

JAYASWAL NECO INDUSTRIES LTD

CIN : L28920MH1972PLC016154

(FORMERLY JAYASWALS NECO LIMITED)

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

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14th August, 2023

To

National Stock Exchange of India Limited
Scrip Symbol: JAYNECOIND

BSE Limited
Scrip code: 522285

Through: NEAPS

Through: BSE Listing Centre

Dear Sir/ Madam,

Subject: Outcome of Board Meeting held on 14th August, 2023.

This is reference to our letter dated 2nd August, 2023, regarding the captioned subject, we wish to inform you that the Board of Directors of the Company at its meeting held today has inter-alia transacted the following businesses: -

- i) Approved the Unaudited Financial Results (UFR) of the Company for the Quarter ended 30th June, 2023 along with the Limited Review Report on the said UFR of Statutory Auditors of the Company, M/s. Chaturvedi & Shah LLP, Chartered Accountants, in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- ii) Convening of 50th Annual General Meeting of the Members of the Company on Tuesday, 26th September, 2023 through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"). Further, Register of Members and Share Transfer Register shall remain closed from Wednesday, 20th September, 2023 to Tuesday, 26th September, 2023 (Both days inclusive).
- iii) Considered and approved the updated policy for determining Materiality of disclosures.

The meeting commenced at 12:00 P.M. and concluded at 4:30 P.M.

This is for your kind information and record.

Thanking you,

Yours faithfully,

For JAYASWAL NECO INDUSTRIES LIMITED

Ashish Srivastava
Company Secretary & Compliance Officer
Membership No. A20141



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Independent Auditor's 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, 2023 ("the statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulation"), 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 in earlier years, 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, 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.

For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Reg. No. 101720W / W100355

R. P. Shah



Rupesh Shah
Partner

Membership No. 117964
UDIN No.: 23117964BHAZBO5552

Place: Mumbai
Date: August 14, 2023

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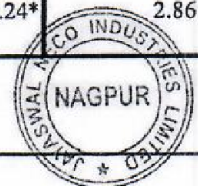
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| (₹ in Lakhs, except per equity share data) | | | | | |
|--|--|---------------|---------------|---------------|---------------|
| STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2023 | | | | | |
| | PARTICULARS | QUARTER ENDED | | | YEAR ENDED |
| | | 30.06.2023 | 31.03.2023 | 30.06.2022 | 31.03.2023 |
| | | UNAUDITED | AUDITED | UNAUDITED | AUDITED |
| 1. | Income | | | | |
| | a) Revenue from Operations | 146457 | 146929 | 152712 | 634286 |
| | b) Other Income | 413 | 276 | 351 | 2207 |
| | Total Income | 146870 | 147205 | 153063 | 636493 |
| 2. | Expenses | | | | |
| | a) Cost of Materials Consumed | 66618 | 66404 | 90300 | 325519 |
| | b) Purchase of Stock-in-Trade | 3375 | 3656 | 3259 | 14339 |
| | c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade | (3950) | 6070 | (15976) | (2694) |
| | d) Employee Benefits Expense | 7857 | 6689 | 6143 | 27673 |
| | e) Finance Costs | 10543 | 11116 | 11347 | 45302 |
| | f) Depreciation and Amortisation Expense | 6573 | 6776 | 6523 | 26571 |
| | g) Other Expenses | 51744 | 45275 | 48220 | 191254 |
| | Total Expenses | 142760 | 145986 | 149816 | 627964 |
| 3. | Profit Before Exceptional Items and Tax (1-2) | 4110 | 1219 | 3247 | 8529 |
| 4. | Exceptional Items (Refer Note No 3) | (61) | (64) | - | (5119) |
| 5. | Profit Before Tax (3+4) | 4049 | 1155 | 3247 | 3410 |
| 6. | Tax Expenses / (Credits) Including Deferred tax | | | | |
| | Deferred Tax | 1290 | 635 | 923 | (19271) |
| | Income Tax for Earlier years | - | - | - | (6) |
| 7. | Profit for the period / year (5-6) | 2759 | 520 | 2324 | 22687 |
| 8. | Other Comprehensive Income (OCI) | | | | |
| | (I) Item that will not be reclassified to profit or loss | | | | |
| | (a) Remeasurement Gain / (Loss) on Defined Benefit Plans | (82) | (375) | 16 | (327) |
| | (b) Tax Effect on above | 21 | 94 | (4) | 82 |
| | (II) Item that will be reclassified to profit or loss | - | - | - | - |
| | Total Other Comprehensive Income (Net of Tax) | (61) | (281) | 12 | (245) |
| 9. | Total Comprehensive Income for the period / year (7+8) | 2698 | 239 | 2336 | 22442 |
| 10. | Paid-up Equity Share Capital (Face Value per share : Rs. 10/- each) | 97099 | 97099 | 97099 | 97099 |
| 11. | Other Equity excluding Revaluation Reserve | | | | 108661 |
| 12. | Earnings Per Share (of Rs. 10/- each) | | | | |
| | a) Basic after Exceptional items (Not Annualised) * | 0.28* | 0.05* | 0.24* | 2.34 |
| | b) Basic before Exceptional items (Not Annualised) * | 0.29* | 0.06* | 0.24* | 2.86 |
| | c) Diluted after Exceptional items (Not Annualised) * | 0.28* | 0.05* | 0.24* | 2.34 |
| | d) Diluted before Exceptional items (Not Annualised) * | 0.29* | 0.06* | 0.24* | 2.86 |



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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 14th August 2023. 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 23rd August 2023. 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 entered into a Contract for setting up 70 TPD Oxygen Plant on lease basis and for its operations and maintenance with M/S Goyal MG Gases Pvt Ltd (Lessor) in the year 2002-03. Subsequently in the year 2015-16 dispute arose between both the parties on couple of issues and the matter was referred to the Sole Arbitrator. On 04th August 2017 and corrected vide its order dated 15th September 2017, the Sole Arbitrator passed an Arbitral Award against the Company. The Arbitral Award was challenged by the Company before the Hon'ble Delhi High Court. The Hon'ble High Court dismissed the appeals filed by the Company vide its judgement dated 21st December 2017 and dated 05th April 2018. Then the Company filed Special Leave Petition (SLP) in the Hon'ble Supreme Court. Subsequently on 06th September 2022 the Company's SLP was also dismissed by the Hon'ble Supreme Court.

Vide its order dated 28th November 2022, the Hon'ble Delhi High Court directed the Company to honor the arbitral award and pay the award amount along with any Interest thereon. The matter was referred to Samadhan (Delhi High Court Mediation & Conciliation Centre), wherein after extensive mediation the matter was amicably settled. Accordingly, the Settlement Agreement between both the parties was executed on 29th May 2023. Basis the terms of the executed settlement agreement, during the quarter, the Company has purchased the 70 TPD Oxygen Plant from the Lessor for Rs.850 Lakhs plus applicable taxes.

Exceptional items in the above results represents payments related to Lease rentals and interest paid in pursuance to the orders of the Hon'ble Delhi High Court and Samadhan (Delhi High Court Mediation & Conciliation Centre).

- 4 As per the terms of the Restructuring Support Agreement (RSA) dated 23rd August 2021, the Company has to refinance its outstanding amount of Principal Term Loans and Interest Accrued but not due on Borrowings of ACRE Trusts on or before 15th December 2023. The Company is confident that it will refinance the same on or before 15th December 2023.
- 5 The figures for the corresponding previous period/year have been rearranged/regrouped wherever necessary, to make them comparable.
- 6 The figures for the quarter ended 31st March 2023 represent the difference between the audited figures in respect of full financial year and the unaudited published figures of nine months ended 31st December 2022.



NAGPUR
14th August, 2023

For Jayaswal Neco Industries Limited




Arvind Jayaswal
Managing Director
DIN : 00249864

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UNAUDITED SEGMENT INFORMATION FOR THE QUARTER ENDED 30TH JUNE, 2023

(₹ In Lakhs)

| PARTICULARS | QUARTER ENDED | | | YEAR ENDED |
|--|---------------|------------|------------|------------|
| | 30.06.2023 | 31.03.2023 | 30.06.2022 | 31.03.2023 |
| | UNAUDITED | AUDITED | UNAUDITED | AUDITED |
| 1. Segment Revenue | | | | |
| a) Steel | 133500 | 132270 | 140480 | 579897 |
| b) Iron & Steel Castings | 14422 | 15529 | 14284 | 59652 |
| c) Others | - | 0 | 0 | 0 |
| Turnover | 147922 | 147799 | 154764 | 639549 |
| Less : Inter Segment Revenue | 1465 | 870 | 2052 | 5263 |
| Revenue from Operations | 146457 | 146929 | 152712 | 634286 |
| 2. Segment Results (Profit before tax) | | | | |
| a) Steel | 14757 | 12148 | 13726 | 50834 |
| b) Iron & Steel Castings | 67 | 356 | 771 | 2480 |
| c) Others | - | 0 | 0 | 0 |
| Total | 14824 | 12504 | 14497 | 53314 |
| Less : i) Finance Cost | 10543 | 11116 | 11347 | 45302 |
| ii) Other Un-allocable Expenditure | 393 | 356 | 118 | 803 |
| Add : Unallocated Income | 222 | 187 | 215 | 1320 |
| Profit Before Exceptional Items and Tax | 4110 | 1219 | 3247 | 8529 |
| Add: Exceptional Items | (61) | (64) | - | (5119) |
| Profit Before Tax | 4049 | 1155 | 3247 | 3410 |
| 3. Segment Assets | | | | |
| a) Steel | 537507 | 533951 | 566144 | 533951 |
| b) Iron & Steel Castings | 29044 | 27903 | 26575 | 27903 |
| c) Others | 24 | 25 | 39 | 25 |
| d) Unallocated | 38708 | 43473 | 31935 | 43473 |
| Total Segment Assets | 605283 | 605352 | 624693 | 605352 |
| 4. Segment Liabilities | | | | |
| a) Steel | 53086 | 47930 | 41626 | 47930 |
| b) Iron & Steel Castings | 6722 | 5657 | 6010 | 5657 |
| c) Others | - | - | - | - |
| d) Unallocated | 336996 | 345983 | 391381 | 345983 |
| Total Segment Liabilities | 396804 | 399570 | 439017 | 399570 |

Notes to Segment Information for the Quarter Ended 30th June, 2023 :

- 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.
 - Unallocated comprises of income, expenses, assets and liabilities which can not be directly identified to any of the above segments.
- The Company has operations in India. There is no identified Geographical Segment.

NAGPUR
14th August, 2023



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