

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



25th January, 2024

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 25th January, 2024.

This is reference to our letter dated 17th January, 2024, 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 and nine months ended 31st December, 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) Approved the issue of 28,08,766 (Twenty-Eight Lakhs Eight Thousand Seven Hundred Sixty-Six) Unlisted, Unsecured, Redeemable, Non-convertible Debentures by converting outstanding balance of INR 28,08,76,600/- (Indian Rupees Twenty-Eight Crore Eight Lakhs Seventy Six Thousand Six Hundred) in the Company's Books of Accounts in relation to Maa Usha Urja Limited, Related Party of the Company.

The relevant details as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, regarding the debt issuance is attached herewith as **Annexure I**.

The meeting commenced at 1:00 P.M. and concluded at 4:10 P.M.

This is for your kind information and record.

Thanking you,

Yours faithfully,

For **JAYASWAL NECO INDUSTRIES LIMITED**

ASLS
Ashish Srivastava
Company Secretary & Compliance Officer
Membership No. A20141



BRANCH OFFICES :

"NECO HOUSE" D-307, Defence Colony,
NEW DELHI - 110 024. (INDIA)
PHONES : 0 1 1 - 3 2 0 4 1 6 9 5
FAX NO. : 0 1 1 - 2 4 6 4 2 1 9 0

301, TULSIANI CHAMBERS
NARIMAN POINT, MUMBAI 400 021 (INDIA)
P H . : (0 2 2) 4 2 1 3 - 4 8 1 3 ,
(022) : 22832381 FAX : (022) 22832367

TRUST HOUSE, 5th FLOOR,
32-A, CHITTARANJAN AVENUE,
KOLKATTA - 700012 INDIA FAX : 033-22122560
PHONES: 033-22122368. 22120502

178-A LIGHT INDUSTRIAL AREA,
BHILAI - 490026 CHHATISGARH, INDIA
PHONES : 0 7 8 8 - 2 2 8 2 8 4 5
FAX NO. : 0 7 8 8 - 2 2 8 6 6 7 9

Annexure I

| Sr. No. | Particulars | Details |
|---------|---|--|
| (1) | Type of securities proposed to be issued (viz. equity shares, convertibles etc.) | Unlisted, Unsecured, Redeemable Non-Convertible Debentures |
| (2) | Type of issuance (further public offering, rights issue, depository receipts (ADR/GDR), qualified institutions placement, preferential allotment, etc.) | Private Placement |
| (3) | Total number of securities proposed to be issued or the total amount for which the securities will be issued (approximately) | 28,08,766 (Twenty-Eight Lakhs Eight Thousand Seven Hundred Sixty-Six) |
| (4) | Size of the issue | INR 28,08,76,600/- (Indian Rupees Twenty-Eight Crore Eight Lakhs Seventy Six Thousand and Six Hundred Only) |
| (5) | Whether proposed to be listed? If yes, name of the stock exchange(s) | No |
| (6) | Tenure of the instrument – Date of allotment and date of maturity | Date of Allotment: 1 st February, 2024 (Tentative) Tenure: 96 Months from Date of Allotment Date of Maturity: 31 st January, 2032 (Tentative) |
| (7) | Coupon/interest offered, schedule of payment of coupon/interest and principal | Zero Coupon Rate. |
| (8) | Charge/security, if any, created over the assets | Not Applicable |
| (9) | Special right/interest/privileges attached to the instrument and changes thereof | Not Applicable |
| (10) | Delay in payment of interest/principal amount for a period of more than three months from the due date or default in payment of interest/principal | Not Applicable |
| (11) | Details of any letter or comments regarding payment/non-payment of interest, principal on due dates, or any other matter concerning the security and/or the assets along with its comments thereon, if any. | Not applicable |
| (12) | Details of redemption of debentures | Debentures shall be redeemed at Par in full on maturity date. |
| (13) | Any cancellation or termination of proposal for issuance of securities including reasons thereof. | Not applicable |



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 December 31, 2023 and for the period from April 1, 2023 to December 31, 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, read with our comments in paragraph 4 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.: 24117964BKFYBO2589

Place: Nagpur

Date: January 25, 2024

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| (₹ in Lakhs, except per equity share data) | | | | | | |
|--|---------------|---------------|---------------|-------------------|---------------|---------------|
| STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2023 | | | | | | |
| PARTICULARS | QUARTER ENDED | | | NINE MONTHS ENDED | | YEAR ENDED |
| | 31.12.2023 | 30.09.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 | 31.03.2023 |
| | UNAUDITED | UNAUDITED | UNAUDITED | UNAUDITED | UNAUDITED | AUDITED |
| 1. Income | | | | | | |
| a) Revenue from Operations | 155619 | 150136 | 168558 | 452212 | 487357 | 634286 |
| b) Other Income | 984 | 156 | 495 | 1553 | 1931 | 2207 |
| Total Income | 156603 | 150292 | 169053 | 453765 | 489288 | 636493 |
| 2. Expenses | | | | | | |
| a) Cost of Materials Consumed | 67380 | 63813 | 77320 | 197811 | 259115 | 325519 |
| b) Purchase of Stock-in-Trade | 1163 | 1554 | 3362 | 6092 | 10683 | 14339 |
| c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade | (7920) | (7367) | 1552 | (19237) | (8764) | (2694) |
| d) Employee Benefits Expense | 9641 | 7300 | 8349 | 24798 | 20984 | 27673 |
| e) Finance Costs | 11495 | 10674 | 11405 | 32712 | 34186 | 45302 |
| f) Depreciation and Amortisation Expense | 6670 | 6661 | 6638 | 19904 | 19795 | 26571 |
| g) Other Expenses | 56310 | 55269 | 50421 | 163323 | 145979 | 191254 |
| Total Expenses | 144739 | 137904 | 159047 | 425403 | 481978 | 627964 |
| 3. Profit Before Exceptional Items and Tax (1-2) | 11864 | 12388 | 10006 | 28362 | 7310 | 8529 |
| 4. Exceptional Items | - | - | (5055) | (61) | (5055) | (5119) |
| 5. Profit Before Tax (3+4) | 11864 | 12388 | 4951 | 28301 | 2255 | 3410 |
| 6. Tax Expenses / (Credits) Including Deferred tax | | | | | | |
| Deferred Tax | 2988 | 3228 | (817) | 7506 | (19906) | (19271) |
| Income Tax for Earlier years | - | - | - | - | (6) | (6) |
| 7. Profit for the period / year (5-6) | 8876 | 9160 | 5768 | 20795 | 22167 | 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) | (82) | 16 | (246) | 48 | (327) |
| (b) Tax Effect on above | 21 | 20 | (4) | 62 | (12) | 82 |
| (II) Item that will be reclassified to profit or loss | | | | | | |
| Total Other Comprehensive Income (Net of Tax) | (61) | (62) | 12 | (184) | 36 | (245) |
| 9. Total Comprehensive Income for the period / year (7+8) | 8815 | 9098 | 5780 | 20611 | 22203 | 22442 |
| 10. Paid-up Equity Share Capital (Face Value per share : Rs. 10/- each) | 97099 | 97099 | 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) * | 0.91* | 0.94* | 0.59* | 2.14* | 2.28* | 2.34 |
| b) Basic before Exceptional items (Not Annualised) * | 0.91* | 0.94* | 1.11* | 2.15* | 2.80* | 2.86 |
| c) Diluted after Exceptional items (Not Annualised) * | 0.91* | 0.94* | 0.59* | 2.14* | 2.28* | 2.34 |
| d) Diluted before Exceptional items (Not Annualised) * | 0.91* | 0.94* | 1.11* | 2.15* | 2.80* | 2.86 |



BRANCH OFFICES :

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NEW DELHI - 110 024. (INDIA)
PHONES : 0 11 - 4 9 0 7 0 5 4 8

3 0 1, TULSIANI CHAMBERS
NARIMAN POINT, MUMBAI 400 021 (INDIA)
P H . : (0 2 2) 4 2 1 3 - 4 8 1 3 ,
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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 25th January, 2024. 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 15th May 2024. 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 During the period, based on the direction of Samadhan (Delhi High Court Mediation & Conciliation Centre), a settlement agreement between M/s Goyal MG Gases Pvt Ltd (Lessor) and the Company was executed on 29th May, 2023 for a dispute related to 70 TPD Oxygen Plant and the Company purchased the said Oxygen Plant from the Lessor for Rs. 850 Lakhs plus applicable Taxes. Exceptional items in the above results represents payments related to Lease rentals, interest paid in pursuance to the orders of the Honourable Delhi High Court and Samadhan.
- 4 As per the terms of the Restructuring Support Agreement (RSA) dated 23rd August 2021, the Company had to refinance its outstanding amount of Principal Term Loans and Interest Accrued but not due on Borrowings from ACRE Trusts on or before 15th December 2023. The Company has duly repaid its entire Secured Obligations to the ACRE Trusts on 14th December, 2023 through Debt Refinancing by way of issuance of Non-Convertible Debentures (NCDs).

On 14th December, 2023, the Company has made allotment of 3,20,000 Unlisted, Secured, Redeemable, NCDs, with 14.50% per annum as Scheduled Coupon Rate and 3.00% per annum as Additional Coupon Rate, having face value of Rs.100,000/- each aggregating to Rs.320000 Lakhs on private placement basis to the various Debenture holders with a tenor of sixty months from the Date of Allotment, commencement of Principal Repayment from 31st July, 2024 with Vistra ITCL (India) Limited as the Debenture Trustee.

The Proceeds of the issue to the extent of Rs. 317362 Lakhs has been used for repayment of Secured Obligations of the ACRE Trusts and the balance unused amount is lying with the State Bank of India, Nagpur to be used towards payment for Debt Refinancing related costs, fees etc.

- 5 The figures for the corresponding previous period/year have been rearranged/regrouped wherever necessary, to make them comparable.

NAGPUR
25th January, 2024



For Jayaswal Neco Industries Limited

Arvind Jayaswal
Chairman
DIN : 00249864

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UNAUDITED SEGMENT INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2023

(₹ in Lakhs)

| PARTICULARS | QUARTER ENDED | | | NINE MONTHS ENDED | | YEAR ENDED |
|--|---------------|---------------|---------------|-------------------|---------------|---------------|
| | 31.12.2023 | 30.09.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 | 31.03.2023 |
| | UNAUDITED | UNAUDITED | UNAUDITED | UNAUDITED | UNAUDITED | AUDITED |
| 1. Segment Revenue | | | | | | |
| a) Steel | 143058 | 139102 | 154970 | 415660 | 447627 | 579897 |
| b) Iron & Steel Castings | 13734 | 12917 | 14373 | 41073 | 44123 | 59652 |
| c) Others | 0 | - | - | 0 | 0 | 0 |
| Turnover | 156792 | 152019 | 169343 | 456733 | 491750 | 639549 |
| Less : Inter Segment Revenue | 1173 | 1883 | 785 | 4521 | 4393 | 5263 |
| Revenue from Operations | 155619 | 150136 | 168558 | 452212 | 487357 | 634286 |
| 2. Segment Results (Profit before tax) | | | | | | |
| a) Steel | 22365 | 22773 | 20508 | 59895 | 38686 | 50834 |
| b) Iron & Steel Castings | 384 | 459 | 771 | 910 | 2124 | 2480 |
| c) Others | 0 | - | - | 0 | 0 | 0 |
| Total | 22749 | 23232 | 21279 | 60805 | 40810 | 53314 |
| Less : i) Finance Cost | 11495 | 10674 | 11405 | 32712 | 34186 | 45302 |
| ii) Other Un-allocable Expenditure | 331 | 306 | 132 | 1030 | 447 | 803 |
| Add : Unallocated Income | 941 | 136 | 264 | 1299 | 1133 | 1320 |
| Profit Before Exceptional Items and Tax | 11864 | 12388 | 10006 | 28362 | 7310 | 8529 |
| Less : Exceptional Items | - | - | 5055 | 61 | 5055 | 5119 |
| Profit Before Tax | 11864 | 12388 | 4951 | 28301 | 2255 | 3410 |
| 3. Segment Assets | | | | | | |
| a) Steel | 550931 | 538359 | 545684 | 550931 | 545684 | 533951 |
| b) Iron & Steel Castings | 28770 | 29053 | 28510 | 28770 | 28510 | 27903 |
| c) Others | 24 | 25 | 25 | 24 | 25 | 25 |
| d) Unallocated | 26995 | 32644 | 52773 | 26995 | 52773 | 43473 |
| Total Segment Assets | 606720 | 600081 | 626992 | 606720 | 626992 | 605352 |
| 4. Segment Liabilities | | | | | | |
| a) Steel | 47145 | 45981 | 42573 | 47145 | 42573 | 47930 |
| b) Iron & Steel Castings | 6606 | 6571 | 5623 | 6606 | 5623 | 5657 |
| c) Others | - | - | - | - | - | - |
| d) Unallocated | 326576 | 329951 | 373253 | 326576 | 373253 | 345983 |
| Total Segment Liabilities | 380327 | 382503 | 421449 | 380327 | 421449 | 399570 |

Notes to Segment Information for the Quarter and Nine Months Ended 31st December, 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
25th January, 2024



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