

# 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



14<sup>th</sup> August, 2021

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-400 051

Manager (Listing),  
Department of Corporate Services,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

Dear Sirs,

**Sub.: - Outcome of Board Meeting dated 14<sup>th</sup> August, 2021**

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

1. Approved and took on records, the Unaudited Financial Results for the Quarter ended 30<sup>th</sup> June, 2021 and has also
2. Approved the appointment of Shri Ashwini Kumar as an Independent Director of the Company with effect from 14<sup>th</sup> August, 2021 subject to approval of the members in the General meeting. The Company also confirms that the appointee is not debarred from holding the office of Director of any Company by virtue of any SEBI order or by order of any other authority.

The details required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached herewith as Annexure-1.

The meeting commenced at 12.45 P.M. and concluded at 5.40 P.M.

This is for your kind information and records.

Thanking You,

Yours Faithfully,

**For Jayaswal Neco Industries Limited**

**Vikash Kumar Agarwal**

**(Company Secretary & Compliance Officer)**



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**PATHAK H. D. & ASSOCIATES LLP***Chartered Accountants*

814-815, Tulsiani Chambers,

212, Nariman Point,

Mumbai – 400021

**NARESH PATADIA & CO.***Chartered Accountants*

Opposite Ram Mandir,

Tilak Road, Mahal,

Nagpur – 440002

**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****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, 2021, ("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 Regulation"), as amended.
2. This statement 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 financial statements are 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.
4. **Material Uncertainty Related to Going Concern**

We draw attention to Note no. 5 to the Statement regarding preparation of Financial Results of the Company on going concern basis, notwithstanding the fact that the Company's net worth has been fully eroded, loans had been called back by few of the secured lenders, application has been made to National Company Law Tribunal (NCLT), Mumbai, under Section 7 of the Insolvency and Bankruptcy Code, 2016 by state bank of India, and erstwhile read





secured lender, which has been contested by the Company, for the reasons stated in the said note. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern. As of June 30, 2021, all the Bankers of the Company have settled or assigned all their rights, title and interests in financial assistances granted by them to the Company in favour of Assets Care & Reconstruction Enterprise Ltd (ACRE) as mentioned in Note 2 to the Statement and for the other reasons mentioned in Note 5 to the Statement. The appropriateness of assumption of going concern is critically dependent upon the Company's ability to raise requisite finance and generate cash flows in future to meet its obligations and to restructure its borrowing with the ACRE.

Our conclusion is not modified in respect of this matter.

#### 5. Emphasis of Matters

We draw your attention to the Note no. 4 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.

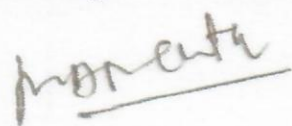
Our conclusion is not modified in respect of this matter.

6. Based on our review conducted as stated above, read with our comments in paragraph 4 and 5 above, nothing has come to our attention that causes us to believe that the statement, prepared in accordance with the recognition and measurement principles laid down in 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 policies 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, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Pathak H. D. & Associates LLP**

Chartered Accountants

Firm Reg. No. 107783W/W100593



**Mukesh Mehta**  
**Partner**

Membership No. 43495

UDIN: 21043495AAAAEF7431

**Mumbai**

**Date: August 14, 2021**



For **Naresh Patadia & Co.**

Chartered Accountants

Firm Reg. No. 106936W



**Naresh Patadia**  
**Proprietor**

Membership No. 35620

UDIN: 21035620AAAAAM7922

**Nagpur**

**Date: August 14, 2021**





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(₹ in Lakhs, except per equity share data)

## STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2021

PARTICULARS	QUARTER ENDED			YEAR ENDED
	30.06.2021	31.03.2021	30.06.2020	31.03.2021
	UNAUDITED	(Refer Note. 6)	UNAUDITED	AUDITED
<b>1. Income</b>				
a) Revenue from Operations	139435	134162	31189	370505
b) Other Income	1298	123	157	638
<b>Total Income</b>	<b>140733</b>	<b>134285</b>	<b>31346</b>	<b>371143</b>
<b>2. Expenses</b>				
a) Cost of Materials Consumed	54138	54280	15426	166312
b) Purchase of Stock-in-Trade	2893	2266	800	8485
c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(3338)	(4115)	9614	5640
d) Employee Benefits Expense	5677	6990	4336	21958
e) Finance Costs	24533	23968	21628	90863
f) Depreciation and Amortisation Expense	6660	6583	6645	26676
g) Other Expenses	36751	37533	11756	107102
<b>Total Expenses</b>	<b>127314</b>	<b>127505</b>	<b>70205</b>	<b>427036</b>
<b>3. Profit/(Loss) Before Exceptional Items and Tax (1-2)</b>	<b>13419</b>	<b>6780</b>	<b>(38859)</b>	<b>(55893)</b>
<b>4. Exceptional Items</b>	-	-	-	-
<b>5. Profit/(Loss) Before Tax (3-4)</b>	<b>13419</b>	<b>6780</b>	<b>(38859)</b>	<b>(55893)</b>
<b>6. Tax Expenses / (Credits) Including Deferred tax</b>				
Deferred Tax	17	112	(14)	69
Income Tax for Earlier years	-	-	3	(4)
<b>7. Profit/(Loss) for the period / year (5+6)</b>	<b>13436</b>	<b>6892</b>	<b>(38870)</b>	<b>(55828)</b>
<b>8. Other Comprehensive Income (OCI)</b>				
(I) Item that will not be reclassified to profit or loss				
(a) Remeasurement Gain / (Loss) on Defined Benefit Plans	68	447	(57)	275
(b) Tax Effect on above	(17)	(112)	14	(69)
(II) Item that will be reclassified to profit or loss	-	-	-	-
<b>Total Other Comprehensive Income (Net of Tax)</b>	<b>51</b>	<b>335</b>	<b>(43)</b>	<b>206</b>
<b>9. Total Comprehensive Income for the period / year (7+8)</b>	<b>13487</b>	<b>7227</b>	<b>(38913)</b>	<b>(55622)</b>
<b>10. Paid-up Equity Share Capital</b> (Face Value per share : Rs. 10/- each)	63863	63863	63863	63863
<b>11. Other Equity excluding Revaluation Reserve</b>				(200144)
<b>12. Earnings Per Share (of Rs. 10/- each)</b>				
a) Basic (Not Annualised) *	2.10*	1.08*	(6.09)*	(8.74)
b) Diluted (Not Annualised)	2.10*	1.08*	(6.09)*	(8.74)



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THE JAYASWAL NECO INDUSTRIES LTD. was established in the year 1978. It is a public limited company registered with the Registrar of Companies, Patna, Bihar. The company is engaged in the manufacturing of various types of heavy engineering products. The company has a long history of service to the industry and has a strong reputation for quality and reliability. The company is a member of the Indian Engineering Chamber of Commerce and Industry (IECCI) and the Bihar Engineering Chamber of Commerce and Industry (BECCI). The company is also a member of the Indian Engineering Chamber of Commerce and Industry (IECCI) and the Bihar Engineering Chamber of Commerce and Industry (BECCI).



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## UNAUDITED SEGMENT INFORMATION FOR THE QUARTER ENDED 30TH JUNE, 2021

(₹ in Lakhs)

PARTICULARS	QUARTER ENDED			YEAR ENDED
	30.06.2021	31.03.2021	30.06.2020	31.03.2021
	UNAUDITED	(Refer Note. 6)	UNAUDITED	AUDITED
<b>1. Segment Revenue</b>				
a) Steel	129794	122049	27231	334552
b) Iron & Steel Castings	10929	13421	4154	38966
c) Others	-	5	-	5
Turnover	140723	135475	31385	373523
Less: Inter Segment Revenue	1288	1313	196	3018
Revenue from Operations	139435	134162	31189	370505
<b>2. Segment Results</b> (Profit/(Loss) before tax)				
a) Steel	37044	31346	(13871)	39121
b) Iron & Steel Castings	(153)	(514)	(3322)	(3880)
c) Others	-	(3)	-	(3)
Total	36891	30829	(17193)	35238
Less: i) Finance Cost	24533	23968	21628	90863
ii) Other Un-allocable Expenditure	111	125	84	411
Add: Unallocated Income	1172	44	46	143
Profit/(Loss) Before Exceptional Items and Tax	13419	6780	(38859)	(55893)
Less: Exceptional Items	-	-	-	-
Profit/(Loss) Before Tax	13419	6780	(38859)	(55893)
<b>3. Segment Assets</b>				
a) Steel	573042	552609	514409	552609
b) Iron & Steel Castings	25642	26091	25565	26091
c) Others	39	39	41	39
d) Unallocated	16269	11329	8211	11329
Total Segment Assets	614992	590068	548226	590068
<b>4. Segment Liabilities</b>				
a) Steel	35269	35857	37973	35857
b) Iron & Steel Castings	6154	6715	4785	6715
c) Others	-	-	-	-
d) Unallocated	696343	683756	625019	683756
Total Segment Liabilities	737766	726328	667777	726328

### Notes to Segment Information for the Quarter Ended 30th June, 2021 :

- 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 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, Coke and PVC pipes.
- The Company has operations in India. There is no identified Geographical Segment.

NAGPUR

14th August, 2021

