

JAYASWAL NECO INDUSTRIES LIMITED

(FORMERLY JAYASWALS NECO LIMITED)

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

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UNAUDITED FINANCIAL RESULTS

FOR THE QUARTER ENDED 30TH SEPTEMBER, 2010

(Rs. in lacs)

PARTICULARS	Quarter ended 30.09.2010 UNAUDITED (3 months)	Corresponding quarter ended in the previous year 30.09.2009 UNAUDITED (3 months)	Year to date figures for the current period ended 30.09.2010 UNAUDITED (6 months)	Year to date figures for the previous period ended 30.09.2009 UNAUDITED (6 months)	Previous Accounting year ended 31.03.2010 AUDITED (12 months)
1.(a) Sales / Income from Operations	50889	47569	101393	91318	193092
Less: Excise Duty Recovered on Sales	4664	3512	9175	6746	14351
Net Sales/Income from Operations	46225	44057	92218	84572	178741
(b) Other Operating Income	20	22	45	33	62
Total Income	46245	44079	92263	84605	178803
2. Expenditure					
a) (Increase)/Decrease in stock-in-trade and work in progress	756	(2146)	(642)	(1246)	(3531)
b) Consumption of raw materials	24502	27243	52266	53408	107735
c) Purchase of traded goods	652	805	1170	1187	3333
d) Employees Cost	2612	1563	4837	3031	7727
e) Depreciation	2091	1087	4168	2146	7890
f) Exchange Difference (Net)	(347)	307	(165)	(1146)	(1513)
g) Other Expenditure	9274	10752	18244	18559	34456
h) Total Expenditure	39540	39611	79878	75939	156097
3. Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	6705	4468	12385	8666	22706
4. Other Income	356	396	677	836	1624
5. Profit before Interest & Exceptional Items (3+4)	7061	4864	13062	9502	24330
6. Interest & Financial Charges	3678	2616	7085	5301	13828
7. Profit after Interest but before Exceptional Items (5-6)	3383	2248	5977	4201	10502
8. Exceptional Items	-	-	-	-	-
9. Profit from Ordinary Activities before tax (7-8)	3383	2248	5977	4201	10502
10. Tax Expense					
Current Tax	695	370	1,213	720	1,876
MAT Credit Entitlement	(676)	(370)	(1,192)	(714)	(1,795)
Deferred Tax Liability	1,323	395	2,173	724	3,436.00
11. Net Profit from Ordinary Activities after tax (9-10)	2041	1853	3783	3471	6985
12. Extraordinary Items (Net of tax expenses)	-	-	-	-	-
13. Net Profit for the period (11-12)	2041	1853	3783	3471	6985
14. Paid-up Equity Share Capital (Face Value per share : Rs. 10/-)	25085	11288	25085	11288	23665
15. Reserves excluding Revaluation Reserves					35585
16. Earning Per Share (Rs.)(not annualised)					
a) Basic	0.81	1.58	1.53	2.95	2.92
b) Diluted	0.81	1.58	1.53	2.95	2.92
17. Public Shareholding					
a) Number of shares	76341783	57607247	76341783	57607247	62141783
b) Percentage	30.43%	51.03%	30.43%	51.03%	26.26%
18. Promoters and Promoter group Shareholding					
a) Pledged / Encumbered					
- Number of shares	26427000	5927000	26427000	5927000	18427000
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	15.14%	10.72%	15.14%	10.72%	10.56%
- Percentage of Shares (as a % of the total share capital of the company)	10.54%	5.25%	10.54%	5.25%	7.79%
b) Non - Encumbered					
- Number of shares	148092121	49349801	148092121	49349801	156092121
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	84.86%	89.28%	84.86%	89.28%	89.44%
- Percentage of Shares (as a % of the total share capital of the company)	59.03%	43.72%	59.03%	43.72%	65.95%

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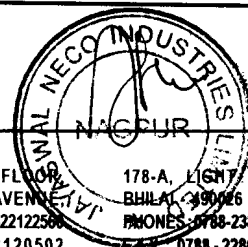
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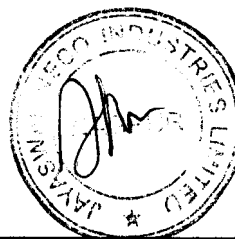
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Notes :

1. The above results have been reviewed by Audit Committee and approved and taken on record by the Board of Directors at its Meeting held on 28th October, 2010.
2. The statutory auditors of the Company have carried out a Limited Review of the results for the quarter and half year ended 30th September, 2010 in accordance with clause 41 of the listing agreement.
3. The figures for the quarter and half year ended 30th September 2010 are not comparable with the figures of the corresponding periods, as figures for the quarter and half year ended 30th September 2009 have not been restated giving effects of Schemes of Arrangements sanctioned by Hon'ble High Court of Mumbai Judicature at Nagpur approving merger of Inertia Iron and Steel Industries Private Limited, Sponge Iron and Power Plants of Corporate Ispat Alloys Limited and Abhijeet Infrastructure Limited with the Company. This is a matter of reference in the Limited Review Report of the Statutory Auditors.
4. The Board of Directors at its meeting held on 28th October, 2010, subject to necessary approvals of Shareholders, Creditors, Stock Exchanges and other regulatory bodies and further subject to sanction of the High Court in that behalf, has amended the Scheme of Arrangement providing for demerger of Steel Division of Corporate Ispat Alloys Limited (CIAL) and its merger with the Company such that it will be effective from 1st April, 2008 as against 1st April, 2010 that was approved by it at its meeting held on 28th May, 2010. Pursuant to the revised scheme the eligible shareholders of CIAL as on 1st April 2008 shall be issued and allotted 106 Equity Shares of Rs.10/- each credited as fully paid up for every 10 Equity shares of Rs.10/- each of CIAL. As a result of the aforesaid amendment in the Scheme of Arrangement, the enhanced Equity Capital of the Company (Post-merger) would be Rs.281.23 crores. Necessary steps are being taken for filing the Scheme of Arrangement with both the Stock Exchanges.
5. The Board of Directors has approved expansion projects envisaging development of its Mines, setting up of washeries, DRI, Power and Steel Plants in Chhattisgarh and Jharkhand. The estimated cost of these projects is about Rs.3000 crores.
6. As stipulated by the term lenders, the Promoters have to bring in Equity Contribution towards the upcoming projects. Pending completion of the formalities as required under the Sebi Regulations, the promoters have contributed Rs. 100 crores. As the rate at which shares are to be issued is not ascertained, the effects of the same have not been given while calculating the diluted earnings per share.
7. The above results are prepared in accordance with the recognition and measurement principles laid down in the Accounting Standard 25 (AS 25- Interim Financial Reporting) as those followed in previous years. The Previous Year figures have been regrouped and recast whenever necessary except as mentioned in note 3 above.
8. a. Number of Investor complaints outstanding at the beginning of the quarter Nil
b. Number of Investor complaints received during the quarter 3
c. Number of Investor complaints disposed off during the quarter 3
d. Number of Investor complaints lying unresolved Nil



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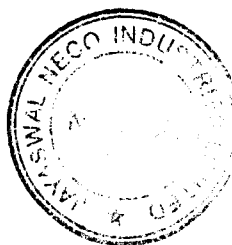
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9. STATEMENT OF ASSETS AND LIABILITIES as at 30th SEPTEMBER 2010

		Rs in Lacs
Sr. No.	PARTICULARS	AS AT 30.09.2010 UNAUDITED (6 months)
1	Shareholders' Funds :	
a)	Share Capital	25,085
b)	Reserves and Surplus	42,767
2	Advance received against Share Application	10,000
3	Loan Funds	129,999
4	Deferred Tax Liability	9,175
	Total	217,026
1	Fixed Assets (Including Capital work in Progress)	148,150
2	Investments	26
3	Current Assets, Loans and Advances	
a)	Inventories	51,301
b)	Sundry Debtors	21,372
c)	Cash and Bank Balances	3,912
d)	Loans and Advances	20,610
		97,195
4	Less : Current Liabilities and Provisions	
a)	Liabilities	21,763
b)	Provisions	6,582
		28,345
5	Miscellaneous Expenditure (not written off or adjusted)	-
	Total	217,026

The corresponding figures of assets and liabilities as at 30th sept 2009 are not given since no accounts were prepared as on that date after giving the effect of schemes of arrangements as mentioned in the note 3 above. This is a matter of reference in the limited review report of the Statutory Auditors.

NAGPUR
28 th October 2010



ARBIND JAYASWAL
MANAGING DIRECTOR

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Report of Segment wise Revenue, Results and Capital Employed, under Clause 41 of the Listing Agreement :

(Rs. in Lacs)

Particulars	Quarter ended 30.09.2010 UNAUDITED (3 months)	Corresponding Quarter ended in the previous year 30.09.2009 UNAUDITED (3 months)	Year to date figures for current period 30.09.2010 UNAUDITED (6 months)	Year to date for previous period 30.09.2009 UNAUDITED (6 months)	Previous Accounting year ended 31.03.2010 AUDITED (12 months)
1. Segment Revenue					
a) Steel	39810	39571	81335	75686	158854
b) Iron & Steel Castings	11138	9928	22574	18816	40557
Total	50948	49499	103909	94502	199411
Less : Inter-segment Revenue	59	1930	2516	3184	6319
Sales/Income from Operations	50889	47569	101393	91318	193092
2. Segment Results (Segment Revenue - Segment Expenses)					
a) Steel	6228	3520	11210	7058	19687
b) Iron & Steel Castings	525	968	1301	1694	3208
Total	6753	4488	12511	8752	22895
Less : i) Interest	(3678)	(2616)	(7085)	(5301)	(13828)
ii) Unallocated Corporate Expenses	(49)	(23)	(127)	(94)	(156)
Add : Unallocated Income	357	399	678	844	1591
Total Profit Before Tax	3383	2248	5977	4201	10502
3. Capital Employed (Segment Assets - Segment Liabilities)					
a) Steel	171222	45724	171222	45724	131391
b) Iron & Steel Castings	26414	25186	26414	25186	24907
c) Unallocated (Assets - Liabilities)	(129784)	(50978)	(129784)	(50978)	(97022)
Total	67852	19932	67852	19932	59276

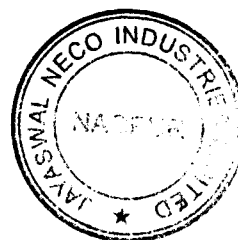
Notes :

1) Segments have been identified in line with the Accounting Standard on Segment Reporting (AS 17).

2) Steel Segment is engaged in manufacture and sale of Alloy Steel Bars and Rods, Pig Iron, Billets, Sponge Iron and Rolled Products at its unit located at Siltara, Raipur and Mining activities in the state of Chhattisgarh, Jharkhand and Maharashtra. 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.

3) The figures for the quarter and half year ended 30th September 2010 are not comparable with the figures of the corresponding quarter and half year, as figures for the quarter and half year ended 30th September 2009 have not been restated giving effects of Schemes of Arrangements sanctioned by Hon'ble High Court of Mumbai Judicature at Nagpur approving merger of Inertia Iron and Steel Industries Private Limited, Sponge Iron and Power Plants of Corporate Ispat Alloys Limited and Abhijeet Infrastructure Limited with the Company. This is a matter of reference in the Limited Review Report of the Statutory Auditors.

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28th October, 2010




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