

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 Standalone Unaudited Financial Results ("the statement") of **Jayaswal Neco Industries Limited** ("the **Company**") for the quarter and half year ended 30th September 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the statement based on our review.
2. Our review has been restricted to the figures shown in the column headed "Quarter ended 30.09.2016" and "Half year ended 30.09.2016". We have traced the figures shown in the column headed "Quarter ended 30.06.2016" from the 30th June, 2016 published review results. The figures shown in the column headed "Quarter ended 30.09.2016" are the balancing figures shown in the column headed "Half year ended 30.09.2016" and the published figures for the "Quarter ended 30.06.2016". Figures shown in the column headed "Quarter ended 30.09.2015" and "Half year ended 30.09.2015", including the reconciliation of the profit/loss under Ind AS of the said Quarter and Half year ended with profit reported under previous GAAP as reported in these financial results are as provided by the management of the Company.
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 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.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable Indian Accounting Standards 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
Partner
Membership No. 43495

Mumbai
Date: 28th November, 2016

For Agrawal Chhallani & Co.
Chartered Accountants
Firm Reg. No. 100125W



S. R. Chhallani
Partner
Membership No. 30154

Nagpur
Date: 28th November, 2016

JAYASWAL NECO INDUSTRIES LIMITED

CIN : L28920MH1972PLC016154

(FORMERLY JAYASWALS NECO LIMITED)

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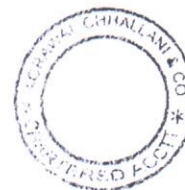


PART - I

(₹ in Lacs, except per equity share data)

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2016

	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED	
		30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
1.	Income from Operations					
	a) Sales / Income from Operations	71038	65389	79991	136427	158920
	b) Other Operating Income	3	4	3	7	6
	Total Income from Operations	71041	65393	79994	136434	158926
2.	Expenses					
	a) Cost of Materials Consumed	32800	32134	41636	64934	84838
	b) Purchases of Stock-in-Trade	1247	456	4168	1703	8033
	c) Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	(486)	(1747)	2117	(2233)	3394
	d) Employee Benefits Expenses	4358	3887	3586	8245	6899
	e) Depreciation and Amortisation Expenses	6501	6224	1855	12725	3702
	f) Excise duty and Service Tax on Income from Operations	7988	7428	8182	15416	16405
	g) Stores and Spares Consumed	6734	6680	6469	13414	11154
	h) Other Expenses	9126	10546	7192	19672	14626
	Total Expenses	68268	65608	75205	133876	149051
3.	Profit / (Loss) from Operations before Other Income and Finance Costs (1-2)	2773	(215)	4789	2558	9875
4.	Other Income	980	790	1010	1770	2015
5.	Profit from Ordinary Activities before Finance Costs (3+4)	3753	575	5799	4328	11890
6.	Finance Costs	13861	12700	5311	26561	10619
7.	Profit / (Loss) from Ordinary Activities before tax (5-6)	(10108)	(12125)	488	(22233)	1271
8.	Tax Expense / (Credits) Including Deferred tax	(204)	(249)	822	(453)	368
9.	Net Profit / (Loss) for the period after tax (7-8)	(9904)	(11876)	(334)	(21780)	903
10.	Other Comprehensive Income (Net of Tax)	60	59	29	119	56
11.	Total Comprehensive Income / (Loss) (after tax) (9+10)	(9844)	(11817)	(305)	(21661)	959
12.	Paid-up Equity Share Capital (Face Value per share : Rs. 10/- each)	63863	63863	63863	63863	63863
13.	Earnings Per Share (of Rs.10/- each) (Not Annualised)					
	a) Basic	(1.54)	(1.85)	(0.05)	(3.39)	0.15
	b) Diluted	(1.54)	(1.85)	(0.05)	(3.39)	0.15



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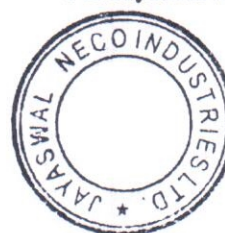
Notes :

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 28th November, 2016. The Statutory Auditors of the Company have carried out a Limited Review of the above results.
2. The Company adopted the Indian Accounting Standards ("Ind AS") and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - "Interim Financial Reporting" and in accordance with the Companies (Indian Accounting Standards) Rules, 2015 prescribed under section 133 of the Companies Act, 2013. The date of transition to Ind AS is 1st April, 2015. The Figures for the Quarter and Half Year ended 30th September, 2015 are also Ind AS Compliant. They have not been subjected to limited Review or audit. However, the management has exercised the necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs. The Company will provide a reconciliation of its equity for the previous year ended 31st March, 2016 at the time of submitting the audited financial statements for the year ended 31st March, 2017. These results have been prepared in accordance with regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular dated 5th July, 2016.
3. Reconciliation between Financial Results as previously reported under previous GAAP and Ind AS for the Quarter and Half year ended 30th September, 2015.

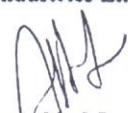
(₹ in Laacs)		
PARTICULARS	QUARTER ENDED 30.09.2015	HALF YEAR ENDED 30.09.2015
Net Profit as per Previous Indian GAAP	69	1011
Impact due to Lease Accounting	(2)	(9)
Fair Valuation of Financial Assets / Liabilities	(0)	2
Actuarial Gain / (Loss) on Defined Benefit Plan considered as Other Comprehensive Income	(45)	(85)
Depreciation	(32)	(65)
Deferred Tax impact on Ind AS adjustments	(324)	49
Net Profit / (Loss) before Other Comprehensive Income as per Ind AS	(334)	903

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. Subsequent to the quarter ended 30th September, 2016, the Company has disinvested its investments in its Subsidiary Jayaswal Neco Urja Limited ("JNUL"), accordingly JNUL ceased to be a subsidiary of the Company.
6. The figures for the corresponding previous period have been restated / regrouped / rearranged / reclassified wherever necessary, to make them comparable.

NAGPUR
28th November, 2016



For Jayaswal Neco Industries Limited


Arbind Jayaswal
Managing Director
DIN : 00249864

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UNAUDITED SEGMENT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2016

PARTICULARS	QUARTER ENDED			HALF YEAR ENDED	
	30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
1. Segment Revenue					
a) Steel	60684	54979	68186	115663	135052
b) Iron & Steel Castings	10402	10405	9676	20807	19640
c) Others	11	26	2409	37	4639
Gross Turnover	71097	65410	80271	136507	159331
Less : Inter Segment Revenue	59	21	280	80	411
Sales / Income from Operations	71038	65389	79991	136427	158920
2. Segment Results (Profit / (Loss) before tax and interest from each segment)					
a) Steel	2892	(330)	4593	2562	9373
b) Iron & Steel Castings	271	271	414	542	839
c) Others	3	2	27	5	113
Total	3166	(57)	5034	3109	10325
Less : i) Finance Cost	(13861)	(12700)	(5311)	(26561)	(10619)
ii) Other Un-allocable Expenditure	(120)	(122)	(138)	(242)	(238)
Add : Unallocated Income	707	754	903	1461	1803
Total Profit / (Loss) Before Tax	(10108)	(12125)	488	(22233)	1271
3. Segment Assets					
a) Steel	660663	656191	656240	660663	656240
b) Iron & Steel Castings	35940	34977	36538	35940	36538
c) Others	300	317	1619	300	1619
d) Unallocated	12396	13525	18708	12396	18708
Total Segment Assets	709299	705010	713105	709299	713105
4. Segment Liabilities					
a) Steel	62897	58237	58471	62897	58471
b) Iron & Steel Castings	5693	10090	4729	5693	4729
c) Others	0	0	883	0	883
d) Unallocated	452537	438659	431012	452537	431012
Total Segment Liabilities	521127	506986	495095	521127	495095

Notes to Segment Information for the Quarter and Half Year Ended 30th September, 2016 :

- 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 its captive power plants at its units located at Siltara, Raipur and Mining activities in the state of Chhattisgarh, Jharkhand and Maharashtra and trading of steel items.
 - 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.
 - Other Segment comprises of trading of Cotton Yarn, Coal & PVC pipes.

NAGPUR
28th November, 2016



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UNAUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER, 2016

		(₹ in Lacs)
PARTICULARS	AS AT 30.09.2016 UNAUDITED	
A ASSETS		
1. Non-Current Assets		
(a) Property, Plant and Equipment	489213	
(b) Capital Work in Progress	40872	
(c) Investment Property	29	
(d) Other Intangible Assets	2110	
(e) Intangible Assets under Development	433	
(f) Financial Assets		
(i) Investments	0	
(ii) Loans	0	
(iii) Others	663	
(g) Other Non Current Assets	32023	
Sub-total - Non Current Assets	565343	
2. Current Assets		
(a) Inventories	68163	
(b) Financial Assets		
(i) Investments	109	
(ii) Trade Receivables	37658	
(iii) Cash and Cash Equivalents	1730	
(iv) Bank Balances other than (iii) above	3561	
(v) Others	4544	
(c) Current Tax Assets (Net)	1438	
(d) Other Current Assets	26753	
Sub-total - Current Assets	143956	
TOTAL ASSETS	709299	
B EQUITY AND LIABILITIES		
1. EQUITY		
(a) Equity Share Capital	63863	
(b) Other Equity	124309	
Sub-total - Equity	188172	
LIABILITIES		
2. Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	290887	
(b) Provisions	16	
(c) Deferred Tax Liability (Net)	18476	
(d) Other Non Current Liabilities	27	
Sub-total - Non Current Liabilities	309406	
3. Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	88969	
(ii) Trade Payables	47541	
(iii) Other Financial Liabilities	54964	
(b) Other Current Liabilities	14871	
(c) Provisions	5376	
Sub-total - Current Liabilities	211721	
TOTAL EQUITY AND LIABILITIES	709299	



NAGPUR
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Managing Director
DIN : 00249864



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