883
	Total Income	89202	80280	66183	287657
2.	Expenses				
	a) Cost of Materials Consumed	40663	38478	32134	137386
	b) Purchase of Stock-in-Trade	699	928	456	3094
	c) Changes in Inventories of Finished goods, Work-in-progress and Stock-in-trade	2008	(3392)	(1747)	(8119)
	d) Excise Duty on Income from Operations	9407	9664	7428	33132
	e) Employee Benefits Expenses	4512	4667	3887	17433
	f) Finance Costs	14058	13724	12700	54895
	g) Depreciation and Amortisation Expenses	6343	6292	6224	25507
	h) Other Expenses	24461	23564	17226	73845
	Total Expenses	102151	93925	78308	337173
3.	Loss before Exceptional Items and Tax (1-2)	(12949)	(13645)	(12125)	(49516)
4.	Exceptional Items (Refer Note - 3)	(836)	-	-	-
5.	Loss Before Tax (3-4)	(12113)	(13645)	(12125)	(49516)
6.	Tax Expenses				
	Deferred Tax	(2280)	(6108)	(2152)	(12999)
	Income Tax for Earlier years	-	2693	1903	9414
7.	Loss for the period (5-6)	(9833)	(10230)	(11876)	(45931)
8.	Other Comprehensive Income (OCI)				
	(I) Item that will be reclassified to profit or loss	-	-	-	-
	(II) Item that will not be reclassified to profit or loss				
	(a) Remeasurement (Gain) / Loss on Defined Benefit Plans	41	439	(90)	167
	(b) Tax Effect on above	(14)	(152)	31	(58)
	Total Other Comprehensive Income (Net of Tax)	27	287	(59)	109
9.	Total Comprehensive Income for the period (7-8)	(9860)	(10517)	(11817)	(46040)
10.	Paid-up Equity Share Capital (Face Value per share : Rs. 10/- each)	63863	63863	63863	63863
11.	Earnings Per Share (of Rs. 10/- each) (Not Annualised)				
	a) Basic	(1.54)	(1.60)	(1.86)	(7.19)
	b) Diluted	(1.54)	(1.60)	(1.86)	(7.19)
12.	Other Equity excluding Revaluation Reserve				99864



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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 11th August, 2017. The Statutory Auditors of the Company have carried out a Limited Review of the above results. The figures for the quarter ended 31st March, 2017 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of that financial year.
2. The Directorate of Enforcement vide its order dated 9th June, 2017 has provisionally attached, under sub-section 1 of section 5 of the Prevention of Money Laundering Act (PMLA), 2002, the plant and machinery under installation at Dagori integrated steel plant situated at Bilha, Bilaspur (Chhattisgarh) to the extent of Rs. 20616.40 lakhs for alleged misuse of coal raised from Gare Palma IV/4 coal block at Chhattisgarh. This provisional attachment is for a period of 180 days. 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. The Company had filed a Writ Petition (W.P) before Hon'ble Delhi High Court seeking directions for disbursement of an amount of Rs. 836.49 lakhs from Nominated Authority towards payment of Net Present Value (NPV) spent by the Company for obtaining forest clearance for Moitra Coal Block which got cancelled by the Hon'ble Supreme Court of India by its Order dated 24th September, 2014. The Court directed the Company to submit representation to the Nominated Authority and directed the Nominated Authority to dispose off the same within a period of four weeks. Subsequently, Nominated Authority on 1st June, 2017 had released the payment of Rs. 836.49 lakhs to the Company against payment of NPV. The amount has been shown as Exceptional Items in the above results for the quarter ended 30th June, 2017.
4. 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 and are expected to be completed by the year end.
5. The figures for the corresponding previous period have been restated / regrouped / rearranged / reclassified wherever necessary, to make them comparable.

NAGPUR
11th August, 2017

For Jayaswal Neco Industries Limited




Arvind Jayaswal
Managing Director
DIN : 00249864



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UNAUDITED SEGMENT INFORMATION FOR THE QUARTER ENDED 30TH JUNE, 2017

(₹ in Lakhs)

PARTICULARS	QUARTER ENDED			YEAR ENDED (Audited)
	30.06.2017	31.03.2017	30.06.2016	31.03.2017
1. Segment Revenue				
a) Steel	78784	69362	54979	243798
b) Iron & Steel Castings	10032	10350	10409	41259
c) Others	15	13	26	72
Gross Turnover	88831	79725	65414	285129
Less : Inter Segment Revenue	17	84	21	355
Revenue from Operations	88814	79641	65393	284774
2. Segment Results (Profit / (Loss) before tax and interest from each segment)				
a) Steel	1892	97	(330)	3328
b) Iron & Steel Castings	(3)	(83)	271	226
c) Others	0	(1)	2	5
Total	1889	13	(57)	3559
Less : i) Finance Cost	14058	13724	12700	54895
ii) Other Un-allocable Expenditure	124	108	122	474
Add : Unallocated Income	180	174	754	2294
Loss Before Tax	(12113)	(13645)	(12125)	(49516)
3. Segment Assets				
a) Steel	660467	655233	656191	655233
b) Iron & Steel Castings	33555	34071	34977	34071
c) Others	312	294	317	294
d) Unallocated	6812	6893	13525	6893
Total Segment Assets	701146	696491	705010	696491
4. Segment Liabilities				
a) Steel	58497	48264	58237	48264
b) Iron & Steel Castings	3833	3814	10090	3814
c) Others	0	0	0	0
d) Unallocated	484928	480665	438659	480665
Total Segment Liabilities	547258	532743	506986	532743

Notes to Segment Information for the Quarter Ended 30th June, 2017 :

- As per Indian Accounting Standard 108 'Operating Segments' (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 includes 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 is engaged in manufacture and sale of Engineering and Automotive Castings with production facilities at Nagpur in Maharashtra and Bhilai and Anjora in Chhattisgarh.
 - Other Segment comprises of trading of Coal & PVC pipes.

NAGPUR
11th August, 2017



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