

41st

Annual Report
2013 - 14



**Jayaswal Neco
Industries Limited**

Jayaswal Neco Industries Limited

IMPORTANT NOTICE TO MEMBERS...

In furtherance of the Green Initiative in Corporate Governance, service of documents like Report and Accounts, Notices etc. through electronic mode i.e., email by the Company will be a valid compliance under Section 20 as well as Section 101 of the Companies Act, 2013 and Rules made thereunder.

To support this initiative, shareholders who are yet to register their e-mail addresses are requested to furnish/register their Email Id's at necoindia.gogreen@sharexindia.in alongwith their Folio No./DP ID and Client ID and No of shares held by them, with the Company or with the Registrar and Share Transfer Agent (Sharex Dyanamic (India) Private Limited, to enable the Company to send all Notices, periodical statements, Annual Report etc of the Company through electronic mode.

Please note that as a Member of the Company, you will be entitled to be furnished, free of cost a printed copy of Balance Sheet of the Company and all other documents required by law to be attached thereto including the Profit and Loss Account and Auditors' Report, upon receipt of a requisition from you, any time.

BOARD OF DIRECTORS :	Shri Basant Lall Shaw	Chairman
	Shri B K Agrawal	Director (Independent)
	Shri M M Vyas	Director (Independent)
	Shri P K Bhardwaj	Executive Director and CFO
	Shri S N Singh	Director (Independent)
	Shri R Awasthi	Director (IDBI Bank Nominee)
	Shri D K Sahni	Director (Independent)
	Smt. Raji Nathani	Director (Independent)
	Shri Ramesh Jayaswal	Joint Managing Director
	Shri Arbind Jayaswal	Managing Director

COMPANY SECRETARY : Shri Ashutosh Mishra

BANKERS :	Andhra Bank	Punjab National Bank
	Bank of India	State Bank of Bikaner and Jaipur
	Bank of Maharashtra	State Bank of Hyderabad
	Central Bank of India	State Bank of India
	Exim Bank	State Bank of Patiala
	ICICI Bank Limited	State Bank of Travancore
	IDBI Bank Limited	UCO Bank
	Indian Overseas Bank	Union Bank of India
	Oriental Bank of Commerce	

AUDITORS :	M/s Chaturvedi & Shah	M/s Agrawal Chhallani & Co
	Chartered Accountants	Chartered Accountants
	Mumbai.	Nagpur.

REGISTERED OFFICE : F-8 MIDC Industrial Area,
Hingna Road, Nagpur - 440 016.
Tel No. : 07104 - 237276, 237471, 237472
Fax No. : 07104 - 237583, 236255
E-mail : contact@necoindia.com
Website : www.necoindia.com

WORKS :	1. Steel Plant Division - Siltara Growth Centre, Raipur
	2. Gare Palma IV/4 and IV/8 Coal Block, Mand Raigarh Coal Field, Raigarh (CG)
	3. Centricast Division-MIDC Area, Hingna Road, Nagpur (MH)
	4. Automotive Castings Division - MIDC Area, Hingna Road and Butibori, Nagpur (MH)
	5. Construction Castings Division - Light Industrial Area, Bhilai & Anjora (CG).



NOTICE

NOTICE is hereby given that 41st Annual General Meeting (AGM) of the Members of **Jayaswal Neco Industries Limited** will be held on **Monday, the 22nd day of September, 2014 at 12.30 P.M.** at the Registered office of the Company at F-8, MIDC Industrial Area, Hingna Road, Nagpur- 440016 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt -
 - a) the Audited Financial Statement of the Company for the financial year ended 31st March, 2014, the reports of the Board of Directors and Auditors thereon; and
 - b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2014 and the report of the Auditors thereon.
2. To appoint a Director in place of Shri Basant Lal Shaw (DIN: 00249729), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this connection to consider and if thought fit, to pass, with or without modification(s), the following resolutions as an **Ordinary Resolution**:
 - i) **"RESOLVED THAT**, pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder and pursuant to recommendation of Audit Committee of the Board of Directors, M/s. Chaturvedi & Shah, Chartered Accountants, Mumbai (Registration No. 101720W), be and are hereby appointed as Auditors of the Company from the conclusion of this Meeting to hold such office for a period of 2 (Two) years till the conclusion of the 43rd Annual General Meeting (subject to ratification of their appointment at 42nd AGM) of the Company to be held in the year 2016 at such remuneration as shall be fixed by the Board of Directors of the Company."
 - ii) **"RESOLVED THAT**, pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder and pursuant to recommendation of Audit Committee of the Board of Directors, M/s. Agrawal Chhallani & Co., Chartered Accountants, Nagpur (Registration No. 100125W), be and are hereby appointed as Auditors of the Company from the conclusion of this Meeting to hold such office for a period of 3 (Three) years till the conclusion of the 44th Annual General Meeting (subject to ratification of their appointment at 42nd and 43rd AGM) of the Company to be held in the year 2017 at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

4. APPOINTMENT OF SHRI SATYENDRA NARAIN SINGH AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Satyendra Narain Singh (DIN: 00398484) who was appointed as an Additional Director and who holds the office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member signifying his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for 2 (Two) consecutive years for a term up to 21st September 2016."

5. APPOINTMENT OF SHRI B. K. AGRAWAL AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri B. K. Agrawal (DIN: 01223894), who pursuant to the provisions of the Companies Act, 2013 (being an independent director) is no longer liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of

Director be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to 21st September 2019."

6. APPOINTMENT OF SHRI DARSHAN KUMAR SAHNI AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Darshan Kumar Sahni (DIN: 00131269) who was appointed as an Additional Director (Independent) pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 and who holds the office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for 2 (two) consecutive years for a term up to 21st September 2016."

7. APPOINTMENT OF SMT. RAJI NATHANI AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Smt. Raji Nathani (DIN: 06945777) who was appointed as an Additional Director pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 and who holds the office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for 2 (Two) consecutive years for a term up to 21st September 2016."

8. TO APPROVE THE REMUNERATION OF COST AUDITORS FOR THE FINANCIAL YEAR ENDING 31ST MARCH, 2015.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Manisha & Associates, Cost Accountants, 238, Shreeram Shyam Towers, Near NIT, Sadar, Nagpur - 440 001 the Cost Auditors appointed by the Board of Directors of the Company on the recommendation of the Audit Committee of the Board, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2015, be paid the remuneration of Rs. 1,25,000/- plus service tax and reimbursement of out of pocket expenses at actual."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Dated: 11th August, 2014

Registered Office:

F-8, MIDC Industrial Area

Hingna Road, Nagpur-440016

By Order of the Board of Directors

Ashutosh Mishra

Company Secretary

Membership No. A23011

Notes:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business above is attached herewith.
2. **A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.**



3. Instruments appointing proxy or proxies duly filled in, stamped & signed should be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.
4. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. Pursuant to Clause 49 of the Listing Agreement, particulars of Directors seeking appointment / re-appointment at this meeting are annexed hereto.
6. Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 15th September, 2014 to Monday, the 22nd September, 2014 (both days inclusive).
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
8. The Ministry of Corporate Affairs has taken a corporate "Green initiative in the corporate governance" by allowing paperless compliance by companies. As per the MCA Circular, Service of documents through electronic mode i.e. e-mail by the Company will be a valid compliance of Section 101 of the Companies Act, 2013. As such the members who are yet to register are requested to furnish/ register their e-mail id's at necoindia.gogreen@sharexindia.in alongwith their Folio No. and No. of shares/ Client ID/ DP ID with Depository Participants (DP) for shares held in electronic form or with the Registrar and Share Transfer Agent (Sharex Dynamic (India) Private Limited), to enable the Company to send all notices, periodical statements etc., of the Company through electronic mode.

EXPLANATORY STATEMENT

(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

Item No. 4:

The Board of Directors of the Company ('the Board') at its meeting held on 10th February, 2014, appointed Shri Satyendra Narain Singh (DIN: 00398484), as an Additional Director of the Company, who holds the office till the conclusion of the ensuing Annual General Meeting. Shri S.N. Singh is one of the Independent Directors of the Company.

Shri Singh is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 (Act) and has given his consent to act as an Independent Director.

The Company has also received declaration from Shri Singh that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri Singh fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Agreement.

Brief resume of Shri S. N. Singh, nature of his expertise in specific functional areas and names of major companies in which he holds directorships and memberships/chairmanships of Board Committees, is attached as annexure to the Notice.

Notice under Section 160 of the Act has been received from a member proposing the appointment of Shri S. N. Singh as an Independent Director of the Company.

Copy of the draft letter for appointment of Shri Singh as an Independent Director setting out the terms and conditions is available for inspection by Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Shri Singh is appointed as an Independent Director to hold office for 2 (Two) consecutive years for a term up to 21st September 2016, hence the Board recommends the Resolution set out at Item No. 4 of the Notice for the approval by the shareholders as an Ordinary Resolution.

Except, Shri S. N. Singh none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, in the resolution.

Item No. 5 :

As the Members are aware, Shri B. K. Agrawal (DIN: 01223894) is associated with the Company for more than ten years as an Independent Director. Section 149 of the Companies Act, 2013 (Act) and amended Clause 49 of the Listing Agreement inter alia stipulates the maximum tenure for an Independent Director to 10 (Ten) years. The said amendment to Listing Agreement also provides that where a Director has served the Company for 5 years or more as on 1st October, 2014 as an Independent Director he shall be eligible for one more term of 5 (Five) years. Considering the above provisions of the Listing Agreement it is propose to appoint Shri B. K. Agrawal as an Independent Directors of the Company under Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement to hold office for further 5 (Five) consecutive years for a term up to 21st September 2019.

Shri B. K. Agrawal is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as an Independent Director.

The Company has also received declaration from Shri B. K. Agrawal that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri B. K. Agrawal fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Agreement.

Brief resume of Shri B. K. Agrawal, nature of his expertise in specific functional areas and names of major companies in which he holds directorships and memberships/chairmanships of Board Committees, is attached as annexure to the Notice.

Notice under Section 160 of the Act has been received from a member proposing the appointment of Shri B. K. Agrawal as an Independent Director of the Company.

Copy of the draft letter for appointment of Shri B. K. Agrawal as an Independent Director setting out the terms and conditions is available for inspection by Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Keeping in view his rich experience, expertise and knowledge, it will be in the interest of the Company that Shri B. K. Agrawal is appointed as an Independent Director to hold office for 5 (Five) consecutive years for a term up to 21st September 2019, hence the Board recommends the Resolution set out at Item No. 5 of the Notice for approval by the shareholders as Special Resolution.

Except Shri B. K. Agrawal none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, in the resolution.

Item No. 6 :

The Board of Directors of the Company ('the Board') at its meeting held on 11th August, 2014, appointed Shri Darshan Kumar Sahni (DIN: 00131269) as an Additional Director (Independent) of the Company pursuant to the provisions of Section 161 (1) of the Companies Act, 2013, to hold the office till the conclusion of the ensuing Annual General Meeting.

Notice under Section 160 of the Act has been received from a member proposing the appointment of Shri Darshan Kumar Sahni as an Independent Director of the Company.

Shri Sahni is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as an Independent Director of the Company.

The Company has also received declaration from Shri Sahni that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri Sahni fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Agreement.

Brief resume of Shri S. N. Sahni, nature of his expertise in specific functional areas and names of major companies in which he holds directorships and memberships/chairmanships of Board Committees, is attached as annexure to the Notice.

Copy of the draft letter for appointment of Shri Sahni as an Independent Director setting out the terms and conditions is available for inspection by Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.



Keeping in view Shri Sahni's vast experience and expertise in the mining field and knowledge of business strategies and planning, it will be in the interest of the Company that Shri Sahni is appointed as an Independent Director to hold office for 2 (Two) consecutive years for a term up to 21st September 2016, hence the Board recommends the Resolution set out at Item No. 6 of the Notice for approval by the shareholders as an Ordinary Resolution.

Except, Shri Darshan Kumar Sahni none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, in the resolution at item no. 6 of the Notice.

Item No. 7 :

The Board of Directors of the Company ('the Board') at its meeting held on 11th August, 2014, appointed Smt. Raji Nathani (DIN: 06945777), as an Additional Director (Independent) of the Company pursuant to the provisions of Section 161 (1) of the Companies Act, 2013, to hold the office till the conclusion of the ensuing Annual General Meeting.

Notice under Section 160 of the Act has been received from a member proposing the appointment of Smt. Raji Nathani (DIN: 06945777) as an Independent Director of the Company.

Smt. Raji Nathani is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as an Independent Director of the Company.

The Company has also received declaration from Smt. Raji Nathani that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Smt. Raji Nathani fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Agreement.

Brief resume of Smt. Raji Nathani, nature of her expertise in specific functional areas and names of major companies in which she holds directorships and memberships/chairmanships of Board Committees, is attached as annexure to the Notice.

Copy of the draft letter for appointment of Smt. Raji Nathani as an Independent Director setting out the terms and conditions is available for inspection by Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Keeping in view Smt. Raji Nathani's vast experience in the cost compliance, taxation and regulatory compliance, corporate advisory services and cost audits, it will be in the interest of the Company that Smt. Raji Nathani be appointed as an Independent Director to hold office for 2 (Two) consecutive years for a term up to 21st September 2016, hence the Board recommends the Resolution set out at Item No. 7 of the Notice for approval by the shareholders as an Ordinary Resolution.

Except, Smt. Raji Nathani none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, in the resolution at item no. 7 of the Notice.

Item No. 8

Members are hereby informed that on the recommendation of the Audit Committee, Board of Directors of your Company re-appointed M/s Manisha & Associates, Cost Accountants, 238, Shreeram Shyam Towers, 2nd Floor, Near N.I.T., Sadar, Nagpur - 440001 as Cost Auditors of the Company for the year 2014-15 on the remuneration of Rs. 125000/- plus service tax and reimbursement of out of pocket expenses at actual.

Certificate dated 15th April, 2014 issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection of the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

As per Section 148 (3) read with Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders. Hence this resolution at Item No. 8 of the Notice seeks the approval of the shareholders by way of an Ordinary Resolution.

None of the Directors / Key Managerial personnel/ their relatives is interested in the above resolution.

Dated: 11th August, 2014
Registered Office:
F-8, MIDC Industrial Area
Hingna Road, Nagpur-440016

By Order of the Board of Directors
Ashutosh Mishra
Company Secretary
Membership No. A23011

ANNEXURE
DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT
AT FORTHCOMING ANNUAL GENERAL MEETING

Name of Directors	Shri Basant Lall Shaw	Shri S. N. Singh	Shri B. K. Agrawal	Shri D. K. Sahni	Smt. Raji Nathani
DIN	00249729	00398484	01223894	00131269	06945777
Date of Birth	03.08.1933	25.05.1948	28.01.1949	31.03.1943	22.10.1966
Designation	Chairman	Director (Independent)	Director (Independent)	Director (Independent)	Director (Independent)
Date of Appointment	28.11.1972	10.02.2014	10.08.1994	11.08.2014	11.08.2014
Qualification	B. Com.	B-Tech (Metallurgy)	M.Com, FCA	B. Sc, A.M.I.A, F.I.E., F.C. Manager C, F.W.A.P.S. (Canada), Chartered Engineer	B.Com. (Hon's), M.Com., ACMA
Experience in Specific functional Areas	Associated with Iron and Steel business for over 54 years. Instrumental in setting up 1 MTPA Integrated Steel Plant in Raipur and other units in the Group in India and Abroad. Founder and Chairman of Neco Group of Industries	Over 30 years experience in Steel Sector. Possesses sound technical knowledge of Blast furnace, operation of Steel Plant and Quality Management. Presently acting as advisor to various Steel Sector Companies.	Practicing Chartered Accountant for over 36 years. Possesses sound knowledge of Accounting, Auditing, Taxation and Corporate Advisory.	Over 45 years experience in Opencast and underground mining. Held several key positions in Manganese Ore (India) Limited including the position of CMD for more than 8 years.	Practicing Cost and Management Accountant having more than 21 years of experience in cost compliance, taxation and regulatory compliance, corporate advisory services and cost audits of petroleum, automobiles and electronic industries with core competence in management of costs.
Other Directorships (Major)	Maa Usha Urja Ltd. Neco Ceramics Ltd. Neco Heavy Engineering and Castings Ltd. Jayaswal Holdings Pvt. Ltd. Deify Infraprojects Pvt. Ltd. Jayaswal Neco Urja Ltd.	None	Agrawal Plantations Private Limited Bamhni Agro-tech Private Limited Suraburdi Resorts Private Limited Suraburdi Estate Private Limited	None	None
Membership on Committees of other Companies	Nil	Nil	Nil	Nil	Nil
No. of Equity Shares Held	10312850	Nil	7500	Nil	Nil



DIRECTORS' REPORT

Dear Members,

The Directors are pleased to present their 41st Annual Report on the affairs of the Company together with the Audited Balance Sheet as at 31st March, 2014, and the Profit and Loss Account for the year ended on that date. The summarized financial results for the year vis-a-vis the previous year are as follows:

(Rs. in Crores)

Particulars	31.03.2014	31.03.2013
Revenue from Operations (Gross)	3534.35	2854.52
Revenue from Operations (Net)	3161.05	2549.24
Other Income	10.32	11.78
Total Revenue	3171.37	2561.02
Operating Expenses	2770.12	2234.89
EBIDTA	401.25	326.13
Interest and Financial Charges	173.38	180.62
Depreciation and Amortization Expenses	115.72	96.68
Profit before tax	112.15	48.83
Tax Expenses	48.85	20.18
Profit after Tax carried to Balance Sheet	63.30	28.65

Due to funding of the projects under execution the Directors regret their inability to recommend declaration of dividend this year to the Members of the Company.

2. MANAGEMENT DISCUSSION AND ANALYSIS:

A] Share Capital:

The Company during the year has allotted 10,14,49,600 Equity Shares of Rs. 10/- each out of which 6,88,00,000 Equity Shares of Rs. 10/- each has been issued for cash at a premium of Rs. 15/- per share on preferential basis to promoter Group Companies and others to cater the equity requirements for the under implementation expansion projects and remaining 3,26,49,600 Equity Shares have been issued as Purchase Consideration pursuant to the Scheme of Arrangement for merger of the Steel Division (Demerged Undertaking) of Corporate Ispat Alloys Limited with the Company. All the new shares issued are listed on BSE Limited and National Stock Exchange of India Limited. Besides this during the financial year 2014-15 to further augment the requirement of funds for the under implementation projects till date the Company has raised further share capital through preferential issue route by way of issue of 4,00,00,000 Equity Shares of Rs. 10/- each at a premium of Rs. 15/- per share to certain Promoter Group entities and other entities.

B] Financial Performance:

Your Directors are pleased to inform that the Company's performance for the year under review has improved significantly vis-a-vis the previous year. The Gross turnover for the year is Rs. 3534.35 Crores which is around 24% higher than the previous year's Rs.2854.52 Crores. Major contributors in increasing the Turnover in comparison with previous year's level are larger volumes of production and sales of Rolled Products, Pig Iron and Billets in the Steel Plant Division due to improved productivity. The Net Profit after tax for the year stood at Rs.63.30 Crores registering a growth of approx. 121% over the previous year's Net Profit of Rs. 28.65 Crores.

During the year, the Networth of the Company has increased to Rs.2124 Crores from Rs. 1806 Crores in the previous year, mainly on account of preferential issue of shares, the consequent accretion to Securities Premium Account and increase in Net Profit.

Segment wise performance for the year under review is as under.

i) Steel Plant Division:

Despite the challenging market scenario and facing several odds, the performance of this Division during the year under review was significantly better than the previous year. The total Segment revenue registered by this division during the year reached to Rs. 2796.23 Crores as compared to Rs. 2131.25 Crores of the previous year, registering an increase of around 31%.

During the year under review the steel division remained focused on increased production and sale of value added Finished Rolled products mainly in Alloy Steel, Steel Billets, Pig Iron and Sponge Iron and in Captive Power Generation.

The capacity utilizations of the Steel Melt Shop and the Sponge Iron Plant during 2013-14 was at around 87%

and 86% respectively as against around 70% and 81% in the previous year. The capacity utilisation of the Rolling Mill also improved to about 81% in 2013-14 from 54% in 2012-13 due to improved demand from the end-user industries.

The share of metallics i.e pig iron and sponge iron sales, stood at about 35% in 2013-14, due to the increase in in-house consumption of the same for the production and sales of the value added finished long rolled products. Higher proportion of finished rolled products in the total sales mix has improved the extent of value addition and the company's profitability.

ii) Castings Division:

The Automotive and centrifugal castings sub-divisions together account for 79% of the total foundry revenues and the remaining 21% revenues accrues from engineering and construction casting sub-divisions.

During the year 2013-14 the slowdown in the demand from the end user industries affected the performance of the Iron and Steel Castings Division. Consequently, the production in Casting Division of the Company was lower by 13% as compared to previous year's level. The Division continued its drive to focus on the key elements of better productivity, cost rationalization and high quality of castings.

Although the profit margins of the casting business improved in the Financial Year 2013-14 after witnessing a declining trend in the previous couple of years, the revenues from the foundry division reported a drop to Rs. 392.5 crore from Rs. 436.5 crore in the Financial Year 2012-13. The Company's foundry division has added automatic moulding lines in the Automotive Casting Division (ACD). It is expected to result in increase in turnover of the foundry division in the current financial year.

The Centrifugal and Construction Castings sub-division are engaged in the production and sales of Sanitary Castings- Drainage Pipes and Fittings, Manhole Covers etc. This division was the market leader in this segment but due to the problems being faced by the Housing and Construction sector and with the availability of cheaper low grade alternative product the Cast Iron Pipes production and sales too have shrunk. Still the Company is hopeful that the production and sales of this division will go up in the near future.

C] Scheme of Arrangement:

During the period under review, Nagpur Bench of Hon'ble High Court, Bombay, has approved the Scheme of Arrangement for the merger of Steel Division of Corporate Ispat Alloys Limited (CIAL) with the Company. The said Scheme became effective from 20th November, 2013 being the date of filing of the order of the Hon'ble High Court with Registrar of Companies, Maharashtra, Mumbai with the Appointed Date of 1st April, 2008.

Pursuant to the Scheme, as Purchase Consideration the Company has issued 3,26,49,600 Equity Shares of Rs. 10/- each credited as fully paid-up to the eligible shareholders of the CIAL.

Upon implementation of the Scheme, all the immovable and movable properties of the Steel Division of CIAL together with the liabilities and all the privileges, entitlements, benefits, rights and obligations and all other matters forming a part of and belonging to the Steel Division of CIAL with effect from the Appointed Date became an integral part of Company as set out in the Scheme of Arrangement.

D] Projects:

As the Members are aware, the Company with a view to rationalize costs, monetize the benefits of captive mines, increase the extent of value addition in the long product segment, is in the process of setting up of various facilities in the States of Chhattisgarh and Jharkhand.

The Company has also undertaken need based additional revamping and modification schemes to achieve smooth operations of some of the existing facilities at Raipur and enhancement in the capacity of the Automotive Casting Division at Nagpur. Briefly, the status of various under implementation projects is as under:

1. INTEGRATED STEEL PLANT EXPANSION:

The Facilities being implemented are as follows:-

a. Steel Melt Shop and Rolling Mill:

This is Company's one of the key value added projects. The Company is enhancing its Steel Melt Shop and Rolling Mill capacities by 4.50 Lac TPA and 3.50 Lac TPA respectively. The Company would be in a position to produce Alloy Steel Bars for Automotive Components, Industrial Uses and Medium Structurals for Transmission Line Towers, Industrial and Housing Applications.

The Construction of the Project is in advanced stage. The deliveries of all the equipments have been completed. Equipment erection work is in advance stages. The civil and structural work has been almost completed.

b. Coal and Iron Ore Mines Development:

This part of the project is aimed at development and expansion of Coal Mines at Gare Palma IV/4 Non Coking Coal Block for expansion in capacity from 4.80 Lacs MTPA to 10.00 Lacs MTPA.

The Company is also developing its Gare Palma IV/8 Non Coking Coal Block at Raigarh with capacity of 12 Lacs MTPA.



The Company is developing its Moitra Coking Coal Block near Hazaribagh in Jharkhand with capacity of 10 Lacs MTPA. The Company has so far acquired about 235.28 Acres of land for the purpose. On becoming operational, the coking coal extracted and washed from this coal block will be blended with imported coal at the Company's coke oven plants at Raipur to produce Low Ash Metcoke for use as Fuel feed in the Blast Furnace. It will help in lesser import of coking coal.

The Company is also developing its Iron Ore Mines at Laidongri and Devpura in Chhattisgarh.

The clearances from the concerned statutory authorities are being organized concurrently and the development and implementation work are under progress.

c. Sponge Iron and Power Plant:

The Company is implementing this project comprising of 3.0 Lacs MTPA DRI Plant (Sponge Iron Plant) and Captive Power Plants in Bilaspur district. This is a Green field Project. Land acquisition is almost completed and the procurement activities are in process. All the statutory clearances for this project have been received and it is under implementation.

2. IRON ORE PELLETISATION PLANT:

The Company is setting up 12 Lacs MTPA Iron Ore Pelletisation Plant in the existing Integrated Steel Plant complex at Raipur. The progress of this project is as per schedule. Low cost dump fines of Iron Ore are adequately available at Mines and other sites which can be used for pelletisation. This would help in extensive use of fines into pellets that will replace sized ore and thereby reduce their cost for production of Sponge Iron and hot-metal and ultimately cost of finished steel.

3. DE-BOTTLENECKING AND AUGMENTATION OF FACILITIES PROJECT AND OTHER SPECIFIC CAPEX SCHEMES:

The Company has undertaken de-bottlenecking of some of its existing facilities and modifications in its Steel Plant Division at Raipur and Automotive Castings units at Nagpur to improve the overall productivity and operations of the plants. Almost all the ordered equipments have been received at site and erected. The progress of the projects is going on as per schedule and is nearing completion.

In addition, certain need based capital expenditure schemes at its Steel Plant Division, Raipur are under advance stages of implementation which will facilitate smooth operations of the plants, help to reduce the process time, dependence on the hired equipments, minimize idle time and break-downs.

The Company is also implementing Bright Bar Making facility at the Integrated Steel Plant Division Raipur. It is a forward integration project which will lead to further value addition to the Rolled Products.

The implementation of the schemes are going on as per schedule.

E) Outlook :

The slowdown in growth which set in during FY 2012-13 continued in the year 2013-14. Many factors like political uncertainties, continued inflationary pressures, adverse fiscal situation, and administrative policy paralysis coupled with the influence of subdued external demand decelerated the GDP as well as the IIP growth during last fiscal. In FY 2013-14, India's GDP increased by just 4.96% which is the lowest in a decade. The GDP growth rate fell sharply on the back of substantial moderation witnessed in the services sector. During the FY 2013-14 the economic activity continued to exhibit a slow recovery, resulting in marginal incremental growth in GDP during the year.

According to analysts, India's GDP is poised to accelerate to 5.5 per cent in 2014-15 on the back of improved performance in industry and services but it may take some time for the country to reach its potential growth rate. India is the fourth largest crude steel producer in the world, and is one of the leading producers of pig iron and the largest producer of sponge iron in the world. Steel manufacturing infrastructure in the country is well developed and consists of integrated steel mills as well as primary steel mills manufacturing a variety of semi-finished and finished steel products.

However, despite this growth in steel sector, the domestic consumption is yet to pick up. The consumption of per capita steel in the country stands at 55 kg per annum while the world average is 215 kg per annum. Consumption in rural sector is even low, and stands at close to 10 kg per annum.

Indian steel demand is also expected to track GDP growth supported by some easing in the interest rate cycle, and consequent push in demand of the automotive and auto components sector. Regulatory authorities are faced with a daunting task to contain spiraling inflation, to consolidate rupee against major foreign currencies, Law and order problems, stringent regulatory procedures and political pressures which culminate into disruption of the various industrial activities.

Current slowdown in pig iron and sponge iron segment is expected to continue in the immediate future as steel demand from the construction sector and the automobile sector - two of the major consumers of steel - remains relatively subdued. However, steel demand from construction sector is expected to pick up on the back of orders from large construction and infrastructure projects cleared by the Government. Also, with economic growth

expected to pick up in the later years (FY 2015-16 and onwards) and with the expected increase in demand from the automotive sector the steel and the consequent derived pig iron and sponge iron demand is expected to pick up. Further with the commencement of the new Steel Making facilities of the Company by the next year, the sale of pig iron and sponge iron would substantially reduce as the same would be captively consumed in upcoming Steel Making facility of the Company.

With the additional capacities being created by the Company in finished steel making in the long products segment, adoption of various austerity measures and other efforts; the Company is trying to improve its performance weathering the adverse conditions.

On its captive Iron Ore and Coal Mines and other expansion projects becoming fully operational, the Company is slated to become one of the lowest cost producers in the Integrated Steel Plant category in the Country. Further the Company is also aided by the fact that its Integrated Steel Plant is located in the belt where large suppliers of iron ore are located nearby in the home State of Chhattisgarh and neighbouring State of Orissa.

Analysts are of the opinion that the GDP growth is expected to rise further in 2015-16 as the gradual recovery in the advanced economies will bolster external demand and government actions are likely to remove some structural bottlenecks impeding industry and investment. The pick-up will be aided by implementation of stalled projects, debottlenecking of the mining sector etc.

Sustained economic recovery will have to be led by improved investment and consumption.

F) Concerns:

After a long phase of weakening Rupee against Dollar now consolidation is very much needed in order to avert an adverse impact on the procurement of imported coking coal. However with the recent stability in rupee position and reduction in international coking coal prices the scenario has improved.

Law and order problems in Iron Ore Mining belts in Chhattisgarh is another concern not only for the Company but for the economy as a whole; creating serious problems for governmental and social machineries. This has already delayed operationalisation of the Iron Ore Mines of the Company in those regions. Nevertheless, all efforts to start those Mines are being made.

The Company is exploring all possible ways and means including legal courses with the Government to get the Iron Ore mining rights.

G) Internal Control Systems:

The Company has a risk focused; Internal Control System to analyze and report to the management on the day-to-day operations of the Company. Efforts are being made to continuously strengthen it further. The Company is, in tune with the growing size of the business, in the process of further strengthening systems that improve the MIS and internal controls in respect of day-to-day operations of the Company. The Company also envisaged further strengthening of its Internal Audit Department.

H) Industrial Relations:

Industrial Relations in all the Divisions of the Company remained cordial and harmonious. During the year, average number of persons working in the Company was about 8200 approximately.

I) Corporate Social Responsibility:

Corporate Social Responsibility for the Company entails much more than social outreach programmes and is an integral part of the way the Company conducts its business. As a part of its social responsibility and as a good corporate citizen, the Company regularly undertakes various programmes with a view to promote and protect a congenial and eco-friendly atmosphere in and around the plants and mines and to serve and contribute to the welfare of the society in general. Some of the activities it has taken up in about 43 Gram Panchayat areas around the plants and in mining areas during the year under review are as under :

- i) Health check-up and blood donation camps, free medical counseling and distribution of medicines, conducting eye check up camps, distributing spectacles in the far flung areas, providing beds and furniture to hospitals in remote areas.
- ii) Provision of drinking water through bore wells and water tankers during summer season, undertaking repair work of hand pumps, water treatment of wells.
- iii) Granting educational support and scholarships, provision of books and study materials and other facilities like school bus, temporary teachers and uniforms for the welfare of the children, workers, their families and residents of the surrounding villages.
- iv) Development, beautification and maintenance of roads and prominent landmarks in the regions, sponsoring sports, cultural and religious events in the nearby villages.
- v) Activities of tree plantation, development of parks and gardens.
- vi) Adoption of Adivasi girls for nursing training and boys for ITI training and general up-liftment of the underprivileged children, women and the poor.



- vii) Sponsored ten schools in remote Vanwasi Areas under Ekal Vidyalaya Scheme.
- viii) Undertaking deepening and widening of existing ponds in and around coal mines area, provision of irrigation facility to the villagers, construction of seating arrangement, roads, lavatories and flooring work.
- ix) Active Participation in Various Socio-Cultural Events and Promotion of Traditional Art and Culture.
- x) Providing financial assistance for organizing cricket and football tournaments in the villages near to the Iron Ore mines.
- xi) Providing Barricades to for Safety Traffic Awareness in the mines area.

In tune with the provisions of Section 135 of the Companies Act, 2013, the Company has formed a Corporate Social Responsibility Committee (CSR Committee) of the Board, comprising three directors including an Independent director. The Committee has been entrusted with the responsibility inter-alia to formulate the CSR policy and plan expenditure on CSR activities.

3. AUDITORS REPORT:

Auditors Report on the financial statements of the Company for the year ended 31st March, 2014 is self explanatory and does not require any further clarifications from the Board.

4. DIRECTORS:

During the period under review, Shri Satyendra N. Singh was appointed as Additional Director w.e.f 10th February, 2014. Further, IDBI Bank Limited has nominated Shri Rakesh Awasthi in place of its existing nominee Shri Sanjiv Kumar Sachdev on the Board of the Company w.e.f. 26th March, 2014.

During the year under review, Shri Arbind Jayaswal, Managing Director and Shri Ramesh Jayaswal, Joint Managing Director of the Company were re-appointed on enhanced remuneration for a period of 3 years w.e.f. 1st January, 2014. Shri P.K. Bhardwaj, Executive Director and CFO of the Company was also re-appointed on enhanced remuneration for a period of 3 years w.e.f. 25th February, 2014. The Managing Director, Joint Managing Director as well as Executive Director and CFO will be the directors retiring by rotation.

During the year under review Export Import Bank of India has withdrawn their nominee Shri. Nirmal Ved from the Board of the Company w.e.f. 10th January, 2014.

Except the above, no other changes took place in the Board of Directors of the Company and the Board was duly constituted.

Shri Satyendra N. Singh shall hold office as an Additional Director till the conclusion of the ensuing Annual General Meeting (AGM). The Company has received requisite notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Shri Satyendra N. Singh for the office of Director. The Board recommends his appointment as an Independent Director for 2 (Two) consecutive years w.e.f. the date of ensuing AGM.

Pursuant to the provisions of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Shri B.K. Agrawal, the existing Independent Director of the Company is to be re-appointed as an Independent Director for the fresh term. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Shri Agrawal for the office of Director. The Board recommends his appointment for the approval of shareholders as an Independent Director for 5 (Five) consecutive years w.e.f. the date of ensuing AGM.

Pursuant to the provisions of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement and based on the notices in writing from members under Section 160 of the Companies Act, 2013, your Board recommends the appointment of Shri Darshan Kumar Sahni and Smt. Raji Nathani as Independent Directors of the Company for 2 consecutive years each w.e.f. the date of ensuing AGM.

Shri Basant Lall Shaw, Non Executive Director of the Company retire by rotation at the ensuing Annual General Meeting and offers himself for re-appointment. Necessary information on the Directors seeking appointment, re-appointment is given separately in the Notice for the ensuing Annual General Meeting.

5. ADDITIONAL INFORMATION:

The information required to be furnished under Section 217(1) (e) of the Companies Act, 1956, and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is attached as Annexure A and forms part of this Report.

6. PARTICULARS OF EMPLOYEES:

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, regarding employees is given in Annexure B and forms part of this Report.

7. SUBSIDIARY COMPANY:

Statement in respect of the Jayaswal Neco Urja Limited, a Subsidiary Company, under Section 212 of the Companies Act, 1956, for the year under review, is attached and forms part of the financial statements. The project to be set up by the Subsidiary Company is on hold by the management in view of adverse scenario in the Power Sector.

8. CORPORATE GOVERNANCE REPORT:

As required under the provisions of Clause 49 of the Listing Agreement with Stock Exchanges, the Report on prescribed matters under Corporate Governance together with a certificate from Auditors of the Company thereon is appended and forms part of this Report.

9. DIRECTORS RESPONSIBILITY STATEMENT:

As required, under Section 217 (2AA) of The Companies Act, 1956, the Directors confirm and state that:

- All the applicable accounting standards have been followed along with proper explanations relating to material departures in the preparation of accounts enclosed herewith.
- Annual accounts are prepared on the principle of a Going Concern.
- Accounting policies selected, applied and Judgments and estimates made in that behalf to the extent necessary are reasonable and prudent so as to give true and fair view of the state of affairs at the end of the financial year and of the profit or loss of the Company for the year under review.
- Sufficient care has been taken for maintenance of the adequate accounting records in accordance with the provisions of the Companies Act 1956, for safeguarding the assets of the Company and the procedures, practices and control systems in the day-to-day management are sound enough to prevent and detect the occurrence of frauds and irregularities.

10. AUDITORS:

M/s Chaturvedi & Shah, Chartered Accountants, Mumbai, and M/s Agrawal Chhallani & Co., Chartered Accountants, Nagpur, the Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting (AGM) and are eligible for re-appointment.

As per the provisions of Section 139 of the Companies Act, 2013, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Act to comply with this requirement.

In view of the above and in compliance with the provisions of Companies (Audit and Auditors) Rules 2014, M/s Chaturvedi & Shah, Chartered Accountants, Mumbai and M/s Agrawal Chhallani & Co., Chartered Accountants, Nagpur, being eligible for re-appointment and based on the recommendation of the Audit Committee, the Board of Directors of the Company propose the appointment of M/s Agrawal Chhallani & Co., Chartered Accountants, Nagpur as the statutory auditors of the Company for a period of three years to hold office from the conclusion of this AGM till the conclusion of the AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM).

The Board of Directors also propose the appointment of M/s Chaturvedi & Shah, Chartered Accountants, Mumbai as the statutory auditors of the Company for a period of two years to hold office from the conclusion of this AGM till the conclusion of the AGM of the Company to be held in the year 2016 (subject to ratification of their appointment at every AGM).

The Company has received consent letters / certificates from both the statutory auditors to the effect that their re-appointment, if made, would inter-alia be within the prescribed limits under Section 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment.

11. COST AUDITOR:

In pursuance of Section 233B of the Companies Act, 1956 read with circular no. 52/26/CAB - 2010; the Central Government has approved the Appointment of M/s Manisha & Associates, Nagpur to conduct the Audit of the Cost Accounting records for the financial year 2013-2014.

The Board of Directors of the Company on the recommendation of the Audit Committee, at its meeting held on 30th April, 2014 has reappointed M/s Manisha & Associates, Nagpur as the Cost Auditor of the Company u/s 148 of the Companies Act, 2013 to conduct the Audit of the Cost Accounting records for the financial year 2014-2015.

12. ACKNOWLEDGMENTS:

The Directors place on record, their appreciation and gratitude for all the co-operation extended by Government Agencies, Bankers, Financial Institutions, Business Associates and Shareholders. The Directors also record their appreciation for the dedicated services rendered by all the Executive Staff and Workers of the Company at all levels in all units and for their valuable contribution in the working of the Company.

For and on behalf of Board of Directors

Place: Nagpur
Date: 11th August, 2014

Basant Lall Shaw
Chairman
(DIN : 00249729)



ANNEXURES TO THE DIRECTORS' REPORT

ANNEXURE A

Information as per Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, as amended and forming part of the Directors' Report for the year ended 31st March, 2014.

I CONSERVATION OF ENERGY:

- A) The Company recognizes the importance of savings in the cost of energy consumption. High efficiency, energy effective equipments for steam generation, water softening etc., have been installed at various manufacturing units which ensure stabilized power supply, minimum interruptions and smooth operations.
- B) Effective methods like, furnace cover, replacement of existing equipments with more energy saving devices, installation of devices to plug the leakages and loss of energy, standardization of processes need based capital repairs to the facilities and other steps have been taken wherever possible giving a considerable saving in consumption of energy.
- C) The Blast Furnace Gases are extensively utilized for pre-heating of the hot blast stoves, blowing plant in the boilers and as a fuel for generation of Power for captive consumption and sale to others.

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

(A) Power and Fuel Consumption

PARTICULARS	COAL/COKE			ELECTRICITY			FURNACE OIL		
	Units (MT)	Amount (Rs. in Lacs)	Rate / Unit (Rs.)	Units (KWHs in Lacs)	Amount (Rs. in Lacs)	Rate / Unit	Units (KL)	Amount (Rs. in Lacs)	Rate / Unit (Rs.)
1) Purchases:	9897.64	1128.86	11405	448.61	3121.96	6.96	253.75	141.65	55823.87
a) Iron & Steel Castings	(11013.76)	(1315.69)	(11946)	(456.93)	(3423.02)	(7.49)	(-)	(-)	(-)
b) Pig Iron and Steel Products & Sponge Iron	805152.39	69380.75	8617.00	595.80	3965.74	6.66	1404.00	696.05	49576.00
	(799913.68)	(56269.71)	(7034.47)	(456.19)	(2007.24)	(4.40)	(1755.97)	(842.43)	(47974.92)
2) Own Generation:									
Pig Iron, Steel Products & Sponge Iron	-	-	-	1610.67	4670.93	2.90	-	-	-
	(-)	(-)	(-)	(1473.67)	(4273.64)	(2.90)	(-)	(-)	(-)

(B) Consumption per MT of Unit of Production.

PARTICULARS	COAL/COKE (KGs.)	ELECTRICITY (KWHs)	FURNACE OIL (LTRs.)
Iron & Steel Castings	174.73 (180.92)	792.00 (750.57)	4.480 (-)
Pig Iron & Steel Products	522.00 (553.00)	229.196 (252.836)	1.259 (1.939)
Sponge Iron	1553.00* (1863.00)*	69 (78)	- (-)

* Current year figures represents net consumption of Coal per MT of Sponge Iron and corresponding last year figures represents gross consumption of Coal per MT of Sponge Iron.

Note : Figures in brackets relate to previous year and are recast wherever necessary.

II. TECHNOLOGY ABSORPTION:

1. The Company has adopted the Chinese Technology at its Steel Plant Division for its Blast Furnace, Pulverised Coal Dust Injection and Coke Oven and Rolling Mills.
2. The Company has commissioned its Wire Rod Block at its Wire Rod Mill in technical collaboration with Morgan Shammard, a part of Dun and Lee, a Multinational Group from Sweden, and second 1 Lacs MT Coke Oven Plant with Waste Heat Recovery Based 6 MW Power Plant based on hot gases generated from this Coke oven Plant at Siltara Growth Centre, Raipur.

3. The Company has awarded the contracts through EPC Contractor for packages like SMS Equipment, Rolling Mill, Reheating Furnace to M/s Danieli Group, Italy and Oxygen Plant to M/s Shichuan Air Separation Group, China for setting up its Steel Melting Shop and Rolling Mill at Siltara Growth Centre, Raipur.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO:

		(Rs. in Lacs)
	2013-2014	2012-2013
i) Foreign Exchange earned:		
Export of goods on FOB basis	1316.82	1214.56
ii) Foreign Exchange used:		
Purchase of Raw Materials, Stores & Components and capital goods	22748.20	11069.63
Travelling	4.89	16.70
Salary	35.20	31.65
Rent	6.75	5.81
Others	4.42	1.83
TOTAL	22799.52	11125.62

For and on behalf of Board of Directors

Place : Nagpur

Basant Lall Shaw

Date : 11th August, 2014

Chairman

ANNEXURE B

STATEMENT OF PARTICULARS OF EMPLOYEES AS PER SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975, AS AMENDED AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014

Sl. No.	Name of the Employee	Designation/ Nature of Employment	Age/ Qualification	Experience	Remuneration (Rs. In Lacs)	Last Employment	Date of Appointment	Equity Holding %
1	Shri Arbind Jayaswal	Managing Director/ Contractual	60 yrs. B.Sc	36 years	66.53	Managing Director of Jayaswals Neco Limited	01.01.1998	0.40
2	Shri Ramesh Jayaswal	Joint Managing Director/ Contractual	54 yrs. B.com	29 years	66.53	Wholetime Director of Nagpur Alloy Castings Limited	01.01.1998	0.40

- Notes :**
- Remuneration includes Salary and Allowances.
 - Shri Arbind Jayaswal and Shri Ramesh Jayaswal are the relative of Shri Basant Lall Shaw, Chairman.

For and on behalf of Board of Directors

Place : Nagpur

Basant Lall Shaw

Date : 11th August, 2014

Chairman



CORPORATE GOVERNANCE REPORT

I COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The core of Corporate Governance is based upon, inter-alia; the objective of maximising the wealth of all the Stakeholders of the Company by making optimum utilization of resources at its disposal and fulfilling its obligations towards Corporate Responsibility and contributing to Nation Building to the best of its might. It also advocates the principles of transparency to be followed by the Company in all its decisions and actions; apart from furnishing full disclosures to the Board, its Shareholders and other Stakeholders. The Company is committed to adhere to high standards of the Corporate Governance Code in words and spirit. It is also constantly taking review of systems and procedures to keep pace with changing corporate environment.

II BOARD OF DIRECTORS

As of date the Board of the Company comprises of 8 (Eight) Directors; with the composition of Executive and Non-Executive / Independent Directors.

4 (Four) Board Meetings were held during the year ended 31.03.2014. The dates of the meetings are given below:

i) 25.05.2013 ii) 12.08.2013 iii) 29.10.2013 and iv) 10.02.2014

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year under review and at the last Annual General Meeting as also the number of Directorships and Committee Memberships held by them in other companies are given below:

Sr. No	Name of Directors	Category	Board Meetings Attended	Attended last AGM held on 30.09.2013	No. of Directorships in other Companies as on 31/03/2014 (Excluding Foreign & Private Limited Companies)	No. of Memberships in Committee of Directors in other Companies.	
					Director	Member	Chairman
1	Shri Basant Lall Shaw Chairman	Promoter Non-Executive	4	Yes	12	-	-
2	Shri Arbind Jayaswal Managing Director	Promoter Executive	4	Yes	13	-	-
3	Shri Ramesh Jayaswal Joint Managing Director	Promoter Executive	4	Yes	12	-	-
4	Shri B K Agrawal Director	Independent Non-Executive	4	Yes	-	-	-
5	Shri M M Vyas Director	Independent Non-Executive	3	No	2	-	-
6	Shri Nirmal Ved Director (*)	Independent Non-Executive (EXIM Bank Nominee)	2	No	-	-	-
7	Shri Sanjeev Kumar Sachdev Director (**)	Independent Non-Executive (IDBI Bank Ltd. Nominee)	3	No	-	-	-
8	Shri P K Bhardwaj Executive Director & CFO	Professional Executive	4	Yes	1	-	-
9	Shri S N Singh Director (w.e.f. 10.02.2014)	Independent Non-executive	-	No	-	-	-
10	Shri Rakesh Awasthi Director (**)	Independent Non-Executive (IDBI Bank Ltd. Nominee)	-	No	1	-	-

(*) Nomination of Shri Nimit Ved withdrawn by EXIM Bank Limited w. e. f. 10th January, 2014.

(**) IDBI Bank Limited appointed Shri Rakesh Awasthi as its nominee in place of Shri Sanjeev Kumar Sachdev w. e. f. 26th March, 2014.

Shri Ashutosh Mishra, Company Secretary, is a Compliance Officer.

III AUDIT COMMITTEE

The Audit Committee of Directors in compliance with Clause 49 of the Listing Agreement with Stock Exchanges and Section 177 of the Companies Act, 2013 is in place.

During the year under review, the Committee met on 25.05.2013, 12.08.2013, 29.10.2013 and 10.02.2014. Generally, all the Members of the Committee attend the Meetings. Heads of the Internal Audit / Internal Control Units, Representatives of Statutory Auditors, Managing Director and other Finance Executives of the Company also attend the Meetings, on invitation.

Shri Ashutosh Mishra, Company Secretary, shall act as Secretary to the Committee.

The particulars of Members of the Committee, and the number of Meetings attended by them during the year are as follows:

Sr. No.	Names of Members	No of Meetings attended
1)	Shri B K Agrawal Chairman	4
2)	Shri S K Sachdev (Upto 26.03.2014) Member	3
3)	Shri Nimit Ved (Upto 10.01.2014) Member	2
4)	Shri Ramesh Jayaswal Member	4
5)	Shri S N Singh (Appointed w.e.f. 30.04.2014) Member	0

The terms of reference are to

- " examination of the financial statements and the auditors' report thereon,
- " ensure compliance of internal control systems,
- " investigating into any matters as may be referred to it by the Board,
- " seek information from employees, obtain outside legal / professional advice on the matters before it,
- " review internal financial control and risk management policies of the Company,
- " the recommendation for appointment, remuneration and terms of appointment of auditors of the company,
- " review and monitor the auditor's independence and performance, and effectiveness of audit process,
- " approval or any subsequent modification of transactions of the company with related parties,
- " scrutiny of inter-corporate loans and investments,
- " valuation of undertakings or assets of the company, wherever it is necessary,
- " monitoring the end use of funds raised through public offers and related matters,
- " perform all other functions as are required under the Listing Agreement with Stock Exchanges.

IV REMUNERATION COMMITTEE (***)

During the year Remuneration Committee met on 10.02.2014.

The composition of the Remuneration Committee and the attendance of Members at the Remuneration Committee meeting is as per the following:

Sr.No.	Names of Members	Attendance
1.	Shri M M Vyas Chairman	1
2.	Shri B K Agrawal Member	1
3.	Shri Nimit Ved (Upto 10.01.2014) Member	0
4.	Shri S K Sachdev (upto. 26.03.2014) Member	1
5.	Shri Rakesh Awasthi (Appointed w.e.f. 30.04.2014) Member	0

The terms of reference include review and recommendation of the Directors' Remuneration, service contracts, performance linked incentives and other perks, benefits etc. to be drawn by the Company's Directors.

At the meeting held on 10.02.2014, as above, the Committee has reviewed and recommended the proposals of re-



appointment and enhanced remuneration of Shri Arbind Jayaswal, Managing Director, Shri Ramesh Jayaswal, Joint Managing Director for a period of 3 years w.e.f. 01.01.2014. The Committee also reviewed and recommended the proposals of Re-appointment and enhanced remuneration of Shri P.K. Bhardwaj, Executive Director & CFO of the Company for a period of 3 years w.e.f. 25.02.2014.

(***) The Board of Directors of the Company vide its meeting held on 30th April, 2014 changed the nomenclature of its existing "Remuneration Committee" to the "Nomination and Remuneration Committee" and has also widened its scope of functions to include the following in addition to its existing functions to align it with the requirements of the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement:

- To identify the persons who are qualified to become the directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of the directors
- To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other senior employees and
- To perform all other functions as are required under the Listing Agreement with the Stock Exchanges as amended from time to time.

Remuneration Policy of the Company is as follows :

- For Executive Directors

A fixed component consisting of salary, allowances and perquisites as per Rules of the Company (within the limits approved by the Board and subject to requisite statutory approvals, if any).

- For other Directors

By way of sitting fees as under:

Board Meeting

Rs.5000/- per Meeting.

Audit Committee Meeting

Rs.2000/- per Meeting.

Remuneration Committee Meeting

Rs.1000/- per Meeting.

No sitting fees is payable to Managing Director, Joint Managing Director and Executive Director & C F O of the Company.

Other payments to Directors:

During the year the Company has paid an amount of Rs. 13.20 lacs to Shri Arbind Jayaswal, Managing Director and Shri Ramesh Jayaswal, Joint Managing Director as Rent for utilizing Building, owned by them at Hyderabad for carrying on some of the operations of the Company. The details are as follows :

Sr. No.	Name of Directors	Amount (Rs in lacs)
1	Shri Arbind Jayaswal, Managing Director	6.60
2	Shri Ramesh Jayaswal, Joint Managing Director	6.60
	Total	13.20

The details of Remuneration to Directors during the year 01.04.2013 to 31.03.2014 and the number of Equity Shares held by them in the Capital of the Company are as follows:

Sr. No.	Name of Directors	Designation	Remuneration drawn (Amount Rs. in lacs)		No. of Equity Shares held
			Salary, Allowances & Perquisites	Sitting fees	
1	Shri Basant Lall Shaw	Chairman	-	0.20	10312850
2	Shri Arbind Jayaswal	Managing Director	66.53 (**)	-	2397920
3	Shri Ramesh Jayaswal	Joint Managing Director	66.53 (**)	-	2397920
4	Shri P K Bhardwaj	Executive Director and CFO	37.95 (**)	-	-
5	Shri B K Agrawal	Director	-	0.29	7500
6	Shri M M Vyas	Director	-	0.16	79034
7	Shri Nirmal Ved	Director (EXIM Bank Nominee)	-	0.14(*)	-
8	Shri S K Sachdev	Director (IDBI Bank Ltd. Nominee)	-	0.22(*)	-
9	Shri S N Singh	Director	-	0.05(*)	-

(*) Sitting Fees paid to the Institutions.

(**) Break up of Remuneration

Amount (Rs in lacs)

Names of Directors	Salary and Allowances	Prov. Fund	Perks	Total
Shri Arbind Jayaswal	62.05	4.48	-	66.53
Shri Ramesh Jayaswal	62.05	4.48	-	66.53
Shri P K Bhardwaj	36.00	1.95	-	37.95

The Company has paid a premium of Rs. 50 Lacs for a policy under Met Smart Platinum, a unit-linked Life Insurance Plan taken in the name of the Company. In terms of the policy documents, it may be assigned in favour Shri Arbind Jayaswal and Shri Ramesh Jayaswal within a period of 7 years.

V SHAREHOLDERS / INVESTORS GRIEVANCES COMMITTEE (*)

The Company has constituted a Share Transfer-cum-Shareholders / Investor Grievances Committee. The terms of reference of the Committee are to consider and approve the transfer of shares, consolidation / split of share certificates, issue of duplicate share certificates and other allied matters. The said Committee is also empowered to look into and address Shareholders-cum-Investors Grievances in compliance with Clause 49 of the Listing Agreement with Stock Exchanges. Investors' grievances are addressed within 15 days from the date of receipt.

Presently, Shri B K Agrawal, Non-Executive Director, is the Chairman of the Committee. While Shri Arbind Jayaswal, Managing Director and Shri Ramesh Jayaswal, Joint Managing Director are the Members.

Shri Ashutosh Mishra, Company Secretary is the Compliance officer.

The Committee met on 18.03.2014, approved the issue of Duplicate Share Certificates, for 140 shares and also disposed off all the 5 Complaints received during the year.

(*) Vide its meeting dated 30th April, 2014, the Board of Directors of the Company resolved to change the nomenclature of the "Share Transfer-cum-Shareholders/ Investor Grievances Committee" to "Share Transfer Cum Stakeholders Relationship Committee" and also expanded its terms of reference to include inter-alia its existing functions also to consider and resolve the grievances of the security holders of the Company. This has been done to align it with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.

VI OTHER DISCLOSURES

1 Details on General Meetings:

1.1 Location and time where last three Annual General Meetings were held:

For the year ended	Location	Date	Time
31.03.13	Registered Office at F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440 016.	30.09.13	12.30 P.M.
31.03.12	Registered Office at F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440 016.	29.09.12	12.30 P.M.
31.03.11	Registered Office at F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440 016.	24.09.11	11.30 A.M.

1.2 Special Resolutions were passed at the last three Annual General Meetings

a. Annual General Meeting held on 30.09.2013

- Resolutions under Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, approving issue of 3,26,49,600 Equity Shares of Rs.10/- each pursuant to Scheme of Arrangement between the Company and Corporate Ispat Alloys Limited.

b. Annual General Meeting held on 29.09.2012

- Resolutions under Section 81(1A) of the Companies Act, 1956, approving issue of 7,00,00,000 Equity Shares of Rs.10/- each at a Premium of Rs.30/- per share on Preferential Basis to Promoter and Non-Promoter Group.

c. Annual General Meeting held on 24.09.2011

- Resolution under Section 198, 269, 309 read with Schedule XIII of the Companies Act, 1956, approving appointment of Shri Megpal Singh, as Director.
- Resolution under Section 198, 269, 309 read with Schedule XIII of the Companies Act, 1956, approving appointment of Shri Pramod Kumar Bhardwaj, as Executive Director and Chief Finance Officer.



- iii) Resolutions under Section 94, 16 and 31 of the Companies Act, 1956, approving increase in Authorised Share Capital of the Company from Rs.3,16,00,00,000/- to Rs. 10,00,00,00,000/- and consequential changes to Memorandum and Articles of Association.
 - iv) Resolutions under Section 81(1A) of the Companies Act, 1956, approving issue of 6,99,59,559 Equity Shares of Rs.10/- each at a Premium of Rs.30/- per share on Preferential Basis to Promoter and Non-Promoter Group.
2. During the year, the Company has also issued 6,88,00,000 equity shares of Rs. 10/- each for cash at a Premium of Rs.15/- per share to Promoter Group entities and others on Preferential Basis in pursuance of ICDR Regulations, 2009, as amended. Proceeds of the issue being Rs.172 Crores have been deployed for the object of the issue being part funding the cost of the ongoing expansion under Steel Plant Division of the Company.
 3. During the year under review, no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large were entered into, except those stated in IV above and 4,66,72,000 Equity shares of Rs. 10/- each at a premium of Rs. 15/- per share issued on preferential basis to promoter group entities and 2,14,01,220 Equity Shares of Rs10/- each issued on Scheme of Arrangement to promoter group.
 4. The Company has a Whistle Blower mechanism in place and no personnel has been denied access to the Management and/or Audit Committee to discuss issues, if any, with them. During the year under review, there was no instance of anybody bringing any matter before the Management and/or Committee for discussions.
 5. The Company has laid down Code of Conduct for Employees of the Company, and that the Directors and Senior Management Personnel have affirmed to the Board that they have adhered to the Code of Conduct during the year ended 31.03.2014.
 6. The matters required to be covered under Management Discussion and Analysis Report are already covered in Directors Report under relevant heads, hence not being given separately.

7. Means of Communication

Quarterly Results: The Company's quarterly results are published in 'Loksatta, Indian Express and Financial Express and are displayed on its website (www.necoindia.com).

News releases, presentation, among others: Official news releases and official media releases which are relevant are sent to Stock Exchanges.

Website: The Company's website (www.necoindia.com) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

Annual Report: The Annual Report containing, inter alia, Audited Annual Accounts, consolidated Financial statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussions and Analysis Report forms part of the Annual Report and is displayed on the Company's website (www.necoindia.com).

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web-based application designed by NSE for corporate. All periodical compliance filings like shareholding pattern, corporate governance report etc. are filed electronically on NEAPS.

BSE Corporate Compliance and Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, etc. are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralised data base of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

8. The Company has complied with all the mandatory requirements stipulated under Clause 49 of the Listing Agreement on Corporate Governance. The Company has also complied with some Non - mandatory requirements with respect to maintaining Chairman's Office at the Company's expense and having Whistle Blower Mechanism and Remuneration Committee in place as suggested thereunder.
9. A certificate from CEO / CFO with respect to the matters required to be conveyed pursuant to the amended Clause 49 of the Listing Agreement with regard to the annual audited accounts for the year ended 31st March, 2014, was placed before the Board at its Meeting held on 30th April, 2014 and the same was noted.

VII GENERAL SHAREHOLDER INFORMATION

- 1 The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L28920MH1972PLC016154.

2 Annual General Meeting

Date and Time

: 22nd September, 2014 at 12.30 P.M.

Venue

: Regd. Office at F-8, MIDC, Industrial Area, Hingna Road, Nagpur - 440 016.

3 Book Closure Date

: 15th September, 2014 to 22nd September, 2014 (both days inclusive)

4 Dividend Payment Date

: Not Applicable since no dividend is proposed.

5 Financial Year

: April 1 to March 31

6 Financial Calendar For the

Year ending

: 31st March, 2015

Sr. No.	Particulars	Tentative Date
1	Unaudited Financial Results for the period of 3 months ended 30th June, 2014.	Second week of August, 2014.
2	Unaudited Financial Results for the period of 3 months ending 30th September, 2014.	Second week of November, 2014
3	Unaudited Financial Results for the Period of 3 months ending 31st December, 2014.	Second week of February, 2015
4	Audited Financial Results for the period of 12/3 months ending 31st March, 2015.	Last week of May, 2015
5	Annual General Meeting for the year 31st March, 2015.	Last week of September, 2015.

7. Listing of Equity shares on

: **1) BSE Limited**

Phirojee Jeejeebhoy Towers,
Dalal Street,
MUMBAI - 400 001.
Stock Code - 522285.

: **2) National Stock Exchange of India Limited,**

Exchange Plaza, 5th Floor, Plot No. 6/1,
Bandra Kurla Complex, 'G', Block, Bandra,
MUMBAI - 400 051.
Stock Code - JAYNECOIND

8 Annual Listing fees for the year 2014-2015 have been duly paid to both the above Stock Exchanges.

9 Annual Custody / Issuer fee for the year 2014-2015 will be paid by the Company to NSDL and CDSL on receipt of the invoices.

10. Stock Market Data:

A. Data on the closing share prices of the Company on Stock Exchanges during the year under review is as follows:

Month/Year	BSE Limited		National Stock Exchange of India Limited	
	Price		Price	
	High(Rs.)	Low(Rs.)	High (Rs.)	Low(Rs.)
Apr. 13	10.41	9.10	10.40	9.10
May 13	9.39	8.57	9.50	8.60
June 13	8.33	6.70	8.30	6.70
July 13	7.89	6.84	7.90	6.80
Aug. 13	7.00	5.81	6.95	5.85
Sep. 13	7.73	6.66	7.65	6.50
Oct. 13	8.88	7.19	8.90	7.15
Nov. 13	10.68	8.52	10.60	8.50
Dec. 13	9.52	8.31	9.55	8.30
Jan. 14	10.21	7.69	10.15	7.70
Feb. 14	8.28	7.01	8.30	7.00
Mar. 14	8.47	7.26	8.50	7.30



- B. Equity Shares of the Company are regularly traded on both the Exchanges. During the year, approximately 197.09 Lacs Equity Shares were traded.
- C. Share Price Performance relative to BSE Sensex and NSE Nifty

Financial Year 2013-2014	Percentage Change		
	Company	BSE Sensex	NSE Nifty
	-7.97%	18.85%	17.98%

11. Registrars and Transfer Agents:

The Company has appointed the following as Registrar and Transfer Agent for shares held in both physical form and electronic form:

Sharex Dynamic (India) Pvt. Ltd.
Unit - 1, Luthra Ind. Premises,
Andheri Kurla Road, Safed Pool,
Andheri (E),
Mumbai - 400 072.

SEBI Reg. No. INR 000002102.

12. Share Transfer and Investors Grievances Redressal System

Equity Shares:

(a) Physical Form

The Company has appointed Sharex Dynamic (India) Pvt. Ltd. as its Registrar and Transfer Agent to look into various issues relating to the investors including share transfers. Share transfers in physical form are registered and returned within a period of 10 days from the date of receipt, subject to the documents being valid and complete in all respects. The Company gets report of the share transfers, etc. periodically from Registrar and Transfer Agent.

During the year, the Company has not received any investor complaint.

Requests related to exchange of shares of erstwhile Nagpur Alloy Castings Limited and Jayaswals Neco Limited on account of amalgamation are processed by the Company only at its Registered Office.

(b) Electronic Form

The Company's Equity Shares are admitted into the Depository System of National Securities Depository Limited and Central Depository Services (India) Limited, as an eligible security under the Depositories Act, 1996.

As such, facilities for dematerialisation of the Company's Equity Shares is already operational vide ISIN: INE 854B01010 at both the Depositories. Investors are required to establish an account with a Depository Participant to hold and trade shares in the dematerialised form. Requests received from Shareholders through their Depository Participants for dematerialising the Equity Shares of the Company are processed by the Registrar within a period of 15 days from the date of receipt of such requests and are approved where requests are complete and in order in all respects.

13 Shareholding Pattern as on 31st March, 2014 :

Category	No. of Shares held	% of total share holding	No. of Share holders	% of total shareholders
A) Promoter and Promoter Group	411902841 (*)	68.81	18	0.04
Sub Total A	411902841	68.81	18	0.04
B) Public Shareholding				
i) Financial Institutions / Insurance Companies Banks / Mutual Funds	14975733	2.50	26	0.06
ii) NRIs / OCBs / Other Foreign Shareholders	651123	0.11	193	0.45
iii) Other Corporate Bodies	113184671	18.91	646	1.50
iv) Public	57918695	9.67	42306	97.95
Sub Total B	186730222	31.19	43171	99.96
Total (A+B)	598633063	100.00	43189	100.00

(*) Includes 8927000 Equity Shares being 2.17% of the Promoter and Promoter Group shareholding, and 1.49% of the total Equity Shares Capital pledged in favour of the Lenders to secure their Term Loans.

14 Distribution of shareholding as on 31st March, 2014

Shares of Nominal Value (Rs.)	Number of Shareholders	% of Holders	Total Amount	% of Amount
Upto to 5000	33284	77.06	58690850.00	0.98
5001 to 10000	4354	10.08	37616300.00	0.63
10001 to 20000	2340	5.42	37261430.00	0.62
20001 to 30000	879	2.04	22983540.00	0.38
30001 to 40000	438	1.01	15907900.00	0.27
40001 to 50000	452	1.05	21686920.00	0.37
50001 to 100000	691	1.60	52058200.00	0.89
100001 to Above	751	1.74	5740125490.00	95.86
Total	43189	100.00	5986330630.00	100.00

15. Dematerialisation of Shares and Liquidity :

589222800 Equity Shares i.e. 98.43 of the total Equity Shares have been dematerialized up to 30.06.2014.

Presently, trading in Equity Shares of the Company on Stock Exchanges is permitted only in dematerialised form as per the Directions issued by the Securities and Exchange Board of India in that behalf.

16. Plant Locations :

1) Steel Plant Division:

1. Siltara Growth Centre, Raipur, Dist. Raipur, Chhattisgarh.
2. Gare Palma IV/4 and IV/8 Coal Block, Mand Raigarh Coal Field, Raigarh, Chhattisgarh.

2) Castings Divisions:

1. Plot No. F-8 and F-8/1, MIDC Industrial Area, Nagpur, Maharashtra.
2. Plot No. T-41/42, MIDC Industrial Area, Nagpur, Maharashtra.
3. Village Ruikhairi, Wardha Road, Butibori, Nagpur, Maharashtra.
4. 105, Light Industrial Area, Bhilai, Dist. Durg, Chhattisgarh.
5. Thanod Road, Anjora, Dist. Rajnandgaon, Chhattisgarh

17. Address for Investor Correspondence:

Registered Office:

Jayaswal Neco Industries Limited

F-8, MIDC, Industrial Area,

Hingna Road,

Nagpur - 440 016.

Ph. Nos. 7104-237276/ 236251.

Fax No. 7104-237583/ 236255.

Email: contact@necoindia.com

Registrar and Transfer Agents Office:

Sharex Dynamic (India) Private Limited

Unit 1, Luthra Ind. Premises,

Andheri Kurla Road, Safed Pool,

Andheri (E), Mumbai - 400 072.

Ph. Nos. 022-28515606, 022-28515644

Fax No. 022-28512885

Email: sharexindia@vsnl.com

For and on behalf of Board of Directors

Place : Nagpur

Date : 11th August, 2014

Basant Lall Shaw

Chairman



CERTIFICATE OF CORPORATE GOVERNANCE

To,

The Members,

Jayaswal Neco Industries Limited

We have examined the compliance of conditions of Corporate Governance by **JAYASWAL NECO INDUSTRIES LIMITED**, for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing agreement.

We state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Chaturvedi & Shah

Chartered Accountants

Firm Reg. No. - 101720W

R. Koria

Partner

Membership No. - 35629

Place: Mumbai

Date: 11th August, 2014.

For Agrawal Chhallani & Co.

Chartered Accountants

Firm Reg. No. - 100125W

S. R. Chhallani

Partner

Membership No. - 30154

Nagpur

CODE OF CONDUCT

It is hereby declared pursuant to clause - 49 of the Listing Agreement with Stock Exchange that to the best of our knowledge and belief, all the Board Members and Senior Management personnel have, for the year ended 31.03.2014, adhered to the Code of Conduct laid down by the Company.

Arbind Jayaswal

Managing Director / CEO

Dated 11th August, 2014.

DISCLOSURE

Group coming within the definition of group as defined in the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969).

The following persons constitute the Group coming within the definition of group as defined in the Monopolies and Restrictive Trade Practice Act, 1969 (54 of 1969) which exercises or is established to be in a position to exercise, control, directly or indirectly over the Company.

Shri Basant Lall Shaw, Shri Arbind Jayaswal, Shri Ramesh Jayaswal, Smt. Nisha Jayaswal, Smt. Rita Jayaswal, Shri Anand Jayaswal, Smt. Karishma Jayaswal, Master Ananmay Jayaswal, Master Atharv Jayaswal, Master Aarik Jayaswal, Shri Avneesh Jayaswal, Smt. Hargunn Jayaswal, Shri Archit Jayaswal, Neco Heavy Engineering and Castings Limited, Neco Ceramics Limited, M/s A M R Iron and Steel Pvt. Ltd., A M R Steel Industries Pvt. Ltd., N S S L Limited, Neco Leasing and Finance Pvt. Ltd., Neco Valves and Pumps Pvt. Ltd., Neco Defence Systems Pvt. Ltd., Neco Mining Company Pvt.

Ltd., Terra Projects Ltd., Terra Infra Development Ltd., Deify Infrastructures Ltd., Deify Infraprojects Pvt. Ltd., Jayaswal Neco Infraprojects Pvt. Ltd., NSSL Italia SRL, Econo Valves Ltd., Neco Holdings Pvt. Ltd., Jayaswal Holdings Pvt. Ltd., Neco Industries Limited, Nagpur Agro and Food Processors Ltd., Maa Usha Urja Ltd., Jayaswal Neco Power Pvt. Ltd., North Karanpura Coal Co. Ltd., North Karanpura Power Co. Ltd., Nagpur Scrap Suppliers Pvt. Ltd., Jayaswal Neco Steel and Mining Ltd., Jayaswal Neco Infrastructures Pvt. Ltd., Raheja Exports Pvt. Ltd., Apex Spinning Mills Pvt. Ltd., Avon Sales & Services Pvt. Ltd., Anurag Sales & Services Pvt. Ltd., Jayaswal Neco Metallica Pvt. Ltd., Jayaswal Neco Energy Pvt. Ltd., Karamveer Impex Pvt. Ltd., Nine Star Plastic Packing Pvt. Ltd., Ramdeobaba Impex Pvt. Ltd., Baba Ramdeo Commercials Pvt. Ltd., Micro Vehicles Pvt. Ltd., Green Gold Marketing Pvt. Ltd., Parivar Food Industries Pvt. Ltd., Vibrant Electronics Ltd., Jyotikant Investments Pvt. Ltd., Nabo Jagoran Trading Pvt. Ltd., Samadhan Traders Pvt. Ltd., Ghanshyam Vyapar Pvt. Ltd., Ram Prakash Sales and Services Pvt. Ltd. Pecon Vinimay Pvt. Ltd., Aman Tradecon Pvt. Ltd., Amrita Vyapar Pvt. Ltd., Grace Tie Up Pvt. Ltd.

The above disclosure has been made, inter alia, for the purpose of Regulation 3(1) (e) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and takeovers) Regulations, 1997.

INDEPENDENT AUDITORS' REPORT

To
The Members of
Jayaswal Neco Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Jayaswal Neco Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2014 and the Statement of Profit & Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including, Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with general circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with significant accounting policies and notes thereon, give the information required by the Act, in the manner so required



and give a true and fair view in conformity with the accounting principles generally accepted in India: -

- i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2014;
- ii. In the case of the Statement of Profit & Loss, of the profit of the Company for the year ended on that date; and
- iii. In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Act read with the general circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
 - e. On the basis of written representations received from the directors as on 31st March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Chaturvedi & Shah

Chartered Accountants

(Registration No. : 101720W)

R Koria

Partner

Membership No. - 35629

Mumbai

Date : 30th April, 2014

For Agrawal Chhallani & Co.

Chartered Accountants

(Registration No. : 100125W)

S. R. Chhallani

Partner

Membership No. - 30154

Nagpur

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Jayaswal Neco Industries Limited on the accounts for the year ended 31st March, 2014)

- i. In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - b. As explained to us, the Company has physically verified certain assets, in accordance with a phased program of verification, which in our opinion is reasonable, having regard to the size of the Company. No material discrepancies were noticed on such physical verification.
 - c. In our opinion, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.
- ii. In respect of its inventories:
 - a. As explained to us, inventories have been physically verified during the year by the management except for inventories in transit and lying with job workers for which management confirmation has been received. In our opinion the frequency of verification is reasonable.

- b. As the company's inventory of raw materials mostly comprises bulk materials such as iron ore, coal, coke etc. requiring technical expertise for establishing the quality and quantification thereof, the Company has physically verified such stocks on volumetric basis. Relying on the above and according to the information and explanations furnished to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. According to the information and explanations given to us and on the basis of our examination of inventory records, we are of the opinion that the Company is maintaining proper records of inventory. As explained to us, discrepancies noticed on physical verification of the inventories between the physical inventories and book records were not material, having regard to the size of the operations of the Company, and the same have been properly dealt with.
- iii. In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Act:
 - a. The company has given advances in the nature of loan to two parties in respect of which maximum amount involved during the year was Rs. 690.92 lacs and the year-end balance was Rs. 671.31 lacs.
 - b. In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions are not prima facie prejudicial to the interest of the Company.
 - c. As per the information and explanations given to us, the above advances along with the interest are not due for repayment.
 - d. As the loans are not due for repayment, the question of overdue amounts does not arise.
 - e. The company has taken loans from eighteen such parties in respect of which maximum amount involved during the year was Rs. 35,229.79 lacs and the year-end balance was Rs. 13,569.72 lacs.
 - f. In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable, and other terms and conditions are not prima facie prejudicial to the interest of the Company.
 - g. As per the information and explanations given to us, the above loans along with interest payable are repayable on demand and are not due for repayment.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v. In respect of the contracts or arrangements referred to in Section 301 of the Act:
 - a. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained under section 301 of the Act, have been so entered.
 - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act and exceeding the value of Rs.5,00,000 in respect of each party during the year have been made at prices which appear reasonable as per the information available with the Company, except for certain transactions for purchase of services and projects of specific nature for which alternative quotations are not available and hence we are unable to comment upon.
- vi. According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Act and the rules framed there under are not applicable for the year under audit.
- vii. In our opinion the Company has an internal audit system, which needs to be further strengthened to make it commensurate with its size and nature of its business.
- viii. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209 (1) (d) of the Act and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



ix. According to the information and explanations given to us in respect of statutory dues:

- a. The company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities during the year except in few cases. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable except for environment cess on coal aggregating to Rs. 9.85 lacs.
- b. The disputed statutory dues of Income tax, Sales tax, Service tax, Custom duty, Wealth tax, Excise Duty and Cess aggregating to **Rs. 10422.42 lacs**, that have not been deposited on account of matters pending before appropriate authorities are as under:

(Rs.in Lacs)

Nature of Dues	Statute	Period Involved	Amount (*)	Forum where dispute is pending
Custom Duty	Custom Act, 1962	1998-99	733.11	Supreme Court
		2004-05	100.00	CESTAT
Excise Duty/ Service Tax	Central Excise Act, 1944	2000-01	5.52	Supreme Court
		2006-07	603.47	High Court
		1998-99 and 2001-02 to 2010-11	1,387.70	CESTAT
		2005-06 to 2009-10	91.82	Commissioner (Appeals)
Sales Tax / VAT and Entry Tax	Central Sales Tax Act, 1956 and Sales Tax Acts of various states	1996-97	6.98	Appellate Tribunal
		1993-94, 1995-97, 2002-03 and 2004-05	1,924.27	Joint Commissioner (A)
		1996-97, 2002-03 and 2006-09	2,050.84	Deputy Commissioner(A)
		2002-03	7.70	Additional Commissioner (A)
Electricity Cess / Duty	Electricity Act, 2003 and Chhattisgarh State Electricity Regulatory Commission	2004-05 to 2010-11	3,062.01	Supreme Court
		2009-10	249.00	Supreme Court
		2011-12	200.00	High Court
	TOTAL		10422.42	

(*) Net of amount deposited under protest.

- x. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- xi. Based on our audit procedures and information and explanations given by the management, we are of the opinion that as on 31st March, 2014 the Company has not defaulted in repayment of dues to banks and financial institutions.
- xii. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities and other investments. The Company has maintained proper records of transactions and contracts in respect of shares, securities and other investments and timely entries have been made therein. All shares, securities and other investments have been held by the Company in its own name.

- xv. The Company has given corporate guarantees aggregating to Rs. 1181 lacs for loan taken by an associate company from a bank. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not, prima facie, prejudicial to the interest of the Company.
- xvi. The Company has raised new term loans during the year. To the best of our knowledge and according to the information and explanations given to us the term loans outstanding at the beginning of the year and those raised during the year were prima facie been either used for the purpose for which they were raised or pending utilization have been temporary kept with the banks.
- xvii. On the basis of review of utilization of funds, which is based on overall examination of the balance sheet of the Company as at 31st March, 2014, related information as made available to us and as represented to us, by the management, we are of the opinion, that no funds raised on short term basis have been utilized for long term purposes.
- xviii. During the year, the Company has made preferential allotment of 46,672,000 equity shares to nine companies covered in the Register maintained under Section 301 of the Act. According to the information and explanations given to us these shares are issued in terms of Securities and Exchange Board of India (Issue Of Capital and Disclosure Requirements) Regulations, 2009 and accordingly, the prices at which these shares are issued are not prima facie prejudicial to the interest of the company.
- xix. The Company has not issued any debentures and hence provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xx. During the year covered by our report the company has not raised any money by public issue.
- xxi. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the course of our audit.

For Chaturvedi & Shah
Chartered Accountants
(Registration No. : 101720W)

R. Koria
Partner
Membership No. - 35629

Mumbai
Date: 30th April, 2014

For Agrawal Chhallani & Co.
Chartered Accountants
(Registration No. : 100125W)

S. R. Chhallani
Partner
Membership No. - 30154

Nagpur



BALANCE SHEET AS AT 31ST MARCH, 2014

PARTICULARS	Note No.	As at 31.03.2014	As at 31.03.2013
		Rs. in Lacs	Rs. in Lacs
I. EQUITY AND LIABILITIES			
1) Shareholders' Funds			
Share Capital	2	59862.58	49717.62
Reserves and Surplus	3	<u>152524.22</u>	<u>130930.78</u>
		212386.80	180648.40
2) Non current Liabilities			
Long Term Borrowings	4	245594.35	144113.67
Deferred Tax Liability (Net)	5	20339.88	16067.07
Other Long Term Liabilities	6	16.85	16.85
Long term Provisions	7	<u>2694.95</u>	<u>2694.95</u>
		268646.03	162892.54
3) Current Liabilities			
Short Term Borrowings	8	100056.21	77701.45
Trade Payables	9	36936.23	35785.79
Other Current Liabilities	10	32095.56	28316.74
Short Term Provisions	11	<u>5609.80</u>	<u>5116.64</u>
		174697.80	146920.62
TOTAL		<u><u>655730.63</u></u>	<u><u>490461.56</u></u>
II. ASSETS			
1) Non current assets			
Fixed Assets	12		
Tangible Assets		140900.16	121759.21
Intangible Assets		6378.59	4243.62
Capital Work in Progress		189266.58	95168.01
Intangible Assets under Development		<u>13946.30</u>	<u>8489.51</u>
		350491.63	229660.35
Non Current Investments	13	0.01	0.01
Long Term Loans & Advances	14	<u>143525.27</u>	<u>123532.65</u>
		494016.91	353193.01
2) Current assets			
Current Investments	15	1446.80	1435.17
Inventories	16	78165.05	80185.06
Trade Receivables	17	41062.93	30185.41
Cash and Bank Balances	18	25457.01	15130.30
Short Term Loans and Advances	19	<u>15581.93</u>	<u>10332.61</u>
		161713.72	137268.55
TOTAL		<u><u>655730.63</u></u>	<u><u>490461.56</u></u>
Significant Accounting Policies	1		
Notes to Financial Statements	2 to 43		

As per our Report of even date

For CHATURVEDI & SHAH

Chartered Accountants

R. KORIA

Partner

For AGRAWAL CHHALLANI & CO.

Chartered Accountants

S. R. CHHALLANI

Partner

For and on behalf of Board of Directors

ARBIND JAYASWAL

Managing Director

A. D. KARAJGAONKAR

Company Secretary

P. K. BHARDWAJ

Executive Director &
Chief Financial Officer

Nagpur, 30th April, 2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2014

PARTICULARS		Note No.	Year ended 31.03.2014	Year ended 31.03.2013
			Rs.in lacs	Rs.in lacs
1	Revenue from Operations (Gross)	20	353435.15	285451.72
	Less: Excise Duty/Service Tax Recovered on Sales		37330.03	30527.49
	Revenue from Operations (Net)		316105.12	254924.23
2	Other Income	21	1031.64	1178.07
3	Total Revenue (1+2)		317136.76	256102.30
4	Expenses			
	Cost of Materials Consumed	22	187832.90	155848.75
	Purchase of Stock in Trade	23	16905.79	5460.27
	Changes in Inventories of Finished Goods and Work in Progress	24	(3093.42)	(6750.22)
	Employee Benefits Expense	25	14916.93	12749.12
	Finance Costs	26	17338.14	18062.14
	Depreciation and Amortization Expenses	12	11572.44	9668.36
	Other Expenses	27	60448.77	56181.37
	Total Expenses		305921.55	251219.79
5	Profit before tax (3-4)		11215.21	4882.51
6	Tax Expense :			
	Current Tax		2390.12	1043.95
	MAT Credit Entitlement	14.01	(1780.87)	(864.84)
	Deferred Tax Liability (Net)	5	4022.20	1838.66
	Income Tax- Earlier Years		253.89	-
			4885.34	2017.77
7	Profit for the year (5-6)		6329.87	2864.74
8	Earnings per Equity share of Rs.10/- each	28		
	Basic (Rs.)		1.19	0.73
	Diluted (Rs.)		1.17	0.66
	Significant Accounting Policies	1		
	Notes to Financial Statements	2 to 43		

As per our Report of even date

For CHATURVEDI & SHAH

Chartered Accountants

R. KORIA

Partner

For AGRAWAL CHHALLANI & CO.

Chartered Accountants

S. R. CHHALLANI

Partner

For and on behalf of Board of Directors

ARBIND JAYASWAL

Managing Director

A. D. KARAJGAONKAR

Company Secretary

P. K. BHARDWAJ

Executive Director &
Chief Financial Officer

Nagpur, 30th April, 2014



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	31.03.2014 (Rs.in lacs)	31.03.2013 (Rs.in lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Statement of Profit and Loss	11215.21	4882.51
ADJUSTED FOR		
Depreciation and Amortization Expenses	11572.44	9668.36
Loss/(Profit) on sale of fixed asset (Net)	0.75	(12.85)
Loss/(Profit) on sale of investment (Net)	(0.43)	(4.75)
Dividend on Current Investments	(0.09)	(0.05)
Interest Income	(675.37)	(826.27)
Finance Costs	17338.14	18062.14
Foreign Exchange differences	(486.31)	(146.26)
Provision for Sales Tax Deferral	556.53	665.32
Bad Debts /Advances written off(Net of reversal)	7.67	30.54
Provision for Doubtful Debts/ Advances	127.70	114.08
Provision for diminution in value of investment	(1.20)	2.23
Provision for Wealth tax	1.56	1.67
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	39656.60	32436.67
ADJUSTMENTS FOR		
Trade and Other Receivables	(16854.46)	(1944.15)
Inventories	3045.96	(10795.40)
Trade Payables	(5306.91)	2123.38
CASH GENERATED FROM OPERATIONS	20541.19	21820.50
Direct taxes (paid) / Refund	(2103.09)	(913.98)
Wealth Tax	(1.67)	(1.28)
NET CASH FLOW FROM OPERATING ACTIVITIES	18436.43	20905.24
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets and Capital Work-in-progress	(98233.31)	(115197.27)
Sale of Fixed Assets	18.95	17.23
Sale of Investments	0.44	29.75
Purchase of Investments	(10.43)	(50.00)
Advances to Subsidiary (Net)	(154.51)	(364.85)
Dividend Income	0.09	0.05
Movement in Inter Corporate Deposits (Net)	19.61	(4.43)
Interest Income	657.52	847.41
NET CASH USED IN INVESTING ACTIVITIES	(97701.64)	(114722.11)
C. CASH FLOW FROM FINANCING ACTIIVITIES		
Proceed against issue of Equity Shares	17200.00	55000.00
Repayment of Lease Liability	(896.68)	(360.00)

Proceed from Long Term Borrowings (Refer Note No. (ii) below)	116350.12	51991.48
Repayment of Long Term Borrowings	(20578.42)	(14313.20)
Short Term Loans (Net)	16084.21	35373.75
Finance Costs	(38567.56)	(29546.24)
Margin Money and Current Account not included in Cash and Cash Equivalents	(669.83)	(71.94)
NET CASH FLOW FROM FINANCING ACTIVITIES	88921.84	98073.85
NET INCREASE IN CASH AND CASH EQUIVALENTS	9656.63	4256.98
Cash and Cash Equivalents (Opening Balance)	11630.95	7373.97
Add : Pursuant to Scheme of Arrangement	0.25	-
Cash and Cash Equivalents (Opening Balance)	11631.20	7373.97
Cash and Cash Equivalents (Closing Balance)	21287.83	11630.95

- (i) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statements".
- (ii) Debt Swap of Rs.Nil (Previous Year Rs. 14055.01 lacs) has not been considered in the proceeds from and repayment of Long Term Borrowings.
- (iii) Figures in brackets indicate Outflows.
- (iv) Previous year's figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year.

As per our Report of even date attached

For CHATURVEDI & SHAH

Chartered Accountants

R. KORIA

Partner

For AGRAWAL CHHALLANI & CO.

Chartered Accountants

S. R. CHHALLANI

Partner

For and on behalf of Board of Directors

ARBIND JAYASWAL

Managing Director

A. D. KARAJGAONKAR

Company Secretary

P. K. BHARDWAJ

Executive Director &
Chief Financial Officer

Nagpur, 30th April, 2014



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

NOTE: 1

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1.01 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The Financial Statements are prepared under the historic cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013 (to the extent notified) and Companies Act, 1956 (to the extent applicable).

1.02 USE OF ESTIMATES :

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.03 FIXED ASSETS:

Fixed Assets are stated at cost less accumulated depreciation, net of Central Value Added Tax and Value Added Tax Credits. All costs including financing cost till commencement of commercial production are capitalised. Expenses incurred relating to project, prior to commencement of commercial operation, are considered as pre-operative expenditure and shown under Capital Work-in-Progress.

1.04 MINING RIGHTS/MINE DEVELOPMENT EXPENDITURE:

Mining Rights/ mine development expenditure includes leases, costs incurred for acquiring / developing properties / rights up to the stage of commercial production and site restoration cost. The site restoration costs are provided upfront and comprises provision for expenses related to abandonment cost of its operational coal mine which includes dismantling of structures / demolition and cleaning of sites, rehabilitation of mining machinery, plantation, physical / biological reclamation, landscaping, biological reclamation of left out Overburden dump, filling up of decoaled void, post environmental monitoring for 3 years, rehabilitation measures, etc. Actual payments for restoration are charged directly against the provision. The present obligation is revised annually based on technical estimates by internal or external specialists. If the exploration activities are found to be not fruitful, the expenditure on such exploratory work included in mine development expenditure is written off in the year in which it is decided to abandon the project.

Mining Rights/Mine Development Expenditure are depreciated over the useful life of the mine or lease period whichever is shorter.

1.05 DEPRECIATION:

- i) Depreciation on Fixed Assets has been provided on straight line method at the rates and in the manner laid down in Schedule XIV of the Companies Act, 1956.
- ii) Assets acquired under finance lease on or after 1st April 2001 are depreciated on a straight line basis over the lease term.
- iii) In respect of Fixed Assets acquired pursuant to the Schemes of Arrangements, depreciation is provided for the balance period of economic useful life of those assets.
- iv) The leasehold land has been amortised over the lease period.

1.06 IMPAIRMENT OF ASSETS:

The carrying amount of assets is reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which the carrying amount of an asset exceeds its recoverable amount. The impairment loss recognised in prior accounting periods is reversed if there is a change in the estimate of recoverable amount.

1.07 INTANGIBLE ASSETS:

Intangible Assets are stated at cost less accumulated amortisation. Process Development Cost is amortised over a period of ten years. Technical Know-how is amortised over the useful life of the underlying plant. Softwares are

ammortised over a period of three years and Indefeasible Right to Use has been amortised over the period of the agreement.

1.08 INVESTMENT:

Current investments are carried at the lower of cost or quoted / fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

1.09 INVENTORY:

The inventories i.e. Raw Materials, Stores and Spares, Finished Goods etc. have been valued at lower of cost or realisable net value. Cost of Inventories comprise of all costs of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. The cost of Raw Materials and Stores & Spares are determined at First-In-First-Out Method and Weighted Average Method respectively. By-products are valued at cost or Net Realisable Value whichever is lower. The cost of Work-in-progress and Finished Stock is determined on absorption costing method. The value of inventories of Finished Goods includes Excise Duty wherever applicable.

1.10 FOREIGN CURRENCY TRANSACTIONS:

- a) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- b) Monetary items denominated in foreign currencies at the year end are restated at the year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts has been recognised over the life of the contract.
- c) Non monetary foreign currency items are carried at cost.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the statement of Profit and Loss.

1.11 FINANCIAL DERIVATIVES:

In respect of derivative contracts, premium paid, gains / losses on settlement and losses on restatement are recognised in the statement of Profit and Loss.

1.12 REVENUE RECOGNITION:

Revenue from sale of goods and services is recognized when it is earned and no significant uncertainty exists as to its ultimate collection. Interest income is recognised on a time proportion basis. Dividend is considered when the right to receive is established.

1.13 INCOME FROM OPERATIONS:

Income from operations includes income from sale of goods, trial run products, services, job work, excise duty and is net of rebates, discounts, sales tax and value added tax recovered.

1.14 BORROWING COSTS:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets (net of income earned on deployment of funds) are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to statement of profit and loss.

1.15 DEFERRED LIABILITIES:

Sales Tax payable under the Deferral Scheme of Incentives is provided for on the basis of Net Present Value.

1.16 EMPLOYEE BENEFITS:

- i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss/preoperative expenditure of the year in which the related service is rendered.
- ii) Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss /Preoperative expenditure for the year in which the employee has rendered services. The



expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss /Preoperative expenditure.

1.17 LEASE:

- a) Operating Leases: Rentals are expensed with reference to lease terms and other considerations.
- b) In respect of Lease transactions the lower of the fair value of the assets and the present value of the minimum lease rentals is capitalized as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to the statement of Profit and Loss.

1.18 PRELIMINARY AND ISSUE EXPENSES:

Preliminary and Issue Expenses are adjusted against the Securities Premium Account.

1.19 PREMIUM ON REDEMPTION OF DEBENTURES:

Premium on redemption of debentures is adjusted against the Securities Premium Account.

1.20 SEGMENT ACCOUNTING:

(i) Segment Accounting Policies :

Segment accounting policies are in line with the accounting policies of the Company. However, the following specific accounting policies have been followed for segment reporting:

- (a) Segment Revenue includes Sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.
- (b) Expenses that are directly identifiable with / allocable to segments are considered for determining the Segment Result. The expenses which relate to the Company as a whole and not allocable to segments, are included under "Unallocable expenditure".
- (c) Income which relates to the Company as a whole and not allocable to segments is included in "Unallocable Corporate Income".
- (d) Segment Assets and Liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment. Unallocable assets mainly comprise investments, unallocable loans and advances and, deferred revenue expenditure. Unallocable liabilities include mainly loan funds and interest liabilities.

(ii) Inter-Segment Transfer Pricing :

Segment Revenue resulting from transactions with other business segments is accounted on the basis of market price.

1.21 PROVISION FOR DOUBTFUL TRADE RECEIVABLES AND LOANS AND ADVANCES:

Provision is made in the accounts for doubtful trade receivables and loans and advances in cases where the management considers the trade receivables, loans and advances, to be doubtful of recovery.

1.22 PROVISION FOR CURRENT AND DEFERRED TAX

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

1.23 PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

NOTE : 2 SHARE CAPITAL

PARTICULARS			As at 31.03.2014 Rs.in lacs	As at 31.03.2013 Rs.in lacs
Authorised				
1,000,000,000	(1,000,000,000)	Equity Shares of Rs.10/- each.	100000.00	100000.00
			<u>100000.00</u>	<u>100000.00</u>
Issued, Subscribed and Paid up				
598,633,063	(497,183,463)	Equity Shares of Rs.10/- each fully paid up.	59863.30	49718.34
		Less : Allotment Money Unpaid (from other than Directors)	0.72	0.72
		TOTAL	<u>59862.58</u>	<u>49717.62</u>

2.01 Reconciliation of Equity Shares outstanding at the beginning and at the end of the year

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	Amount Rs.in lacs	No. of Shares	Amount Rs.in lacs
Shares outstanding at the beginning of year	497,183,463	49718.34	359,683,463	35968.34
Add: Shares issued pursuant to Scheme of Arrangement (Refer Note No.31)	32,649,600	3264.96	-	-
Add: Shares issued during the year on Preferential Basis (Refer Note No. 2.05)	68,800,000	6880.00	137,500,000	13750.00
Shares outstanding at the end of year	<u>598,633,063</u>	<u>59863.30</u>	<u>497,183,463</u>	<u>49718.34</u>

2.02 Details of Shareholders, holding more than 5% shares of the Company

Name of Shareholders	As at 31.03.2014		As at 31.03.2013	
	No of Share held	Percentage to Capital	No of Share held	Percentage to Capital
Jayaswal Holdings Private Limited	53,098,951	8.87	43,978,951	8.85
Karamveer Impex Private Limited	44,269,000	7.40	39,069,000	7.86
Nine Star Plastic Packaging Services Private Limited	41,574,600	6.94	36,974,600	7.44
Jayaswal Neco Metallica Private Limited	37,910,500	6.33	32,790,500	6.60
Avon Sales and Services Private Limited	36,095,000	6.03	30,815,000	6.20
Jayaswal Neco Energy Private Limited	36,632,000	6.12	31,312,000	6.30
Jayaswal Neco Power Private Limited	32,954,500	5.50	29,722,500	5.98
Anurag Sales & Services Private Limited	35,771,000	5.98	30,091,000	6.05
Apex Spinning Mills Private Limited	32,399,600	5.41	26,559,600	5.34
Jayaswal Neco Infrastructures Private Limited	31,025,500	5.18	24,625,500	4.95

2.03 156,426,456 (Previous Year 123,776,856) shares were allotted in the last five years pursuant to various Schemes of Amalgamation and Arrangement without payment being received in cash.

2.04 Rights of Equity Shareholders

The Company has only one class of equity shares having a face value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the equity shareholders will be entitled to receive any of remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

2.05 As approved by the shareholders in their Extraordinary General Meeting held on 21st March 2014, the Board of Directors has allotted 6,88,00,000 equity shares of Rs. 10 each @ Rs. 25 per share. This money has been fully utilised for the upcoming projects and working capital requirement of the Company.



NOTE : 3 RESERVES AND SURPLUS

PARTICULARS	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
		Rs.in lacs	Rs.in lacs
Capital Reserve			
Balance as per last Balance Sheet	79.02		79.02
Add : Pursuant to Scheme of Arrangement (Refer Note No.31)	7683.87		-
		7762.89	79.02
Capital Redemption Reserve			
Balance as per last Balance Sheet		5100.37	5100.37
Securities Premium Account			
Balance as per last Balance Sheet	80025.81		38775.81
Add: Received on issue of Equity Shares	10320.00		41250.00
		90345.81	80025.81
Revaluation Reserve			
Balance as per last Balance Sheet	22.99		23.75
Less : Amount of Depreciation attributable on appreciated value transferred to Surplus	0.76		0.76
		22.23	22.99
General Reserve			
Balance as per last Balance Sheet	17586.48		17586.48
Less : Balance written off *	885.61		-
		16700.87	17586.48
Surplus			
Balance as per last Balance Sheet	28116.11		25250.61
Add: Profit for the year	6329.87		2864.74
Less : Pursuant to Scheme of Arrangement (Refer Note No.31)	1854.69		-
Add: Transferred from Revaluation Reserve	0.76		0.76
		32592.05	28116.11
TOTAL		152524.22	130930.78

* During the financial year 2008-09 the Company had accounted for the assets/ liabilities of Inertia Iron and Steel Industries Private Limited (Amalgamating company) at the fair value in terms of Scheme of Arrangement under section 391 to 394 of the Companies Act, 1956 approved by Hon'ble High Court of Mumbai judicature at Nagpur between the Company and shareholders of Amalgamating Company having appointed date 31st March, 2008. The excess of the fair value of net assets taken over by the Company over paid up value of the equity shares allotted to the shareholders of Amalgamating Company was credited to general reserve. During the year the Company has adjusted Rs. 885.61 lacs with general reserve being the amount given to one of the party by the Amalgamating Company before amalgamation which could not be recovered and now written off.

NOTE : 4 LONG TERM BORROWINGS

PARTICULARS	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Secured			
Term Loans			
- From Banks	240368.60		139582.34
- From Financial Institutions	-		798.61
- From Others	-		24.79
		240368.60	140405.74
Unsecured			
Sales Tax Deferral (Under Package Scheme of Incentives) (Refer Note No. 4.09)		3917.12	3385.76
Long term maturities of finance lease obligations (Refer Note No. 4.08)		1308.63	322.17
TOTAL		245594.35	144113.67

- 4.01** The term loans from banks, financial institutions and others referred to above aggregating to Rs. 240298.00 lacs and Rs. 19171.72 lacs included in Current Maturities of Long Term Debts in Note No. 10 are guaranteed by some of the Directors in their personal capacities and pledge of 5927000 equity shares of the Company held by the Promoters.
- 4.02** Term loans from Banks and Financial Institution referred to above aggregating to Rs. 225948.34 lacs and Rs. 19171.72 lacs included in Current Maturities of Long Term Debts in Note No. 10 are secured by way of :
- First Charge on the moveable and immoveable fixed assets of the company, both present and future on pari-passu basis with other participating Financial Institution/ Banks except the moveable and immoveable fixed assets at Moitra Coking Coal Block including Washery at North Karanpura Coalfields near Hazaribagh in Jharkhand.
 - First Ranking Charge on all titles and interest of the borrower in respect of all project documents / contracts / licences including insurance contracts and rights except mining rights pertaining to the assets of the borrower on pari-passu basis with other participating Financial Institutions/ Banks.
 - Charge on all the current assets of the company including raw materials, finished goods, stock-in-process, trade receivable, both present and future on pari-passu basis with other participating Financial Institutions/ Banks amongst them ranking next to the charge in favour of bankers to secure their working capital loans.
- 4.03** Term loans from Banks referred to above aggregating to Rs. 8000 lacs is secured by way of :
- First Charge created/ to be created on the all immoveable as well as moveable fixed assets of the company, both present and future on pari-passu basis with other participating Financial Institution/ Banks except the moveable and immoveable fixed assets at Moitra Coking Coal Block including Washery at North Karanpura Coalfields near Hazaribagh in Jharkhand.
 - Charge on all the current assets of the company including raw materials, finished goods, stock-in-process, trade receivable, both present and future on pari-passu basis with other participating Financial Institutions/ Banks amongst them ranking next to the charge in favour of bankers to secure their working capital loans.
- 4.04** Term loans from banks referred to above aggregating to Rs.6349.66 Lacs are secured by way of first charge on whole of the moveable and immoveable properties, except Book Debts, Store and Spares and Stocks, both present and future relating to coking coal mines project including washery at Moitra coking coal block at North Karanpura Coalfields near Hazaribagh in Jharkhand (the project) and charge on Current Assets of the Company on pari-passu basis amongst banks funding the project ranking next to the charge in favour of bankers to secure their working capital loans.
- 4.05** Term Loans of Rs.70.60 lacs and Rs.55.57 lacs included in current maturities of long term debt are secured by way of hypothecation of the specific Equipments/ Vehicles financed.
- 4.06** The term loans referred to above aggregating to Rs.5416.67 lacs and Rs.2500.00 lacs included in current maturities of long term debt in Note no. 10 are further secured by mortgage of certain piece of land and all the moveable assets of one of the related parties i.e. Neco Ceramics Limited.
- 4.07** Term Loans from Banks and Financial Institutions referred to above and Rs. 19171.72 lacs included in current maturities of long term debt in Note No.10 are to be repaid as under :
- Rs.1416.67 lacs is repayable in 12 equal monthly instalments of Rs.118.06 lacs each, ending on March, 2015.
- Rs.2704.17 lacs is repayable in 12 equal monthly instalments of Rs.225.35 lacs each, ending on March, 2015.
- Rs.1275.00 lacs is repayable in 24 equal monthly instalments of Rs.53.13 lacs each, commencing from April, 2015 and ending on March, 2017.
- Rs.2463.20 lacs is repayable in 18 equal monthly instalments of Rs.138.90 lacs each, ending on September, 2015.
- Rs.381.93 lacs is repayable in 12 equal monthly instalments of Rs.34.72 lacs each, ending on March, 2015.
- Rs.189.86 lacs is repayable in 6 equal quarterly instalments of Rs.30.88 lacs each, ending on September, 2015.
- Rs.1406.25 lacs is repayable in 3 equal quarterly instalments of Rs.468.75 lacs each, ending on October, 2014.
- Rs. 5500.00 lacs is repayable in 11 equal quarterly instalments of Rs.500.00 lacs each, ending on October, 2016.
- Rs.10137.05 lacs is repayable in 36 structured monthly instalments, ending on March, 2017.
- Rs.1283.33 lacs is repayable in 28 equal monthly instalments of Rs.45.83 lacs each, ending on July, 2016.
- Rs.6991.98 lacs is repayable in 22 structured quarterly instalments, ending on October, 2019.
- Rs.6349.66 lacs is repayable in 48 equal monthly instalments of Rs.132.28 lacs each, commencing from July, 2015 and ending on June, 2019.
- Rs.23670.91 lacs is repayable in 22 quarterly instalments of Rs.1075.95 lacs each, commencing from quarter ending December 2015 and ending in March 2021 quarter.
- Rs.140269.73 lacs is repayable in 78 equal monthly instalments of Rs.1798.33 lacs each, commencing from September, 2015 and ending on February, 2022.



Rs. 23482.71 lacs is repayable in 22 equal quarterly instalments of Rs.1067.40 lacs each, Commencing from November 2015 and ending in Feb 2021.

Rs. 7916.67 lacs is repayable in 38 equal monthly instalments of Rs.208.33 lacs each, Commenced from June 2013 and ending in May 2017.

Rs. 13499.81 lacs is repayable in 90 structured monthly instalments, Commencing from October 2014 and ending in March 2022.

Rs. 8000 lacs is repayable in 48 structured monthly instalments, Commencing from January 2017 and ending in December 2020.

Rs. 2321.72 lacs is repayable in 21 equal monthly instalments of Rs.116.85 lacs each, ending in December, 2015.

Rs.209.07 lacs is repayable in 3 equal monthly instalments of Rs.61.16 lacs each, ending in June, 2014.

Vehicle Loans included in Term Loans above are repayable in 36 to 60 monthly equal instalments (including interest) as per repayment schedule.

Term Loans from Others referred to above are repayable in 24 to 36 monthly equal instalments (including interest) as per repayment schedule.

Maturity Profile of Term Loans is as under :					(Rs.in lacs)
	Payable within one year	1-2 years	2-3 years	3-4 years	Beyond 4 years
Term Loans from Banks, Financial Institution and Others	19227.29	31217.59	42609.27	37066.54	129475.20

4.08 The Minimum Lease Rentals outstanding as on 31st March, 2014 in respect of assets having the Gross Liability of Rs.4574.93 lacs (Previous Year Rs. 2324.93 lacs) taken on financial lease is as follows :

	31.03.2014 (Rs.in lacs)	31.03.2013 (Rs.in lacs)
Minimum Lease Payments		
(i) Payable not later than 1 year	917.63 *	360.00
(ii) Payable later than 1 year and not later than 5 years	1845.00	360.00
(iii) Payable later than 5 years	-	-
Total Minimum Lease Payments	2762.63	720.00
Less : Future Finance Charges	877.00	136.24
Present Value of Minimum Lease Payments	1885.63	583.76
Present Value of Minimum Lease Payments		
(i) Payable not later than 1 year	577.00 *	261.59
(ii) Payable later than 1 year and not later than 5 years	1308.63	322.17
(iii) Payable later than 5 years	-	-
Total Present Value of Minimum Lease Payments	1885.63	583.76

General description of Lease terms :

- (i) Lease Rentals are charged on the basis of agreed terms.
- (ii) Assets are taken on lease for a period of 5 to 10 years.

*Includes unpaid amount of Rs.17.62 lacs relating to installment due on 31st March, 2014 which has since been paid.

4.09 The Company is entitled to defer its liability to pay Sales Tax (including a portion of Purchase Tax) in respect of its certain units. The liability under the Schemes as on 31st March, 2014 is Rs.7797.64 lacs (Previous Year : Rs. 7361.03 lacs) which is provided for on the basis of its Net Present Value of Rs.3942.29 lacs (Previous Year : Rs.3385.76 lacs). This Sales-tax liability is repayable in five equal annual instalments starting at the end of the tenth year from the year to which it relates.

NOTE : 5 DEFERRED TAX LIABILITIES (NET)

PARTICULARS	As at 31.03.2014 Rs. in lacs	As at 31.03.2014 Rs. in lacs	As at 31.03.2013 Rs. in lacs
Deferred Tax Liabilities			
Related to Fixed Assets	20315.33		16005.48
Sales Tax Deferral not debited to Statement of Profit & Loss	1310.43		1289.78
		21625.76	17295.26
Deferred Tax Assets			
Items disallowed under section 43B of Income Tax Act, 1961	612.92		602.59
Provision for Doubtful Trade Receivables & Advances	568.13		481.80
Leased Asset	104.83		143.80
		1285.88	1228.19
Net Deferred Tax Liability		20339.88	16067.07
Net Increase in Deferred Tax Liability		4272.81	1838.66
Less : Pursuant to Scheme of Arrangement (Refer Note No.31)		250.61	-
Amount Debited to Profit and Loss Account		4022.20	1838.66

NOTE : 6 OTHER LONG TERM LIABILITIES

PARTICULARS	As at 31.03.2014 Rs.in lacs	As at 31.03.2013 Rs.in lacs
Deposits Received	16.85	16.85
TOTAL	16.85	16.85

NOTE : 7 LONG TERM PROVISIONS

PARTICULARS	As at 31.03.2014 Rs. in lacs	As at 31.03.2013 Rs. in lacs
Provision for Site Restoration Expenses	2694.95	2694.95
TOTAL	2694.95	2694.95

7.01 The site restoration costs have been calculated in terms of guidelines for preparation of mines closure plan issued by Ministry of Coal, Government of India.



NOTE : 8 SHORT TERM BORROWINGS

PARTICULARS	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Secured			
Working Capital Rupee Loans from Banks		53271.54	45619.96
Unsecured			
Inter Corporate Deposits taken from:			
i) Related party (Refer Note No.36 (c))	13569.72		6272.42
ii) Others	1600.00		1849.40
		15169.72	8121.82
Buyer's Credits		63.81	203.61
Suppliers Credits*		31551.14	23756.06
TOTAL		100056.21	77701.45

* Backed by Letter of Credit and includes Rs.25172.56 Lacs (Previous Year Rs. 16153.17 Lacs) relating to Capital Goods to be paid out of Term Loans.

8.01 Working Capital Loans from Banks are secured/to be secured by the hypothecation of whole of movable properties including Stocks and Book Debts, both present and future, and by second charge on immovable properties of the Company, excluding the moveable and immovable fixed assets at Moitra Coking Coal Block including Washery at North Karanpura Coalfields near Hazaribagh in Jharkhand, ranking next to the mortgage charge of Financial Institutions and Banks for securing their Term Loans.

8.02 The Working Capital Loans from banks are guaranteed by some of the Directors in their personal capacities.

NOTE : 9 TRADE PAYABLES

PARTICULARS	As at 31.03.2014	As at 31.03.2013
	Rs. in lacs	Rs. in lacs
Trade Payables - Micro, Small and Medium Enterprises @	72.11	-
- Others	36864.12	35785.79
TOTAL	36936.23	35785.79

@ Micro, Small & Medium Enterprises under the Micro, Small & Medium Enterprises Development Act, 2006 have been determine based on the information available with the Company and the required disclosures are given below:

Particulars	As at 31.03.2014	As at 31.03.2013
Principal amount remaining unpaid	72.11	*
Interest due thereon	0.53	*
Interest paid by the Company in terms of Section 16	-	*
Interest due and payable for the period of delay in payment	-	*
Interest accrued and remaining unpaid	0.53	*
Interest remaining due and payable even in succeeding years	-	*

* The details are not furnished as the informations are not available with the Company.

NOTE : 10 OTHER CURRENT LIABILITIES

PARTICULARS	As at	As at	As at
	31.03.2014	31.03.2014	31.03.2013
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Current Maturities of Long term debts		19227.29	17780.17
Current Maturities of Sales Tax Deferral		25.17	-
Current Maturities of Lease obligations		577.00	261.59
Interest Accrued but not due on borrowings		485.57	612.51
Advances from Customers		5191.56	2525.07
Creditors for Capital Goods		92.39	138.00
Book Overdraft		105.95	27.80
Other Payables			
Statutory Liabilities	1035.80		1096.99
Deposits Received	7.75		13.21
Others*	5347.08		5861.40
		6390.63	6971.60
TOTAL		32095.56	28316.74

* Mainly includes Payable to Employees and Provision for Materials and Expenses.

NOTE : 11 SHORT TERM PROVISIONS

PARTICULARS	As at	As at
	31.03.2014	31.03.2013
	Rs.in lacs	Rs.in lacs
Provision for Employee Benefits	1597.41	1727.62
Provision for Wealth tax	1.56	1.67
Provision for Excise Duty	3614.08	2990.60
Other Provisions*	396.75	396.75
TOTAL	5609.80	5116.64

* includes provision for disputed Entry Tax and Cess on Metallurgical Coke

11.01 The Company has recognised liabilities based on substantial degree of estimation for Excise Duty payable on clearance of goods lying in stock, Entry Tax and Cess on Metallurgical Coke paid under dispute. The excise duty payable on clearance of goods lying in stock as at 31st March, 2013 was of Rs.2990.60 lacs as per the estimated pattern of despatches. During the year Rs. 2990.60 lacs was utilised for clearance of goods. Liability recognised under this clause for the year is Rs. 3614.08 lacs which is outstanding as on 31st March, 2014. Actual outflow is expected in the next financial year. Any additional information in this regard can be expected to prejudice seriously the position of the Company.



NOTE : 12 FIXED ASSETS

(Rs.in lacs)

PARTICULARS	GROSS BLOCK					DEPRECIATION				NET BLOCK		
	As at 01.04.2013	Acquired in terms of Scheme of Arrangement	Additions	Deduction/ Adjustment	As at 31.03.2014	Upto 31.03.2013	Acquired in terms of Scheme of Arrangement #	For the Year	Deduction/ Adjustment	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
Tangible Assets												
Owned												
Land	5336.26	-	810.19	73.47	6072.98	-	-	-	-	-	6072.98	5336.26
Buildings	19696.70	4795.36	44.98	-	24537.04	4764.99	558.39	775.32	-	6098.70	18438.34	14931.71
Railway Siding	3212.86	-	-	-	3212.86	2304.98	-	152.61	-	2457.59	755.27	907.88
Plant & Equipments	153624.85	23655.08	2795.22	-	180075.15	54175.44	4373.21	9881.80	-	68430.45	111644.70	99449.41
Office Equipments	402.01	19.64	51.43	-	473.08	187.56	5.16	22.46	-	215.18	257.90	214.45
Furniture & Fixtures	458.92	2.18	43.31	-	504.41	326.13	1.49	26.26	-	353.88	150.53	132.79
Vehicles	840.42	0.67	46.04	20.35	866.78	462.85	0.27	54.45	0.65	516.92	349.86	377.57
Sub-Total	183572.02	28472.93	3791.17	93.82	215742.30	62221.95	4938.52	10912.90	0.65	78072.72	137669.58	121350.07
Leased												
Land	331.90	1479.57	-	-	1811.47	63.29	76.18	18.62	-	158.09	1653.38	268.61
Plant & Equipments	2324.93	2250.00	-	-	4574.93	2184.40	544.53	268.80	-	2,997.73	1577.20	140.53
Sub-Total	2656.83	3729.57	-	-	6386.40	2247.69	620.71	287.42	-	3155.82	3230.58	409.14
Total (A)	186228.85	32202.50	3791.17	93.82	222128.70	64469.64	5559.23	11200.32	0.65	81228.54	140900.16	121759.21
Intangible Assets :												
Process Development*	3400.28	-	-	-	3400.28	3400.28	-	-	-	3400.28	-	-
Softwares**	50.36	-	77.24	-	127.60	36.71	-	21.85	-	58.56	69.04	13.65
Technical Know-How**	642.21	-	-	-	642.21	242.94	-	33.91	-	276.85	365.36	399.27
Indefeasible Right to Use**	1006.57	-	2430.72	-	3437.29	174.50	-	89.26	-	263.76	3173.53	832.07
Mining Rights	3293.61	-	-	-	3293.61	294.98	-	227.97	-	522.95	2770.66	2998.63
(Refer Note No.7.01)												
Total (B)	8393.03	-	2507.96	-	10900.99	4149.41	-	372.99	-	4522.40	6378.59	4243.62
Total (A+B)	194621.88	32202.50	6299.13	93.82	233029.69	68619.05	5559.23	11573.31@	0.65	85750.94	147278.75	126002.83
Previous Year	174736.79	-	19889.47	4.38	194621.88	58949.90		9669.15	-	68619.05	126002.83	
Capital Work-in-progress											189266.58	95168.01
Intangible Assets under Development											13946.30	8489.51

* internally generated

** Other than internally generated

@Rs.0.87 lacs (Previous year Rs.0.79 lacs) transferred to preoperative expenses.

Represents depreciation for the period from the appointed date, i.e. 1st April 2008 to 31st March 2013 on the assets acquired pursuant to the Scheme of Arrangement.

- 12.01 Buildings include cost of building aggregating to Rs. 144.43 lacs (Previous Year Rs. 144.43 lacs) constructed on land, ownership of which does not vest with the Company.
- 12.02 Indefeasible Right to Use represents the cost incurred by the Company for the exclusive right of usage of certain pieces of land during the contract period.
- 12.03 Addition to Plant and Equipments includes Borrowing Cost of Rs.378.13 lacs (Previous Year Rs. 888.17 lacs).
- 12.04 The gross block of fixed assets includes Rs. 44.28 lacs (Previous Year Rs. 44.28 lacs) on account of revaluation of fixed assets. Consequent to said revaluation there is an additional charge of depreciation of Rs. 0.76 lacs (Previous Year Rs. 0.76 lacs) and an equivalent amount has been withdrawn from Revaluation Reserve and credited to Surplus.
- 12.05 Additions to Indefeasible Right to use includes Rs.73.47 lacs regrouped from land.

12.06 Capital Work-in-progress includes :

	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs
Materials at site	25.11	0.94
Building under Construction	248.03	247.05
Plant & Equipments under installation	145926.13	69907.84
Pre-operative Expenses	43067.31	25012.18
TOTAL	189266.58	95168.01

12.07 Intangible Assets under Development :

	As at 31.03.2014	As at 31.03.2013
	Rs. in lacs	Rs. in lacs
Mining Rights	6305.14	5213.07
Pre-operative Expenses	7641.16	3276.44
TOTAL	13946.30	8489.51

- 12.08** The Company has undertaken Projects for enhancement of capacities of its Foundries in Nagpur and Integrated Steel Plant in Chhattisgarh by expanding its Steel Melt Shop, Rolling Mills, Pellet Plant, Sponge Iron Plant, Captive Power Plants, Coal Washeries, and developing its Coal and Iron Ore Mines (the Projects), etc. Since the projects are under construction stage, the expenditure incurred towards construction of projects has been considered as Pre-operative Expenditure, the details of which are as under:

Particulars	31.03.2014 (Rs.in lacs)	31.03.2013 (Rs.in lacs)
Raw Materials Consumed	-	185.64
Consumables, Stores and Spares Consumed	-	14.97
Power & Fuel	0.09	39.57
Remuneration and Benefits to Employees	1395.66	1576.62
Repairs & Maintenance - Others	27.25	48.64
Rent	-	3.71
Rates, Taxes and Fees	-	37.64
Travelling and Conveyance	8.34	36.61
Printing & Stationery	-	1.15
Legal & Professional	37.63	42.89
Insurance	0.25	0.13
Miscellaneous Expenses	60.12	148.33
Depreciation	0.87	0.79
Finance Costs	21367.72	11882.13
	22897.93	14018.82



Less : Miscellaneous Income	0.02	-
Stock of Trial run production	-	2.60
Scrap Generated during Trial run	-	158.35
Preoperative Expenses for the year	22897.91	13857.87
Add : Preoperative Expenses upto Previous Year	28288.62	15990.01
	51186.53	29847.88
Less : Allocated during the year	478.06	1559.26
TOTAL	50708.47	28288.62

- 12.09** The Ministry of Coal had raised a demand for invoking the Bank Guarantee of Rs.1000 Lacs furnished by the Company, in respect of the Company's Moitra Coal Block in Jharkhand for delay in start of production of coal. The Company has filed a writ petition before the Hon'ble High Court at New Delhi, which has, by an interim order, restrained the Bank from transmitting the amount. The matter is pending for adjudication before the Hon'ble High Court at New Delhi.
- 12.10** The Company had filed Mining Lease applications for Rowghat Iron Ore Deposit in Bastar District Chhattisgarh. The Chhattisgarh State Government (SG) had rejected the same by a common order which was challenged by the Company by filing a revision application. The SG had filed a complaint before Ministry of Mines which had referred the matter to the Chief Vigilance Officer (CVO) which couldn't make out any case against the Company. The revision petition of the Company was allowed by the Adjudicating authority which was subsequently upheld by the Delhi High Court, which has also observed that the Company had successfully undertaken the Prospecting operations in the area. On a fresh complaint by the SG to the Chief Vigilance Commission (CVC) in 2012 containing the same allegations, the Central Bureau of Investigations(CBI) on the directions of the CVC had registered an FIR against the Company alleging certain irregularities against which the company has filed a writ petition for quashing of the said FIR before the Hon'ble Delhi High Court, in which the High Court has directed CBI not to take any coercive action against the Petitioners. During the pendency of the Writ Petition, investigation has been completed by CBI and the same is pending for consideration before the Court.
- 12.11** In accordance with the Accounting Standard (AS-28) on "Impairment of Assets", the Management during the year carried out an exercise of identifying the assets that may have been impaired in respect of each cash generating unit in accordance with the said Accounting Standard. On the basis of this review carried out by the management, there was no impairment loss on Fixed Assets during the year ended 31st March, 2014.

NOTE : 13 NON CURRENT INVESTMENTS

(Long Term Investments)

PARTICULARS				As at	As at
				31.03.2014	31.03.2013
			Rs.	Rs.in lacs	Rs.in lacs
	Number of Shares		Face		
	31.03.2014	31.03.2013	Value		
Trade Investments (Unquoted, Fully Paid Up)					
In Equity Shares - Others					
Punjab & Maharashtra Co-operative Bank Ltd.	40	40	25	0.01	0.01
The City Co-operative Bank Ltd. (Rs. 250)	10	10	25	0.00	0.00
TOTAL				0.01	0.01

- 13.01** Aggregate Amount of Unquoted Investments **0.01** 0.01
- 13.02** Refer Note No. 1.08 for the basis of valuation

NOTE : 14 LONG TERM LOANS & ADVANCES

(Unsecured and Considered Good)

PARTICULARS	As at	As at	As at
	31.03.2014	31.03.2014	31.03.2013
	Rs. in lacs	Rs. in lacs	Rs. in lacs
Capital Advances			
To Related Parties (Refer Note No.36 (c))	127292.14		113623.04
To Others	3331.92		794.77
		130624.06	114417.81
Loans and advances to Subsidiary (Refer Note No.36 (c))		758.30	603.79
Deposits		1429.97	760.31
Advance Payment of Income-tax (Net) (Refer Note No. 14.02)		1160.47	556.37
MAT Credit Entitlement		9552.47	7194.37
TOTAL		143525.27	123532.65

- 14.01** Presently the company is liable to pay Minimum Alternate Tax (MAT) under section 115JB of the Income Tax Act, 1961 (The Act) and the amount paid as MAT is allowed to be carried forward for being set off against the future tax liabilities computed in accordance with the provisions of the Act, other than Section 115JB, in next ten years. Based on the future projection of the performances, the Company will be liable to pay the income tax computed as per provisions, other than under section 115JB of the Act. Accordingly as advised in Guidance note on " Accounting for Credit available in respect of Minimum Alternate Tax under the Income Tax Act 1961 " issued by the Institute of Chartered Accountants of India, Rs.1780.87 lacs (Previous Year Rs.864.84 lacs) being the excess of tax payable under section 115JB of the Act over tax payable as per the provisions other than section 115JB of the Act has been considered as MAT Credit Entitlement and credited to Statement of Profit and Loss. The total MAT Credit as at 31st March, 2014 is Rs.9552.47 lacs (Previous Year Rs. 7194.37 lacs), which includes Rs.577.23 lacs being incremental MAT credit entitlement relating to earlier years accounted pursuant to the Scheme of Arrangement.
- 14.02** During the year the Company has recomputed its tax liability for the financial years beginning from 1st April, 2008 to 31st March, 2013 for giving effects of the Scheme of Arrangement referred to in Note No. 31. The Company is in the process of filing of revised returns of Income Tax for all respective financial years.

NOTE : 15 CURRENT INVESTMENTS

PARTICULARS	As at			As at	
	31.03.2014			31.03.2013	
			Rs.	Rs.in lacs	Rs.in lacs
	Number of Shares	Face			
	31.03.2014	31.03.2013	Value		
In Equity Shares of Subsidiary Company (Unquoted, Fully Paid up)					
Jayaswal Neco Urja Limited*	13705500	13705500	10	1370.55	1370.55
In Equity Shares - Fully Paid Up (Quoted)					
Antarctica Graphics Limited	53000	53000	1	0.53	0.53
Datar Switchgears Limited	2200	2200	10	1.05	1.05
Elbee Services Limited	1400	1400	10	1.96	1.96
JSW Ispat Steel Limited	-	60	10	-	0.01
Jindal Steel & Power Limited	3000	3000	5	0.55	0.55
JSW Steel Limited	8	8	10	0.01	0.01
Kirkoskar Ferrous Industries Limited	100	100	5	0.02	0.02
Tata Steel Limited	135	135	10	0.41	0.41
Tourism Finance Limited	3000	3000	10	0.90	0.90
Triveni Sheet Glass Limited	1000	1000	10	1.00	1.00
Usha Martin Limited	500	500	10	0.05	0.05



In Equity Shares - Fully Paid Up (Unquoted)

Essar Steel Limited	60	60	10	0.03	0.03
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Other Investments - Unquoted

In Preference Shares - Fully Paid Up

JSW Ispat Steel Limited (Rs.400)	40	40	10	-	-
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In Units

SBI One India Fund	104300	100000	10	10.43	10.00
SBI Infrastructure Bond	50000	50000	10	5.00	5.00
Union KBC Mutual Fund (EFGR)	231472	231472	10	25.00	25.00
Union KBC Cap. Protection Oriented Fund (EFGR)	250000	250000	10	25.00	25.00
KBC Fixed Maturity Plan	100000	-	10	10.00	-

1452.49 1442.07

Less : Provision for diminution in the value 5.69 6.90

TOTAL

1446.80 1435.17

* Trade Investments

15.01 Refer Note No. 1.08 for the basis of valuation

15.02 Aggregate Amount of Quoted Investment 1.98 1.70

15.03 Aggregate Market Value of Quoted Investment 10.52 11.74

15.04 Aggregate Amount of Unquoted Investment 1444.82 1433.47

15.05 During the previous year the Board of Directors of the Company had decided to dispose off investments in Jayaswal Neco Urja Limited, the subsidiary of the Company, subject to requisite approvals of Ministry of Coal, Government of India to implement the Power Plant at Raigarh through another company. Accordingly the investments in subsidiary Company, pending disposal, have been considered as Current Investments.

NOTE : 16 INVENTORIES

PARTICULARS

	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs
Raw Materials	30682.95	31697.56
Raw Materials-in-transit	7754.45	12052.51
Work-in-progress	4399.60	3557.00
Finished Goods	26822.57	24470.07
Finished Goods-in-transit	50.56	59.98
Stock In Trade (PVC Pipes)	191.55	145.20
Stores, Spares and Consumables	8263.37	8202.74
TOTAL	78165.05	80185.06

*Includes Nil (Previous Year Rs.2.60 lacs) being stock of trial run products

16.01 For basis of valuation refer Note No. 1.09

16.02 Broad Heads of Work-in-Progress:

Particulars

	As at 31.03.2014	As at 31.03.2013
	Rs. in lacs	Rs. in lacs
Iron & Steel Castings	4226.07	3360.85
Coke	103.08	119.26
Sponge Iron	70.45	76.89
TOTAL	4399.60	3557.00

16.03 Broad Heads of Finished Goods:

Particulars	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs
Iron & Steel Castings	1390.90	1186.38
Pig Iron/Skull	2542.50	2559.37
Billets/Rolled Products	20170.58	15483.35
Sponge Iron	264.87	3486.51
Others	2504.28	1814.44
TOTAL	26873.13	24530.05

NOTE : 17 TRADE RECEIVABLES (Unsecured)

PARTICULARS	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Outstanding for a period exceeding six months			
Considered good	1652.11		1717.25
Considered doubtful	575.65		496.97
	2227.76		2214.22
Less : Provision for Doubtful Receivables	575.65		496.97
		1652.11	1717.25
Other receivables - considered good		39410.82	28468.16
TOTAL		41062.93	30185.41

NOTE : 18 CASH AND BANK BALANCES

PARTICULARS	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Cash and Cash Equivalents			
Balances with Banks			
In Current Accounts	19558.95		10181.88
Cheques in hand	1656.46		1352.50
Cash in hand	72.42		96.57
		21287.83	11630.95
Other Bank Balances			
In Current Account**		77.19	-
Fixed Deposits with Banks *			
Pledged as Margin Money		4091.99	3499.35
TOTAL		25457.01	15130.30

* Includes Rs.585.10 lacs (Previous Year Rs. 504.19 lacs) having maturity period of more than 12 months.

** Relating to Mine Closure Escrow Account opened in terms of guidelines for preparation of mines closure plan issued by Ministry of Coal, Government of India.



NOTE : 19 SHORT TERM LOANS AND ADVANCES

(Unsecured, Considered Good unless stated otherwise)

PARTICULARS	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Loans and advances to Related Parties (Refer Note No.36 (c))		407.42	1213.94
Advances to Suppliers	4980.27		3728.82
Prepaid expenses	163.84		106.52
Balances with Central Excise Authorities	675.83		762.42
Others *	9205.84		4272.29
	15025.78		8870.05
Considered doubtful	1086.39		978.56
	16112.17		9848.61
Less : Provision for Doubtful Advances	1086.39		978.56
		15025.78	8870.05
Deposits			
Considered good	148.73		248.62
Doubtful	9.44		9.44
	158.17		258.06
Less: Provision for Doubtful Deposits	9.44		9.44
		148.73	248.62
TOTAL		15581.93	10332.61

* Mainly includes capital MODVAT receivable ,VAT refund receivable, interest receivable and advances to employees and others.

NOTE : 20 REVENUE FROM OPERATIONS

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Sale of Products	350616.70	285178.54
Sale of Services/ Job Work Income	2792.88	241.33
Other Operating Revenues - Export Incentives	25.57	31.85
TOTAL	353435.15	285451.72

20.01 Broad Heads of Sale of Products

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Iron & Steel Castings	43780.81	46553.98
Pig Iron / Skull	75559.17	69227.08
Billets/Rolled Products	180398.40	115862.81
Cast Iron	-	2564.97
Sponge Iron	44060.14	41588.57
Power	1995.82	4240.17
Others	4822.36	5140.96
TOTAL	350616.70	285178.54

20.02 Broad Heads of Sale of Services

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Job Work	1021.84	241.33
Management Consultancy	1685.40	-
Others	85.64	-
TOTAL	2792.88	241.33

NOTE: 21 OTHER INCOME

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Interest Income	675.37	826.27
Dividend on Current Investments	0.09	0.05
Profit on Sale of Fixed Assets (Net)	-	12.85
Profit on Sale of Current Investments (Net)	0.43	4.75
Other Miscellaneous Receipts	355.75	334.15
TOTAL	1031.64	1178.07

NOTE : 22

COST OF MATERIALS CONSUMED

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Materials Consumed		
Iron and Steel Scrap	14620.67	14509.84
Iron Ore	64092.74	67838.22
Metallurgical Coke	56720.10	47906.96
Coal and Coke	17367.89	12815.67
Billets/ Rolled Products	26630.20	6502.81
Others	8401.30	6275.25
TOTAL	187832.90	155848.75

22.01 Materials Consumed includes:

Particulars	Year ended 31.03.2014		Year ended 31.03.2013	
	Percentage	Value	Percentage	Value
Imported	11.63%	21845.56	26.57%	41408.39
Indigenous	88.37%	165987.34	73.43%	114440.36
	100.00%	187832.90	100.00%	155848.75



NOTE : 23 PURCHASE OF STOCK IN TRADE

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Purchase of Stock in Trade		
Iron & Steel Castings	1345.81	2214.27
Pig Iron / Skull	1006.06	479.12
Cast Iron	-	2553.76
Rolled Products	13912.31	-
Others	641.61	213.12
TOTAL	16905.79	5460.27

NOTE : 24 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN PROGRESS

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Closing Inventories			
Finished Goods	26873.13		24530.05
Stock in Trade	191.55		145.20
Work-in-progress	4399.60		3554.40
		31464.28	28229.65
Opening Inventories			
Finished Goods	24530.05		18161.44
Stock in Trade	145.20		-
Work-in-progress*	3557.00		3317.99
	28232.25		21,479.43
Add: Acquired Pursuant to Scheme of Arrangement (Refer Note No. 31)	138.61		-
		28370.86	21479.43
(Increase)/Decrease in Inventories		(3093.42)	(6750.22)

*Includes Nil (Previous Year Rs.2.60 lacs) being stock of trial run products.

NOTE : 25 EMPLOYEE BENEFITS EXPENSE

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Salaries, Wages and Allowances	12297.02	9883.16
Contribution to P.F. and Other Funds	1373.23	1421.68
Welfare and Other Amenities	1246.68	1444.28
TOTAL	14916.93	12749.12

25.01As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee Benefits as defined in the Accounting Standard are given below :

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Defined Contribution Plan		
Employer's Contribution to Provident Fund, ESIC and Other Funds	1039.94	908.68

Defined Benefit Plan

The employees Gratuity Fund Scheme, which is a defined benefit plan, is managed by a Trust maintained with Life Insurance Corporation of India (LIC). The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	As at 31.03.2014 (Funded)	As at 31.03.2013 (Funded)
Reconciliation of Opening and Closing balance of Defined Benefit Obligation.		
Defined Benefit Obligation at the beginning of the year	2280.80	1798.59
Current Service Cost	348.36	313.91
Interest Cost	179.58	140.61
Past Service Benefit	29.09	-
Benefit Paid	(72.07)	(81.87)
Transfer In	34.85	-
Actuarial Losses / (Gain)	(74.27)	109.56
Defined Benefit Obligation at year end.	2726.34	2280.80
Reconciliation of Opening and Closing balance of Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	1387.80	801.40
Expected Return on Plan Assets	160.71	101.25
Employer Contribution	662.08	570.78
Benefit paid	(72.07)	(81.87)
Actuarial gain /(loss) on Plan Assets	(7.27)	(3.76)
Fair Value of Plan Assets at year end.	2131.25	1387.80
Reconciliation of Fair Value of assets and obligations		
Fair Value of Plan Assets	2131.25	1387.80
Present Value of Funded Obligations	2726.34	2280.80
Amount recognised in the Balance Sheet	595.09	893.00
Expense recognized in Statement of Profit & Loss Account		
Current Service Cost	348.36	313.91
Interest on Defined Benefit Obligation	179.58	140.61
Expected return On Plan Assets	(160.71)	(101.25)
Net Actuarial Losses / (Gains) Recognised in year	(67.00)	113.32
Past Service Cost	29.09	-
Total included in "Remuneration and benefits to Employees"	329.32	466.59

Amounts for the current and previous periods are as follows :

	31.03.2014	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Defined Benefit Obligation	2726.34	2280.80	1798.59	1329.95	1096.04
Plan Assets	2131.25	1387.80	801.40	555.67	472.44
Surplus/(Deficit)	(595.09)	(893.00)	(997.19)	(774.28)	(623.60)
Experience adjustment on Plan Assets (Gain)/Loss	*	*	*	*	*
Experience adjustment on Plan Liabilities Gain/ (Loss)	*	*	*	*	*

Actuarial Assumptions

	31.03.2014 2006-08 (Ultimate)	31.03.2013 2006-08 (Ultimate)
Mortality Table (LIC)		
Discount rate (per annum)	8.00%	8.00%
Expected Rate of escalation in Salary (per annum)	8.00%	8.00%
Expected rate of return on Plan Assets (per annum)	9.25% & 8.75%	9.25%

* The details are not furnished as the informations are not available with the Company



NOTE : 26 FINANCE COSTS

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Interest Paid	15456.75	16225.98
Lease Finance Charges	445.80	147.59
Other Borrowing Costs	1435.59	1688.57
TOTAL	17338.14	18062.14

NOTE : 27 OTHER EXPENSES

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs	Rs.in lacs
MANUFACTURING EXPENSES			
Consumables, Stores and Spares Consumed	23351.73		22074.41
Power and Fuel	10338.35		9646.00
Excise Duty	608.23		850.79
Repairs and Maintenance -			
Building	69.76		80.71
Plant and Equipment	6813.68		6553.54
Others	3.62		7.37
Royalty and Cess	976.63		1055.74
Internal Material Movement	2900.46		2973.05
Other Manufacturing Expenses	1491.19		1483.78
		46553.65	44725.39
SELLING AND DISTRIBUTION EXPENSES			
Advertisement & Publicity	58.64		80.41
Discount and Commission	385.51		384.41
Sales Promotion Expenses	87.34		119.87
Freight and Forwarding	7063.56		5107.58
Provision for Sales Tax Deferral	556.53		665.32
		8151.58	6357.59
ADMINISTRATIVE EXPENSES			
Rent	213.51		180.15
Rates and Taxes	72.92		78.86
Insurance	155.00		242.67
Foreign Currency Fluctuation (Net)	1233.51		426.62
Printing and Stationery	56.09		60.32
Communication	123.06		134.16
Travelling and Conveyance	1290.56		1211.71
Vehicle Maintenance	275.09		240.88
Legal and Professional Charges	839.48		1046.46
Payments to Auditors	60.07		57.03
Security Expenses	368.51		280.17
Miscellaneous	734.80		574.20
		5422.60	4533.23

OTHER EXPENSES

Bank Charges & Commission	176.74	410.86
Bad Debts / Advances written off (Net)	7.67	38.60
Less : Provision written back	-	8.06
	7.67	30.54
Provision for Doubtful Debts/Advances	127.70	114.08
Provision for Diminution in value of Investments	-	2.23
Provision for Wealth Tax	1.56	
Loss on Sale of Assets	0.75	-
Donations	6.52	7.45
	320.94	565.16
TOTAL	60448.77	56181.37

27.01 Break-up of Payments to Auditors

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Audit Fees	44.84	38.73
Tax Audit Fees	3.50	3.50
Certification Charges	6.00	6.00
Out of Pocket Expenses	5.73	8.80
TOTAL	60.07	57.03

27.02 Consumables, Stores and Spares Consumed includes :

Particulars	Year ended 31.03.2014		Year ended 31.03.2013	
	Percentage	Value	Percentage	Value
Imported	5.65%	1319.76	5.17%	1140.50
Indigenous	94.35%	22031.97	94.83%	20933.91
TOTAL	100.00%	23351.73	100.00%	22074.41

NOTE : 28 EARNINGS PER SHARE

PARTICULARS		Year ended 31.03.2014	Year ended 31.03.2013
		Rs.in lacs	Rs.in lacs
Basic Earning Per Share			
Net Profit for the year	(A)	6329.87	2864.74
Weighted average number of equity shares (Nos.)	(B)	530398542	393930038
Basic Earning Per Share of Rs.10/- each	(A) / (B)	1.19	0.73
Diluted Earning Per Share			
Amount available for calculation of diluted EPS	(A)	6329.87	2864.74
Weighted average number of equity shares (Nos.)		530398542	393930038
Add : Potential number of Equity Shares		8859179	39354110
No. of shares used for calculation of Diluted EPS	(B)	539257721	433284148
Diluted Earning Per Share of Rs.10/- each	Rs. (A) / (B)	1.17	0.66



NOTE: 29 Previous Year's figures have been reworked / regrouped / rearranged / reclassified wherever necessary.

NOTE: 30 Figures for the current year include figures of demerged undertaking of Corporate Ispat Alloys Limited (CIAL) amalgamated with the Company with effect from 1st April, 2008 and therefore not comparable with those of the previous year.

NOTE: 31 The Scheme of Arrangement ("the Scheme") under sections 391 to 394 of the Companies Act, 1956 between the Company and Corporate Ispat Alloys Limited ("CIAL") providing for merger of the Steel Division of CIAL (Demerged undertaking) was sanctioned by Hon'ble High Court of Mumbai judicature at Nagpur and Hon'ble High Court of Kolkata vide their orders dated 16th September 2013 and 16th April 2013 respectively. The Appointed Date as per the Scheme is 1st April 2008. The scheme became effective on 20th November, 2013. Upon the Scheme becoming effective:

- a. All the assets and liabilities as appearing in the books of demerged undertaking as on the appointed date have been recorded at their respective book values as appearing in the books of account.
- b. As a consideration of transfer of Assets and Liabilities as mentioned above, the Company has allotted 32649600 Equity shares of Rs. 10/- each, credited as fully paid up to the eligible shareholders of CIAL who had held shares as on 1st April 2008 being the record date, in the ratio of 114 Equity shares for every 10 Equity Shares held by them in CIAL, without payments being received in cash.
- c. Excess of the book value of net assets taken over by the Company over the paid-up value of equity shares allotted (as referred to under (b) above) of Rs. 7683.87 lacs has been credited to Capital Reserve.
- d. Since the company has given the effects of the scheme in the current financial year, its effect of the profits and losses for the period from 1st April 2008 to 31st March 2013 has been adjusted with the opening balance of Surplus.

NOTE: 32 CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

31.03.2014 31.03.2013
(Rs.in lacs) (Rs.in lacs)

A Contingent Liabilities (To the extent not provided for) :

(No cash outflow is expected except stated otherwise)

a. Guarantees given by the Company's Bankers. (Bank guarantees are provided under contractual/legal obligation)	3900.87	3637.26
b. Corporate Guarantee (Given to Banks against the borrowings taken by one of the associate Company)	1181.00	1181.00
c. Demands not acknowledged as debts		
i) Disputed Excise Duty and Service Tax	2728.54	2830.81
ii) Disputed Sales Tax	4065.75	4218.88
iii) Disputed Customs Duty (Relating to cess on Metallurgical Coke)	833.11	812.95
iv) Other Disputed Demands (Mainly related to demand of Cess on Power, Electricity Duty and Stamp Duty.)	7155.59	5798.10
v) Third Party Claims (Matters are pending before various forum)	420.68	420.69

d. Liability in respect of Bills Discounted	18412.84	12550.55
e. Letters of credit opened in favour of suppliers (Cash flow is expected on receipt of material from suppliers)	45156.49	58171.18

B Capital Commitments :

Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for (net of advances)	52203.52	107526.50
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NOTE:33 In the opinion of the management, Current Assets and Loans and Advances are of the value stated, if realised in the ordinary course of business.

NOTE : 34	31.03.2014	31.03.2013
	(Rs.in lacs)	(Rs.in lacs)
i) Derivative Contracts entered into by the Company and outstanding	351.04	-
ii) Foreign Currency exposures that are not hedged by derivatives instruments are as under :		
a) Receivable :	193.01	105.39
b) Payable :	29008.77	20073.63
iii) The expenditure on account of exchange difference on outstanding forward exchange contracts to be recognised in the Statement of Profit and Loss of subsequent period - Rs.0.24 lacs (Previous year NIL).		

NOTE : 35 SEGMENT REPORTING :

A. Segment information as per Accounting Standard - 17 on Segment Reporting :

Information provided in respect of revenue items for the year ended 31st March 2014 and in respect of assets / liabilities as at 31st March, 2014.

Information about Primary (Product wise) segments :

						(Rs.in lacs)
	Particulars	Steel	Iron & Steel Castings	Unallocated	Eliminations	Total
1.	REVENUE					
	External Sales	309585.73 (235465.10)	43849.42 (49986.62)	- (-)		353435.15 (285451.72)
	Inter-segment sales	2772.03 (3340.76)	346.53 (271.58)	- (-)	(3118.56) - (3612.34)	- (-)
	Total Revenue	312357.76 (238805.86)	44195.95 (50258.20)	- (-)	(3118.56) - (3612.34)	353435.15 (285451.72)
2.	RESULTS					
	Segment Results	26346.73 (20825.50)	1812.96 (1549.12)	- (-)		28159.69 (22374.62)
	Unallocated Corporate Expenses	- (-)	- (-)	283.82 (275.45)		283.82 (275.45)
	Operating Profit / (Loss)	26346.73 (20825.50)	1812.96 (1549.12)	(283.82) (275.45)		27875.87 (22099.17)



Less : Finance Cost	-	-	17338.14		17338.14
	(-)	(-)	(18062.14)		(18062.14)
Add : Unallocated Income	-	-	677.48		677.48
	(-)	(-)	(845.48)		(845.48)
Less : Tax Expenses (Including Deferred Tax)	-	-	4885.34		4885.34
	(-)	(-)	(2017.77)		(2017.77)
Net Profit / (-) Loss	26346.73	1812.96	(21829.82)		6329.87
	(20825.50)	(1549.12)	(19509.88)		(2864.74)
3. OTHER INFORMATION					
Segment Assets	596468.95	38602.14	-		635071.09
	(439579.66)	(39835.23)	(-)		(479414.89)
Unallocated Corporate Assets	-	-	20659.54		20659.54
	(-)	(-)	(11046.67)		(11046.67)
Total Assets	596468.95	38602.14	20659.54		655730.63
	(439579.66)	(39835.23)	(11046.67)		(490461.56)
Segment Liabilities	53605.23	9769.99	-		63375.22
	(47233.28)	(10590.02)	(-)		(57823.30)
Unallocated Corporate Liabilities	-	-	379968.61		379968.61
	(-)	(-)	(251989.86)		(251989.86)
Total Liabilities	53605.23	9769.99	379968.61		443343.83
	(47233.28)	(10590.02)	(251989.86)		(309813.16)
Capital Expenditure	118388.82	1167.48	-		119556.30
	(125993.63)	(2161.04)	(-)		(128154.67)
Depreciation	10319.55	1249.53	4.23		11573.31
	(8486.37)	(1178.66)	(4.12)		(9669.15)
Non-cash Expenses other than Depreciation	-	-	-		-
	(-)	(-)	(2.23)		(2.23)

Note : Figures in brackets represent previous year's amounts.

B. Segment Identification, Reportable Segments and definition of each segment :

i. Primary / Secondary Segment Reporting Format :

- The risk-return profile of the Company's business is determined predominantly by the nature of its products. Accordingly, the business segments constitute the Primary Segments for disclosure of segment information.
- Since all the operations of the Company are predominantly conducted within India, there are no separate reportable geographical segments.

ii. Reportable Segments :

Segments have been identified and reported taking into account the differing risks and returns, nature of products, the organisational structure and the internal reporting system of the Company.

iii. Segment Composition :

- Steel Segment is engaged in manufacture and sale of Pig Iron, Billets, Rolled Products, Sponge Iron and includes its captive Power Plants 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, Bhilai and Anjora.

NOTE: 36 RELATED PARTY DISCLOSURES :

A. List of related parties :

(As certified by the Company)

I. Subsidiary

Jayaswal Neco Urja Limited

II. Associate Companies

Maa Usha Urja Limited

III. Key Management Personnel and their Relatives

Shri B.L. Shaw

Shri Ramesh Jayaswal

Shri Arbind Jayaswal

Shri P.K.Bhardwaj

Shri Manoj Jayaswal

Shri Anand Jayaswal

Smt. Manisha Jayaswal

Smt. Karishma Jayaswal

Shri Abhishek Jayaswal

Shri Avneesh Jayaswal

Shri Archit Jayaswal

IV. Enterprises in which key managerial personnel and their relatives are able to exercise significant influence with whom transactions have taken place during the year:

(Other related parties)

Abhijeet Infrastructure Limited

AMR Iron & Steel Private Limited

Neco Heavy Engineering & Castings Limited

Neco Mining Company Limited

Neco Ceramics Limited

Steel & Tube Exports Limited

NSSL Limited

Corporate Ispat Alloys Limited

North Karnapura Coal Company Limited

Jayaswal Holdings Private Limited

Deify Infrastructures Limited

Anurag Sales & Services Private Limited

Jayaswal Neco Metallica Private Limited

Karamveer Impex Private Limited

Apex Spinning Mills Private Limited

Nine Star Plastic Packing Service Private Limited

Avon Sales & Services Private Limited

Vibrant Electronics Limited

Jyotikant Investments Private Limited

Jayaswal Neco Energy Private Limited

Jayaswal Neco Infrastructures Private Limited

Jayaswal Neco Power Private Limited

Jayaswal Neco Steel & Mining Limited

Terra Infra Development Limited

Parivar Food Industries Private Limited

Nagpur Scrap Suppliers Private Limited

Abhijeet Ferrotech Limited

Neco Defence Systems Limited

JLD Yavatmal Energy Limited

Neco Valves and Pumps Private Limited

B. Transactions with Related Parties :

(Rs. In lacs)

Nature of transaction	Subsidiary	Associates	Other Related Parties	Key Management Personnel & Relatives	Total
Shares Allotted during the year	- (-)	- (-)	12691.15 (37950.00)	2241.81 (-)	14932.96 (37950.00)
Investment - as at 31st March, 2014	1370.55 (1370.55)	- (-)	- (-)	- (-)	1370.55 (1370.55)



Corporate Guarantees Given	-	1181.00	-	-	1181.00
	(-)	(1181.00)	(-)	(-)	(1181.00)
Unsecured Loans					
Taken during the year	-	-	1568.92	-	1568.92
	(-)	(2700.00)	(5181.84)	(-)	(7881.84)
Repaid during the year	-	167.83	10807.14	-	10974.97
	(-)	(-)	(2192.10)	(-)	(2192.10)
Balance as on 31st March 2014	-	2532.17	11037.55	-	13569.72
	(-)	(2700.00)	(3572.42)	(-)	(6272.42)
Fixed Assets					
Purchase of Fixed Assets	-	-	77358.52	-	77358.52
	(-)	(-)	(41459.48)	(-)	(41459.48)
Purchase of Goods & Services					
Purchase of Goods & services	-	-	12832.82	-	12832.82
	(-)	(2007.24)	(25224.87)	(-)	(27232.11)
Other Manufacturing Expenses	-	1779.40	1515.56	-	3294.96
	(-)	(-)	(69.75)	(-)	(69.75)
Sale of Goods & Services					
Sale of Goods & Services	-	-	11909.92	-	11909.92
	(-)	(-)	(14780.41)	(-)	(14780.41)
Trade Payables					
Balance as on 31st March 2014	-	114.90	26.16	-	141.06
	(-)	(67.70)	(12525.30)	(-)	(12593.00)
Other Current Liabilities					
Balance as on 31st March 2014	-	-	20.17	-	20.17
	(-)	(-)	(9.32)	(-)	(9.32)
Interest Accrued but not due on borrowings					
Balance as on 31st March 2014	-	-	76.66	-	76.66
	(-)	(-)	(-)	(-)	(-)
Deposit Received as on 31st March 2014	-	-	15.00	-	15.00
	(-)	(-)	(15.00)	(-)	(15.00)
Loans and Advances					
Balance as on 31st March 2014	671.31	-	407.42	-	1078.73
	(603.79)	(-)	(1213.94)	(-)	(1817.73)
Capital Advances					
Balance as on 31st March 2014	-	-	127292.14	-	127292.14
	(-)	(-)	(113623.04)	(-)	(113623.04)
Trade Receivables					
Balance as on 31st March 2014	-	-	4225.00	-	4225.00
	(-)	(-)	(3781.62)	(-)	(3781.62)
Interest Receivables					
Balance as on 31st March 2014	86.99	-	-	-	86.99
	(-)	(-)	(-)	(-)	(-)
Income					
Rent Received	-	-	0.90	-	0.90
	(-)	(-)	(0.90)	(-)	(0.90)

(Rs. In lacs)

Nature of transaction	Subsidiary	Associates	Other Related Parties	Management Personnel & Relatives	Total
Interest Received	96.66 (70.22)	- (-)	- (2.37)	- (-)	96.66 (72.59)
Commission Received	- (-)	5.91 (5.91)	- (-)	- (-)	5.91 (5.91)
Reimbursement of Expenses to the Company	10.21 (79.00)	2.03 (0.30)	199.76 (3311.35)	- (-)	212.00 (3390.65)
Expenditure					
Payment of Salaries / Perquisites	- (-)	- (-)	- (-)	221.01 (228.47)	221.01 (228.47)
Commission Paid	- (-)	- (-)	- (33.56)	- (-)	- (33.56)
Sitting Fees	- (-)	- (-)	- (-)	0.20 (0.20)	0.20 (0.20)
Service Charges	- (-)	- (-)	4.57 (4.46)	- (-)	4.57 (4.46)
Rent Paid	- (-)	- (-)	- (-)	13.20 (13.20)	13.20 (13.20)
Interest Paid	- (-)	378.17 (5.36)	85.18 (259.28)	- (-)	463.35 (264.64)
Reimbursement of Expenses by the Company	0.08 (1.75)	0.12 (12.15)	77.44 (1020.81)	- (-)	77.64 (1034.71)

Note : Figures in brackets represent previous year's amounts.

C. Details of major transactions with Related Parties :

		31.03.2014 (Rs.in lacs)	31.03.2013 (Rs.in lacs)
Shares Allotted during the year (Received against Inter Corporate Deposits)	Avon Sales & Services Private Limited	1320.00	4300.00
	Anurag Sales & Services Private Limited	1420.00	4400.00
	Apex Spinning Mills Private Limited	1460.00	4200.00
	Nine Star Plastic Packaging Service Private Limited	1150.00	4500.00
	Karamveer Impex Private Limited	1300.00	4100.00
	Jayaswal Neco Metalics Private Limited	1280.00	4600.00
	Jayaswal Neco Energy Private Limited	1330.00	4400.00
	Jayaswal Neco Power Private Limited	808.00	3800.00
	Jayaswal Neco Infrastructures Private Limited	1600.00	-
Investments - Closing Balance	Jayaswal Neco Urja Limited	1370.55	1370.55
Corporate Guarantee Given			
Balance as on 31st March, 2014	Maa Usha Urja Limited	1181.00	1181.00
Unsecured Loans taken	AMR Iron & Steel Private Limited	1556.35	1727.10
	Corporate Ispat Alloys Limited	-	3420.24
	Maa Usha Urja Limited	-	2700.00
Unsecured Loans repaid	AMR Iron & Steel Private Limited	1094.88	2192.10
	Maa Usha Urja Limited	167.83	-
	Jayaswal Neco Power Private Limited	2500.00	-



	Jayaswal Neco Infrastructures Private Limited	3833.19	-
	Jayaswal Neco Steel and Mining Limited	3357.61	-
Unsecured Loans -			
Balance as on 31st March, 2014	Maa Usha Urja Limited	2532.17	2700.00
	Corporate Ispat Alloys Limited	10432.79	3420.24
	AMR Iron & Steel Private Limited	579.15	117.68
	Jyotikant Investments Private Limited	4.10	4.00
	Nagpur Scrap Suppliers Private Limited	7.17	7.00
	Vibrant Electronics Limited	7.17	7.00
	Jayaswal Holdings Private Limited	-	9.50
	Parivar Food Industries Private Limited	7.17	7.00
Purchase of Fixed Assets	Deify Infrastructures Limited	76812.27	41205.76
Purchase of Goods & Services	NSSL Limited	3188.52	3169.61
	Deify Infrastructures Limited	8561.90	14960.40
Other Manufacturing Expenses	NSSL Limited	120.52	67.65
	Neco Ceramics Limited	1185.02	-
	Maa Usha Urja Limited	1779.40	-
Sale of Goods	NSSL Limited	8922.25	9645.35
	Corporate Ispat Alloys Limited	-	4149.23
	Neco Heavy Engineering & Castings Limited	2677.13	-
Trade Payables	Corporate Ispat Alloys Limited	-	2648.24
	Deify Infrastructures Limited	-	9774.34
	Maa Usha Urja Limited	114.90	-
	NSSL Limited	20.14	-
Other Current Liabilities	Steel & Tube Exports Limited	20.07	9.32
Interest Accrued but not due on borrowings	AMR Iron & Steel Private Limited	73.15	-
Deposits Received	Neco Heavy Engineering & Castings Limited	15.00	15.00
Loans and Advances	Abhijeet Infrastructure Limited	14.18	899.79
- Closing Balance	Neco Ceramics Limited	385.80	188.53
	Jayaswal Neco Urja Limited	671.31	603.79
	Terra Infra Development Limited	-	19.61
	Neco Heavy Engineering & Castings Limited	-	63.35
	NSSL Limited	-	42.56
	Neco Defence Systems Limited	6.89	-
	JLD Yavatmal Energy Limited	0.56	-
Capital Advances	Deify Infrastructures Limited	127292.14	113623.04
Trade Receivables	NSSL Limited	3641.37	3756.77
Interest Receivable	Jayaswal Neco Urja Limited	86.99	-
Rent Received	Neco Heavy Engineering & Castings Limited	0.90	0.90
Interest Received	Jayaswal Neco Urja Limited	96.66	70.22
Commission Received	Maa Usha Urja Limited	5.91	5.91
Payment of Salaries/Perquisites	Arbind Jayaswal	91.53	100.41
	Ramesh Jayaswal	91.53	100.41
	P.K.Bhardwaj	37.95	27.65
Commission Paid	Deify Infrastructures Limited	-	33.56
Sitting Fees	B. L. Shaw	0.20	0.20
Service Charges	Steel & Tube Exports Limited	4.57	4.46
Rent Paid	Arbind Jayaswal	6.60	6.60
	Ramesh Jayaswal	6.60	6.60
Interest Paid	AMR Iron & Steel Private Limited	81.28	207.61
	Corporate Ispat Alloys Limited	-	50.99
	Maa Usha Urja Limited	378.17	-

NOTE : 37 DIVIDEND ACCRUED ON REDEEMABLE PREFERENCE SHARES NOT PROVIDED FOR :

	31.03.2014	31.03.2013
	(Rs.in lacs)	(Rs.in lacs)
1 16% Redeemable Cumulative Preference Shares	1700.51	1700.51
2 0.0001% Cumulative Redeemable Preference Shares	0.01	0.01
TOTAL	1700.52	1700.52

NOTE: 38 In accordance with clause 32 of Listing Agreement the details of advance is as under:

- To Jayaswal Neco Urja Limited (JNUL), a Subsidiary , closing balance as on 31st March, 2014 is Rs.758.30 lacs (Previous year Rs. 603.79 lacs). Maximum balance outstanding during the year was Rs.758.30 lacs (Previous year Rs. 603.79 lacs).
- JNUL has not made investment in the shares of the Company.
- As per the Company's policy loans to employees are not considered in 'a' above.

NOTE : 39 DETAILS OF PRIOR PERIOD EXPENDITURES:

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Rent	1.19	5.00
Rates and Taxes	0.81	-
Power & Electricity	-	23.58
TOTAL	2.00	28.58

NOTE : 40 DETAILS OF CIF VALUE OF IMPORTS:

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
C.I.F. Value of Imports		
i. Raw Materials	21681.35	10007.23
ii. Stores & Components	1064.13	1062.40
iii. Capital Goods	2.78	-

NOTE : 41 DETAILS OF EXPENDITURE IN FOREIGN CURRENCY:

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
i. Travelling	4.89	16.70
ii. Salary	35.20	31.65
iii. Rent	6.75	5.81
iv. Others	4.42	1.83

NOTE : 42 DETAILS OF INCOME IN FOREIGN CURRENCY:

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
F.O.B. Value of Exports	1285.16	1184.28
Recovery of Freight	31.66	30.28



NOTE : 43 DETAILS OF EXCISE DUTY/ SERVICE TAX RECOVERED ON SALES :

PARTICULARS	Year ended	Year ended
	31.03.2014	31.03.2013
	Rs.in lacs	Rs.in lacs
a) Shown as reduction from turnover	37330.03	30527.49
b) Charged to Statement of Profit and Loss on account of difference in stock	608.23	850.79

As per our Report of even date attached

For CHATURVEDI & SHAH

Chartered Accountants

For and on behalf of Board of Directors

R. KORIA

Partner

ARBIND JAYASWAL

Managing Director

For AGRAWAL CHHALLANI & CO.

Chartered Accountants

A. D. KARAJGAONKAR

Company Secretary

P. K. BHARDWAJ

Executive Director &
Chief Financial Officer

S. R. CHHALLANI

Partner

Nagpur, 30th April, 2014

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31ST MARCH, 2014.

1.	Name of the Subsidiary Company	JAYASWAL NECO URJA LIMITED
2.	Financial year of the Subsidiary Company	1.04.2013 to 31.03.2014
3.	a. Number of Shares held by Jayaswal Neco Industries Ltd. at the end of the Financial year.	13705500 Equity Shares of Rs.10/- each
	b. Extent of interest of holding company at the end of the Financial Year of the Subsidiary Company.	99.82%
4	The net aggregate amount of the Subsidiary Profit /(Loss) so far as it concerns the Members of the Holdings Company.	
	a. Not dealt with in the Holding Company's accounts.	
	i) For the Financial year ended 31st March, 2014	NIL
	ii) For the previous financial year of the Subsidiary Company since it became the Holding Company's subsidiary.	NIL
	b. Dealt with in the Holding Company's accounts.	
	i) For the financial year ended 31st March, 2014	NIL
	ii) For the previous financial year of the subsidiary Company since it became the Holding Company's subsidiary.	NIL

For and on behalf of Board of Directors

ARBIND JAYASWAL

Managing Director

P. K. BHARDWAJ

Executive Director &
Chief Financial Officer

A. D. KARAJGAONKAR

Company Secretary

Nagpur, 30th April, 2014

JAYASWAL NECO URJA LIMITED

(Subsidiary Company)



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DIRECTORS' REPORT

To,
The Members

The Directors have pleasure in presenting **Seventh Annual Report** on the business and operations of your Company together with audited accounts for the year ended on 31st March, 2014.

1. FINANCIAL REPORTING & OPERATIONAL HIGHLIGHTS :**• FINANCIALS**

During the year under review, the Company has not started any commercial activity and as such there was no income from the operations. However, the financial details of the Company are as under:

Particulars	(Amount in Rs.)	
	Year ended 31.03.2014	Year ended 31.03.2013
Other Income	5,84,854	-
TOTAL REVENUE	5,84,854	-
Expenses:		
Employee Benefits Expenses	6,89,083	-
Finance Costs	97,03,111	4,33,312
Depreciation and Amortization Expenses	7,593	5,968
Other Expenses	17,98,432	9,85,164
TOTAL EXPENSES	1,21,98,219	14,24,444
Loss before tax	(1,16,13,365)	(14,24,444)
Tax Expense:	-	-
Loss for the year	(1,16,13,365)	(14,24,444)
Earnings per equity share of Rs. 10/- each (Basic & Diluted)	(0.85)	(0.10)

• OPERATIONS

- ▶ In connection with the Coal Block investigation being carried out by Central Bureau of Investigation (CBI), the overall approval / clearances process in respect with mining, environment, water, etc. is badly affected, which is delaying the project. Further, the Government is also not keen on acquisition of land itself and on the contrary advising for acquisition of land directly by private negotiations by the Company.
- ▶ Considering the pending approval of Ministry of Coal, the proposal of holding Company i.e. M/s Jayaswal Neco Industries Limited, to dilute its stake in the Company is kept on hold.

2. DIRECTORS:

The present Directors of the Company are Shri Basant Lall Shaw (DIN 00249729), Shri Arbind Jayaswal (DIN 00249864), Shri Ramesh Jayaswal (DIN 00249947), Shri Anand Jayaswal (DIN 00192612) and Shri Avneesh Jayaswal (DIN 01227404).

During the year under review, Shri Avneesh Jayaswal (DIN 01227404) has resigned from the post of Executive Director, however, he shall continue to act as non-executive director of the Company.

In accordance with the provisions of the Companies Act, 1956 / 2013 and Articles of Association of the Company, Shri Avneesh Jayaswal (DIN 01227404), Director retires at the ensuing Annual General Meeting and is eligible for reappointment.

3. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the annual accounts for the financial year 2013-14, the applicable accounting standards have been followed and there are no material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and loss of the Company for the year ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in



accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

(iv) the Directors have prepared the annual accounts of the Company on a going concern basis.

4. DIVIDEND:

Since the company has not yet commissioned its power project, the Board of Directors do not recommend any dividend for the year under review.

5. DEPOSITS:

The Company has not accepted any deposits covered u/s 58A and 58AA of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975 during the financial year under review.

6. AUDIT COMMITTEE :

The Audit Committee of the Board comprises of three directors namely:-

1. Shri Arbind Jayaswal
2. Shri Ramesh Jayaswal
3. Shri Avneesh Jayaswal

7. TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT, FOREIGN EXCHANGE EARNINGS AND OUTGO :

Since there were no manufacturing activities in the Company, the disclosures in terms of Section 217(1)(e) of the Companies Act, 1956 are not required. There is no foreign exchange earning or outgo for the year ended 31st March, 2014 except travelling expenditure incurred in foreign currency amounting to Rs. 6,96,014/-.

8. PARTICULARS OF EMPLOYEES:

During the year under review, there were no employees drawing remuneration in excess of the prescribed limits and whose particulars need to be given under Section 217 (2A) of the Companies Act, 1956, and the Rules made thereunder. As such, no particulars are being furnished.

9. AUDITORS & AUDITORS REPORT:

M/s Agrawal Chhallani & Co., Chartered Accountants, Nagpur and M/s Chaturvedi & Shah, Chartered Accountants, Mumbai, the Auditors of the Company holds office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

Pursuant to the provision of Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, M/s Agrawal Chhallani & Co., Chartered Accountants, Nagpur and M/s Chaturvedi & Shah, Chartered Accountants, Mumbai, being eligible for re-appointment and based on the recommendation of the Audit Committee, the Board of Directors of your Company proposes the re-appointment of M/s Agrawal Chhallani & Co., Chartered Accountants, Nagpur as the joint statutory auditor of the Company for a period of 3 years, to hold office from the conclusion of this 7th Annual General Meeting till the conclusion of the 10th Annual General Meeting, and M/s Chaturvedi & Shah, Chartered Accountants, Mumbai, as the joint statutory auditor of the Company for a period of 5 years, to hold office from the conclusion of 7th Annual General Meeting till the conclusion of 12th Annual General Meeting.

The Company has received the consent letters / certificate from both the joint statutory auditors to the effect that their re-appointment, if made, would inter-alia be within the prescribed limits under Section 139 & 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment. The members are requested to appoint auditors.

The Report of Auditors of the Company and the notes forming part of the financial statements are self explanatory and hence requires no explanation from the Board of Directors.

10. ACKNOWLEDGMENT :

The Directors place on record, their appreciation and gratitude for all the co-operation extended by Government Agencies, Bankers, Financial Institutions, Business Associates and Members. The Directors also record their appreciation for the dedicated services rendered by all the staff and workers of the Company at all levels and for their valuable contribution in the working of the Company.

**For and on behalf of Board of Directors
Jayaswal Neco Urja Limited**

**Place: Nagpur
Date: 11th August, 2014**

**Basant Lal Shaw
Chairman
(DIN : 00249729)**

INDEPENDENT AUDITORS' REPORT

To
The Members of
Jayaswal Neco Urja Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Jayaswal Neco Urja Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2014 and the Statement of Profit & Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India (Indian GAAP), including, Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with general circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with significant accounting policies and notes thereon, give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India: -

- i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2014;
- ii. In the case of the Statement of Profit & Loss, of the loss of the Company for the year ended on that date; and
- iii. In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

Emphasis of Matter

We draw attention to the Note no. 7.01 regarding preparation of financial statements of the Company on going concern basis for the reasons stated therein. The appropriateness of assumption of going concern is dependent upon implementation of the project by the Company. Our opinion is not qualified in this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;



- d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Act read with the general circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- e. On the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Agrawal Chhallani & Co.
Chartered Accountants
(Registration No. : 100125W)

S.R.Chhallani
Membership No. - 30154

Nagpur
Date : 30th April, 2014

For Chaturvedi & Shah
Chartered Accountants
(Registration No. : 101720W)

R. Koria
Membership No. - 35629

Mumbai

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under the heading "Reports on Other Legal and Regulatory Requirements" of our report of even date to the members of Jayaswal Neco Urja Limited on the accounts for the year ended 31st March, 2014)

- i. In respect of its fixed assets:
- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - As explained to us, the Company has physically verified all the fixed assets, which in our opinion is reasonable, having regard to the size of the Company.
 - In our opinion, the Company has not disposed off any fixed assets during the year and the going concern status of the Company is not affected.
- ii. According to the information and explanations given to us, the Company is at project stage and hence has no inventories during the year; therefore the provisions of clause (ii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable.
- iii. In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Act:
- The company has not given any advances in the nature of loan to companies, firms or other parties covered in the register maintained under section 301 of the Act. Consequently, the provisions of the clause (a) to (d) are not applicable for the year under audit.
 - The company has taken loan from four such parties in respect of which maximum amount involved during the year was Rs. 30,49,95,789 and the year-end balance was Rs. 30,49,95,789.
 - In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions are not, prima facie, prejudicial to the interest of the Company.
 - As per the information and explanations given to us, the above loans are not due for the repayment or are repayable on demand and there is no overdue amount as on 31st March, 2014.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v. According to the information and explanation given to us, there are no contracts or arrangements referred to under section 301 of the Act and exceeding the value of Rs.5,00,000 in respect of each party during the year that needs to be entered in register required to be maintained under that section.
- vi. According to information and explanations given to us, the Company has not accepted any deposits from the public and hence directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Act and the rules framed there under are not applicable for the year under audit.

- vii. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of the business of the company.
- viii. The Company is in project stage and has not started power generation as yet and hence the maintenance of cost records under section 209 (1) (d) of the Act is not applicable for the year under audit.
- ix. According to the information and explanations given to us in respect of statutory dues:
 - a. The company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income tax and any other material statutory dues to the extent applicable, with the appropriate authorities except in few cases.
 - b. According to the information and explanations given to us, in respect of statutory dues no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable.
 - c. According to the information and explanations given to us, in respect of statutory dues there are no dues of Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty and Cess which have not been deposited on account of any dispute.
- x. The Company has accumulated losses at the end of the financial year, which is less than 50% of its net worth. The Company has incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- xi. The company has not borrowed any money from financial institutions or banks and has not issued any debentures. Therefore, the provisions of clause 4(xi) of Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xii. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv. According to the information and explanations given by the management, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi. According to the information and explanations given to us, the Company has not taken any term loans during the year.
- xvii. On the basis of review of utilization of funds, which is based on overall examination of the balance sheet of the Company as at 31st March, 2014, related information as made available to us and as represented to us, by the management, we are of the opinion that funds raised on short term basis aggregating to Rs. 59,160 have been utilized for long term investment purposes.
- xviii. During the year, the Company has not made any preferential allotment to companies covered in the Register maintained under Section 301 of the Act. Accordingly provisions of clause 4 (xviii) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
- xix. The Company has not issued any debentures and hence provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xx. During the year covered by our report the company has not raised any money by public issue.
- xxi. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the course of our audit.

For Agrawal Chhallani & Co.
Chartered Accountants
(Registration No. : 100125W)

S.R.Chhallani
Membership No. - 30154

Nagpur
Date : 30th April, 2014

For Chaturvedi & Shah
Chartered Accountants
(Registration No. : 101720W)

R. Koria
Membership No. - 35629

Mumbai



BALANCE SHEET AS AT 31ST MARCH 2014

Particulars	Note	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	2	137,300,000	137,300,000
Reserves and Surplus	3	(17,375,495) 119,924,505	(5,762,130) 131,537,870
Non-current liabilities			
Long-Term Borrowings	4	304,995,789	295,325,653
Other Long Term Liabilities	5	8,699,045 313,694,834	- 295,325,653
Current liabilities			
Other Current Liabilities	6	7,678,484 7,678,484	13,360,919 13,360,919
TOTAL		441,297,823	440,224,442
ASSETS			
Non-current assets			
Fixed Assets	7		
Tangible Assets		82,087,307	80,681,650
Capital Work-in-Progress		264,333,180	264,333,180
Long Term Loans and Advances	8	87,258,012 433,678,499	87,302,628 432,317,458
Current assets			
Cash and Bank Balances	9	7,235,913	7,459,980
Short Term Loans and Advances	10	383,411 7,619,324	447,004 7,906,984
TOTAL		441,297,823	440,224,442
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 22		

As per our Report of even date attached

For AGRAWAL CHHALLANI & CO.
Chartered Accountants

S. R. CHHALLANI
Partner

For CHATURVEDI & SHAH
Chartered Accountants

R. KORIA
Partner

Nagpur
Date : 30th April, 2014

For and on behalf of Board of Directors

ARBIND JAYASWAL
Director

RAMESH JAYASWAL
Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	Note	Year ended 31.03.2014	Year ended 31.03.2013
		Rs.	Rs.
Other Income	11	584,854	-
Total Revenue		584,854	-
Expenses:			
Employee Benefits Expenses	12	689,083	-
Finance Costs	13	9,703,111	433,312
Depreciation and Amortization Expenses	7	7,593	5,968
Other Expenses	14	1,798,432	985,164
Total Expenses		12,198,219	1,424,444
Loss before tax		(11,613,365)	(1,424,444)
Tax Expense:		-	-
Loss for the year		(11,613,365)	(1,424,444)
Earnings per equity share of Rs. 10/- each	15		
Basic and Diluted (Rs.)		(0.85)	(0.10)
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 22		

As per our Report of even date attached

For AGRAWAL CHHALLANI & CO.
Chartered Accountants

S. R. CHHALLANI
Partner

For CHATURVEDI & SHAH
Chartered Accountants

R. KORIA
Partner

Nagpur
Date : 30th April, 2014

For and on behalf of Board of Directors

ARBIND JAYASWAL
Director

RAMESH JAYASWAL
Director



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

Particulars	31.03.2014 Rs.	31.03.2013 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss Before Tax as per Statement of Profit and Loss	(11,613,365)	(1,424,444)
ADJUSTED FOR		
Depreciation and Amortization Expenses	7,593	5,968
Interest Income	(584,854)	
Finance Cost	9,703,111	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE	(2,487,515)	(1,418,476)
ADJUSTMENT FOR		
Trade and Other Receivables	137,879	(8,832)
Trade Payables	(5,989,598)	5,235,649
CASH GENERATED FROM OPERATIONS	(8,339,234)	3,808,341
Direct Taxes (paid/) refunded	(51,270)	(45,393)
NET CASH FLOW FROM OPERATING ACTIVITIES	(8,390,504)	3,762,948
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Income	510,568	147,357
Purchase of Fixed Assets/ Capital Work-in-Progress (Net)	(1,010,201)	155,609,940
NET CASH FLOW FROM INVESTING ACTIVITIES	(499,633)	155,757,297
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	9,670,136	48,045,482
Repayment of Long Term Borrowings	-	(249,013,519)
Finance Costs paid	(1,004,066)	(102,408,762)
Margin Money (Net)	(451,698)	(5,501,964)
NET CASH FLOW/(USED IN) FROM FINANCING ACTIVITIES	8,214,372	(308,878,763)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	(675,765)	(149,358,518)
Cash and Cash Equivalents (Opening Balance)	1,348,016	150,706,534
Cash and Cash Equivalents (Closing Balance)	672,251	1,348,016

- i The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statements".
- ii Figures in brackets indicate Outflows.
- iii Previous year's figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year.

As per our Report of even date attached

For AGRAWAL CHHALLANI & CO.
Chartered Accountants

S. R. CHHALLANI
Partner

For CHATURVEDI & SHAH
Chartered Accountants

R. KORIA
Partner

Nagpur
Date : 30th April, 2014

For and on behalf of Board of Directors

ARBIND JAYASWAL
Director

RAMESH JAYASWAL
Director

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014**NOTE : 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****1.01 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

The Financial Statements are prepared under the historic cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013 (to the extent notified) and Companies Act, 1956 (to the extent applicable).

1.02 USE OF ESTIMATES

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimate are recognized in the period in which the results are known /materialized.

1.03 FIXED ASSETS

- (i) Fixed Assets are stated at cost less accumulated depreciation. All costs including financial cost till commencement of commercial production are capitalized.
- (ii) Expenses incurred relating to project, prior to commencement of commercial operation, are considered pre-operative expenditure and disclosed under Capital Work-in-Progress.

1.04 DEPRECIATION

Depreciation on Fixed Assets has been provided on straight line method at the rates and in the manner laid down in Schedule XIV of the Companies Act, 1956.

1.05 REVENUE RECOGNITION

Interest income is recognised on a time proportion basis.

1.06 FOREIGN CURRENCY TRANSACTIONS

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Monetary items denominated in foreign currencies at the year end are restated at the year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts has been recognised over the life of the contract.
- (iii) Non monetary foreign currency items are carried at cost.
- (iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

1.07 BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets (net of income earned on deployment of funds) are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit and Loss.

1.08 EMPLOYEE BENEFITS

- (i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss/Preoperative expenditure of the year in which the related service is rendered.



- (ii) Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss /Preoperative expenditure for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss / Preoperative expenditure.

1.09 PRELIMINARY EXPENSES

Preliminary Expenses are charged to the Statement of Profit and Loss in the year in which they are incurred.

1.10 IMPAIRMENT OF ASSETS

An Asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

1.11 PROVISION FOR CURRENT AND DEFERRED TAX

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rate and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax assets are recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future.

1.12 PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

NOTE : 2 SHARE CAPITAL

Particulars	As at	As at
	31.03.2014	31.03.2013
	Rs.	Rs.
Authorised		
5,00,00,000 (5,00,00,000) Equity Shares of Rs.10/- each	500,000,000	500,000,000
	500,000,000	500,000,000
Issued, Subscribed and Paid Up		
1,37,30,000 (1,37,30,000) Equity Shares of Rs.10/- each, fully Paid up	137,300,000	137,300,000
TOTAL	137,300,000	137,300,000

2.01 Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31st March 2014		As at 31st March 2013	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning and end of the year	13,730,000	137,300,000	13,730,000	137,300,000

2.02 Details of Share Holders holding more than 5% shares of the Company

Name of Shareholder	As at 31st March 2014		As at 31st March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jayaswal Neco Industries Ltd. (Holding Company)	13,705,500	99.82	13,705,500	99.82

2.03 Rights of Equity Shareholders

The Company has only one class of equity shares having a face value of Rs.10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the company, the equity shareholders will be entitled to receive any of remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

NOTE : 3 RESERVES & SURPLUS

Particulars	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
	Rs.	Rs.	Rs.
Surplus/ (Deficit)			
Balance as per last Balance Sheet	(5,762,130)		(4,337,686)
Add: Loss for the year	(11,613,365)		(1,424,444)
		(17,375,495)	(5,762,130)
TOTAL		(17,375,495)	(5,762,130)

NOTE : 4 LONG TERM BORROWINGS

Particulars	As at 31.03.2014	As at 31.03.2013
	Rs.	Rs.
Unsecured		
Loans from Related Parties		
Intercompany Deposits*	304,995,789	295,325,653
(Refer Note No. 19 (c))		
TOTAL	304,995,789	295,325,653

*Includes Rs.67,131,058/- (Previous Year Rs.60,379,172) due to Holding Company.

4.01 The above loans include:

- Rs. 237,864,731 Zero coupon loans which are repayable on demand anytime on or after 31st March 2016.
- Rs. 67,131,058 repayable after 3 years i.e 31st March, 2017 and carries an interest rate of 14.5%



NOTE : 5 OTHER LONG-TERM LIABILITIES

Particulars	As at 31.03.2014	As at 31.03.2013
	Rs.	Rs.
Interest Accrued but not due on borrowings	8,699,045	-
TOTAL	8,699,045	-

NOTE : 6 OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
	Rs.	Rs.	Rs.
Creditors for Capital Goods		5,777,385	5,470,222
Other Payables			
Due to Related Parties (Refer Note No.- 19 (c))	709,811		851,779
Statutory Dues	989,040		6,035,657
Others *	202,248		1,003,261
		1,901,099	7,890,697
TOTAL		7,678,484	13,360,919

* Mainly includes Provision for Expenses.

(Rs.)

7.01 Capital Work in Progress: The company is in process of setting up power plant projects at Raigarh, Chattisgarh and in Jharkhand State. The execution of the project has been affected due to delay in acquisition of requisite land and adverse market conditions for the Power Industry as a whole. In view of it, the Company has suspended the project development activities and charged all the expenses including borrowing cost for the year to the Statement of Profit and Loss. This has resulted into cash losses for the year. As the Company intends to restore the project development activities as soon as the conditions are improved for the power industry the financial statements have been prepared on going concern basis. The expenditure incurred during the construction period is classified as "Pre-operative Expenditure" pending capitalisation and will be apportioned to the assets on the completion of the projects. Necessary details as per schedule VI to the Companies Act, 1956 have been stated below:

7.02 The expenditure incurred during the construction period is classified as "Pre-operative Expenditure" pending capitalisation and will be apportioned to the assets on the completion of the projects. Necessary details as per schedule VI to the Companies Act, 1956 have been stated below:



NOTE : 8 LONG TERM LOANS AND ADVANCES (Unsecured and Considered Good)

Particulars	As at 31.03.2014 Rs.	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Capital Advances to :			
- Others	<u>87,159,705</u>		87,255,591
		87,159,705	87,255,591
Advance Income Tax (Net)		98,307	47,037
TOTAL		<u>87,258,012</u>	<u>87,302,628</u>

NOTE : 9 CASH AND BANK BALANCES

Particulars	As at 31.03.2014 Rs.	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Cash and Cash Equivalents			
Balances with banks :			
- In Current Accounts	664,718		1,300,592
Cash on hand	<u>7,533</u>		47,424
		672,251	1,348,016
Other Bank Balance			
Fixed Deposits with Banks pledged as Margin Money*		6,563,662	6,111,964
TOTAL		<u>7,235,913</u>	<u>7,459,980</u>

*Includes Rs. 7,11,964/- (Previous Year Rs.7,11,964/-) having maturity period of more than 12 months.

NOTE : 10 SHORT TERM LOANS AND ADVANCES

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(Unsecured and Considered Good)		
Advances for Expenses	-	137,879
Interest Receivable	383,411	309,125
TOTAL	<u>383,411</u>	<u>447,004</u>

NOTE : 11 OTHER INCOME

Particulars	Year ended 31.03.2014 Rs.	Year ended 31.03.2013 Rs.
Interest Income	584,854	-
TOTAL	<u>584,854</u>	<u>-</u>

NOTE : 12 EMPLOYEE BENEFITS EXPENSES

Particulars	Year ended 31.03.2014 Rs.	Year ended 31.03.2013 Rs.
Salaries, Wages and Allowances	653,580	-
Contribution to P.F.	35,503	-
TOTAL	<u>689,083</u>	<u>-</u>

12.1 The company has not formulated any policies in respect of any retirement benefits to its employees in relation to gratuity etc and hence it has no such liabilities as at 31st March 2014.

NOTE : 13 FINANCE COST

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.	Rs.
Interest Expenses	9,671,536	433,312
Other Finance Charges	31,575	-
TOTAL	9,703,111	433,312

NOTE : 14 OTHER EXPENSES

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.	Rs.
Administrative Expenses		
Rates and Taxes	1,875	-
Printing and Stationery	26,393	-
Communication	95,542	104,374
Travelling and Conveyance	854,611	-
Legal and Professional Charges	504,310	146,185
Payment to Auditors		
- Audit Fees	224,720	224,720
- Reimbursement of Expenses	-	4,120
	224,720	228,840
Office Expenses	81,569	436,200
Miscellaneous	3,862	30,292
Other Expenses		
Bank Charges & Commission	550	-
Donations	5,000	39,273
TOTAL	1,798,432	985,164

NOTE : 15 EARNING PER SHARE

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.	Rs.
Net Profit / (Loss) after tax	(A) (11,613,365)	(1,424,444)
Weighted average number of equity shares (Nos.)	(B) 13,730,000	13,730,000
Basic and Diluted Earnings Per Share of face value of Rs.10/- each	(A) / (B)Rs. (0.85)	(0.10)

NOTE : 16 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31.03.2014	As at 31.03.2013
	Rs.	Rs.
(A) Contingent liabilities		
Guarantees given by the Company's Bankers. (Bank guarantees are provided under contractual/legal obligation. No cash outflow is expected.)	6,000,000	6,000,000
(B) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	27,072	753,508
(Cash flow is expected on execution of such capital contracts on progressive basis)		



NOTE:17 In the opinion of the management, Current Assets, Loans and Advances are of the value stated, if realised in the ordinary course of business.

NOTE : 18 SEGMENT REPORTING:

The company's activities during the year revolve around acquisition of land for setting up of the power plant projects at Raigarh, Chhattisgarh and at Hazaribag, Jharkhand. Considering the nature of the company's business and operations, there is only one reportable segment (business and/ or geographical) in accordance with the requirements of Accounting Standard - 17 "Segment Reporting" notified in the Companies (Accounting Standards) Rules, 2006.

NOTE : 19 RELATED PARTY DISCLOSURES

(a) List of related Parties

(As certified by the Company)

I. Holding Company

Jayaswal Neco Industries Limited

II. Key Managerial Personnel

Shri Avneesh Jayaswal (Executive Director up to 01.06.2013)

III. Enterprises in which key managerial personnel and their relatives are able to exercise significant influence with whom transactions have taken place during the year:

(Other related Parties)

Deify Infrastructures Limited

Maa Usha Urja Limited

JLD Yavatmal Energy limited

Jayaswal Neco Infrastructures Private Limited

Jayaswal Neco Steel & Mining Limited

(b) Transactions with Related Parties

(Rs.)

Nature of Transaction	Holding	Key Managerial Person	Other Related Parties	Total
Long Term Borrowings				
Loan - Received during the year	6,751,886	-	2,918,250	9,670,136
	(36,485,482)	(-)	(11,560,000)	(48,045,482)
Loan - Refund during the year	-	-	-	-
	(-)	(-)	(249,013,519)	(249,013,519)
Closing Balance as at 31st March 2014	67,131,058	-	237,864,731	304,995,789
	(60,379,172)	(-)	(234,946,481)	(295,325,653)
Long term Loans & Advances				
Capital Advances - received back	-	-	-	-
	(-)	(-)	(335,339,446)	(335,339,446)
Interest Accrued but not due on borrowings	8,699,045	-	-	8,699,045
	(-)	(-)	(-)	(-)
Other Payables				
Closing balance as at 31st March 2014	-	-	709,811	709,811
	(-)	(-)	(851,779)	(851,779)
Reimbursement of Expenditures to the company	8,437	-	91,968	100,405
	(174,882)	(-)	(248,221)	(423,103)

Reimbursement of Expenditures by the company	1,021,124 (7,900,128)	- (-)	- (-)	1,021,124 (7,900,128)
Interest Expenses	9,665,606 (7,022,485)	- (-)	- (95,917,697)	9,665,606 (102,940,182)
Remuneration paid to Director	- (-)	665,064 (3,795,192)	- (-)	665,064 (3,795,192)

Note: Figures in brackets represent previous year's figures.

(c) Details of major transactions with Related Parties

Nature of Transaction		As at 31.03.2014	As at 31.03.2013
		Rs.	Rs.
Long Term Borrowings			
- Received during the year	Jayaswal Neco Steel & Mining Ltd.	2,918,250	11,560,000
	Jayaswal Neco Industries Limited	6,751,886	36,485,482
- Balance as at 31st March 2014	Maa Usha Urja Limited	73,386,481	73,386,481
	Jayaswal Neco Infrastructures Pvt. Limited	70,000,000	70,000,000
	Jayaswal Neco Steel & Mining Ltd.	94,478,250	91,560,000
	Jayaswal Neco Industries Limited	67,131,058	60,379,172
Interest Accrued but not due on borrowings	Jayaswal Neco Industries Limited	8,699,045	-
Other Payable			
- Balance as at 31st March 2014	JLD Yavatmal Energy Limited	709,811	851,779
Reimbursement of Expenditures to the company			
	Jayaswal Neco Industries Limited	8,437	174,882
	JLD Yavatmal Energy Limited	91,968	248,221
Reimbursement of Expenditures by the company			
	Jayaswal Neco Industries Limited	1,021,124	7,900,128
Interest paid	Jayaswal Neco Industries Limited	9,665,606	7,022,485
Remuneration paid to Director	Avneesh Jayaswal	665,064	3,795,192

NOTE : 20 DEFERRED TAX ASSETS/ LIABILITIES (NET)

Particulars	As at 31.03.2014	As at 31.03.2013
	Rs.	Rs.
(a) Deferred Tax Liabilities		
(i) Related to Fixed Assets	8,706	5,551
TOTAL	8,706	5,551
(b) Deferred Tax Assets		
(i) Unabsorbed Depreciation	13,118	5,394
(ii) Preliminary Expenditure	-	11,892
TOTAL	13,118	17,286
Net Deferred Tax Liability / (Assets)	(4,412)	(11,735)

As at 31st March, 2014, the Company has Net Deferred Tax Assets of Rs. 4,412 (Previous Year Rs. 11,735/-). In the absence of virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized, the same has not been recognized in the books of account in line with Accounting Standard 22 dealing with "Accounting for Taxes on Income".



NOTE : 21 EXPENDITURE IN FOREIGN CURRENCY

Particulars	For the Year ended 31.03.2014	For the Year ended 31.03.2013
	Rs.	Rs.
Travelling Expenses	<u>696,014</u>	<u>938,802</u>
TOTAL	<u>696,014</u>	<u>938,802</u>

NOTE : 22 Previous Year's figures have been reworked / regrouped / rearranged / reclassified wherever necessary to make them comparable with those of current year.

As per our Report of even date attached
For AGRAWAL CHHALLANI & CO.
Chartered Accountants

S. R. CHHALLANI
Partner

For CHATURVEDI & SHAH
Chartered Accountants

R. KORIA
Partner

Nagpur
Date : 30th April, 2014

For and on behalf of Board of Directors
ARBIND JAYASWAL
Director

RAMESH JAYASWAL
Director

**Consolidated
Financial Statements
of
Jayaswal Neco
Industries Limited
(and its Subsidiary Company)**



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INDEPENDENT AUDITORS' REPORT

To
The Board of Directors of
Jayaswal Neco Industries Limited

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of **Jayaswal Neco Industries Limited** ("the Company") and its Subsidiary (Collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2014 and the Consolidated Statement of Profit & Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The company's Management is responsible for the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with general circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India: -

- i. In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2014;
- ii. In the case of the Consolidated Statement of Profit & Loss, of the profit of the Group for the year ended on that date; and
- iii. In the case of the Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

For Chaturvedi & Shah
Chartered Accountants
(Registration No. : 101720W)
R Koria
Partner
Membership No. - 35629
Mumbai
Date: 30th April, 2014

For Agrawal Chhallani & Co.
Chartered Accountants
(Registration No. : 100125W)
S. R. Chhallani
Partner
Membership No. - 30154
Nagpur



CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2014

PARTICULARS	Note No.	As at 31.03.2014 Rs.in lacs	As at 31.03.2013 Rs.in lacs
I. EQUITY AND LIABILITIES			
1) Shareholders' Funds			
Share Capital	2	59862.58	49717.62
Reserves and Surplus	3	152317.76	130840.47
		212180.34	180558.09
2) Non current Liabilities			
Long Term Borrowings	4	247973.00	146463.13
Deferred Tax Liability (Net)	5	20339.88	16067.07
Other Long Term Liabilities	6	16.85	16.85
Long term Provisions	7	2694.95	2694.95
		271024.68	165242.00
3) Current Liabilities			
Short Term Borrowings	8	100056.21	77701.45
Trade Payables	9	36936.23	35785.79
Other Current Liabilities	10	32172.35	28450.35
Short Term Provisions	11	5609.80	5116.64
		174774.59	147054.23
TOTAL		657979.61	492854.32
II. ASSETS			
1) Non current assets			
Fixed Assets	12		
Tangible Assets		141721.05	122566.05
Intangible Assets		6416.62	4281.65
Capital Work in Progress		191836.74	97738.17
Intangible Assets under Development		13946.30	8489.51
		353920.71	233075.38
Non Current Investments	13	0.01	0.01
Long Term Loans & Advances	14	143639.53	123801.88
		497560.25	356877.27
2) Current assets			
Current Investments	15	76.25	64.62
Inventories	16	78165.05	80185.06
Trade Receivables	17	41062.93	30185.41
Cash and Bank Balances	18	25529.37	15204.90
Short Term Loans and Advances	19	15585.76	10337.06
		160419.36	135977.05
TOTAL		657979.61	492854.32
Significant Accounting Policies	1		
Notes to Consolidated Financial Statements	2 to 40		

As per our Report of even date

For CHATURVEDI & SHAH

Chartered Accountants

R. KORIA

Partner

For AGRAWAL CHHALLANI & CO.

Chartered Accountants

S. R. CHHALLANI

Partner

For and on behalf of Board of Directors

ARBIND JAYASWAL

Managing Director

A. D. KARAJGAONKAR

Company Secretary

P. K. BHARDWAJ

Executive Director &
Chief Financial Officer

Nagpur, 30th April, 2014

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2014

PARTICULARS	Note No.	Year ended 31.03.2014 Rs.in lacs	Year ended 31.03.2013 Rs.in lacs
1 Revenue from Opearations (Gross)	20	353435.15	285451.72
Less: Excise Duty/Service Tax Recovered on Sales		37330.03	30527.49
Revenue from Opearations (Net)		316105.12	254924.23
2 Other Income	21	940.83	1107.85
3 Total Revenue (1+2)		317045.95	256032.08
4 Expenses			
Cost of Materials Consumed	22	187832.90	155848.75
Purchase of Stock in Trade	23	16905.79	5460.27
Changes in Inventories of Finished Goods and Work in Progress	24	(3093.42)	(6750.22)
Employee Benefits Expense	25	14923.82	12749.12
Finance Costs	26	17338.52	18066.47
Depreciation and Amortization Expenses	12	11572.52	9668.42
Other Expenses	27	60466.76	56191.22
Total Expenses		305946.89	251234.03
5 Profit before tax (3-4)		11099.06	4798.05
6 Tax Expense :			
Current Tax		2390.12	1043.95
MAT Credit Entitlement	14.01	(1780.87)	(864.84)
Deferred Tax Liability (Net)	5	4022.20	1838.66
Income Tax for Earlier Years		253.89	-
		4885.34	2017.77
7 Profit for the year (5-6)		6213.72	2780.28
Earnings per Equity share of Rs.10/- each	28		
Basic (Rs.)		1.17	0.71
Diluted (Rs.)		1.15	0.64
Significant Accounting Policies	1		
Notes to Consolidated Financial Statements	2 to 40		

As per our Report of even date

For CHATURVEDI & SHAH
Chartered Accountants

R. KORIA
Partner

For AGRAWAL CHHALLANI & CO.
Chartered Accountants

S. R. CHHALLANI
Partner

For and on behalf of Board of Directors

ARBIND JAYASWAL
Managing Director

A. D. KARAJGAONKAR
Company Secretary

P. K. BHARDWAJ
Executive Director &
Chief Financial Officer

Nagpur, 30th April, 2014



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	31.03.2014 (Rs.in lacs)	31.03.2013 (Rs.in lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Statement of Profit and Loss	11099.06	4798.05
ADJUSTED FOR		
Depreciation and Amortization Expenses	11572.52	9668.42
Loss/(Profit) on sale of fixed asset (Net)	0.75	(12.85)
Loss/(Profit) on sale of Investments (Net)	(0.43)	(4.75)
Dividend on Current Investments	(0.09)	(0.05)
Interest Income	(584.56)	(756.05)
Finance Costs	17338.52	18066.47
Foreign Exchange differences	(486.31)	(146.26)
Provision for Sales Tax Deferral	556.53	665.32
Bad Debts /Advances written off(Net of reversal)	7.67	30.54
Provision for Doubtful Debts/ Advances	127.70	114.08
Provision for diminution in value of Investment	(1.20)	2.23
Provision for Wealth tax	1.56	1.67
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	39631.72	32426.82
ADJUSTMENTS FOR		
Trade and Other Receivables	(16853.10)	(1943.67)
Inventories	3045.96	(10795.40)
Trade Payables	(5366.78)	686.67
CASH GENERATED FROM OPERATIONS	20457.80	20374.42
Direct Taxes (Paid) / Refund	(2103.59)	(914.43)
Wealth Tax	(1.67)	(1.28)
NET CASH FLOW FROM OPERATING ACTIVITIES	18352.54	19458.71
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets and Capital Work-in-progress	(98243.41)	(112148.09)
Sale of Fixed Assets	18.95	17.23
Sale of Investments	0.44	29.75
Purchase of Investments	(10.43)	(50.00)
Dividend Income	0.09	0.05
Movement in Inter Corporate Deposits (Net)	19.61	(4.43)
Interest Income	565.97	774.10
NET CASH USED IN INVESTING ACTIVITIES	(97648.78)	(111381.39)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed against issue of Equity Shares	17200.00	55000.00
Repayment of Lease Liability	(896.68)	(360.00)
Proceed from Long Term Borrowings (Refer Note No. (ii) below)	116379.30	52107.08
Repayment of Long Term Borrowings	(20578.42)	(16803.34)
Short Term Loans (Net)	16084.20	35373.74
Finance Costs	(38567.94)	(30504.44)
Margin Money and Current Account not included in	(674.35)	(126.96)
Cash and Cash Equivalents		
NET CASH FLOW FROM FINANCING ACTIVITIES	88946.11	94686.08

NET INCREASE IN CASH AND CASH EQUIVALENTS	9649.87	2763.40
Cash and Cash Equivalents (Opening Balance)	11644.43	8881.03
Add : Pursuant to Scheme of Arrangement	0.25	-
Cash and Cash Equivalents (Opening Balance)	11644.68	8881.03
Cash and Cash Equivalents (Closing Balance)	21294.55	11644.43

- (i) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statements".
- (ii) Debt Swap of Rs. Nil (Previous Year Rs. 14055.01 lacs) has not been considered in the proceeds from and repayment of Long Term Borrowings.
- (iii) Figures in brackets indicate Outflows.
- (iv) Previous year's figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year.

As per our Report of even date attached

For CHATURVEDI & SHAH
Chartered Accountants

For and on behalf of Board of Directors

R. KORIA
Partner

ARBIND JAYASWAL
Managing Director

For AGRAWAL CHHALLANI & CO.
Chartered Accountants

A. D. KARAJGAONKAR
Company Secretary

P. K. BHARDWAJ
Executive Director &
Chief Financial Officer

S. R. CHHALLANI
Partner

Nagpur, 30th April, 2014

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE: 1

SIGNIFICANT ACCOUNTING POLICIES

1.01 Principles of Consolidation :

The consolidated financial statements relate to the Jayaswal Neco Industries Limited ("the Company") and its subsidiary company. The consolidated financial statements have been prepared on the following basis:

- a. The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- b. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- c. The difference between the cost of investments in the subsidiary over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill, which is not being amortised.
- d. Minority Interest's share of net profit of consolidated financial statements for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- e. Minority Interest in share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.



1.02 Investments other than in subsidiaries have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments"

1.03 Other significant accounting policies:

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

1.04 Following Subsidiary has been considered in the Consolidated Financial Statements:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest
Jayaswal Neco Urja Limited	India	99.82%

NOTE : 2 SHARE CAPITAL

PARTICULARS			As at 31.03.2014 Rs.in lacs	As at 31.03.2013 Rs.in lacs
Authorised				
1,000,000,000	(1,000,000,000)	Equity Shares of Rs.10/- each.	100000.00	100000.00
			100000.00	100000.00
Issued, Subscribed and Paid up				
598,633,063	(497,183,463)	Equity Shares of Rs.10/- each fully paid up.	59863.30	49718.34
		Less : Allotment Money Unpaid (from other than Directors)	0.72	0.72
TOTAL			59862.58	49717.62

2.01 Reconciliation of Equity Shares outstanding at the beginning and at the end of the year

Particulars	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	Amount Rs.in lacs	No. of Shares	Amount Rs.in lacs
Shares outstanding at the beginning of year	497,183,463	49718.34	359,683,463	35968.34
Add: Shares issued pursuant to Scheme of Arrangement (Refer Note No.31)	32,649,600	3264.96	-	-
Add: Shares issued during the year on Preferential Basis (Refer Note No.2.05)	68,800,000	6,880.00	137,500,000	13750.00
Shares outstanding at the end of year	598,633,063	59863.30	497,183,463	49718.34

2.02 Details of Shareholders, holding more than 5% shares of the Company

Name of Shareholders	As at 31.03.2014		As at 31.03.2013	
	No of Share held	Percentage to Capital	No of Share held	Percentage to Capital
Jayaswal Holdings Private Limited	53,098,951	8.87	43,978,951	8.85
Karamveer Impex Private Limited	44,269,000	7.40	39,069,000	7.86
Nine Star Plastic Packaging Services Private Limited	41,574,600	6.94	36,974,600	7.44
Jayaswal Neco Metallica Private Limited	37,910,500	6.33	32,790,500	6.60
Avon Sales and Services Private Limited	36,095,000	6.03	30,815,000	6.20
Jayaswal Neco Energy Private Limited	36,632,000	6.12	31,312,000	6.30
Anurag Sales & Services Private Limited	35,771,000	5.98	30,091,000	6.05
Jayaswal Neco Power Private Limited	32,954,500	5.50	29,722,500	5.98
Apex Spinning Mills Private Limited	32,399,600	5.41	26,559,600	5.34
Jayaswal Neco Infrastructures Private Limited	31,025,500	5.18	24,625,500	4.95

2.03 156,426,456 (Previous Year 123,776,856) shares were allotted in the last five years pursuant to various Schemes of Amalgamation and Arrangement without payment being received in cash.

2.04 Rights of Equity Shareholders

The Company has only one class of equity shares having a face value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the equity shareholders will be entitled to receive any of remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

2.05 As approved by the shareholders in their Extraordinary General Meeting held on 21st March 2014, the Board of Directors has allotted 6,88,00,000 equity shares of Rs. 10 each @ Rs. 25 per share. This money has been fully utilised for the upcoming projects and working capital requirement of the Company.

NOTE : 3 RESERVES AND SURPLUS

PARTICULARS	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Capital Reserve			
Balance as per last Balance Sheet	79.02		79.02
Add : Pursuant to Scheme of Arrangement (Refer Note No.31)	7683.87		-
		7762.89	79.02
Capital Redemption Reserve			
Balance as per last Balance Sheet		5100.37	5100.37
Securities Premium Account			
Balance as per last Balance Sheet	80025.81		38775.81
Add: Received on issue of Equity Shares	10320.00		41250.00
		90345.81	80025.81
Revaluation Reserve			
Balance as per last Balance Sheet	22.99		23.75
Less : Amount of Depreciation attributable on appreciated value transferred to Surplus	0.76		0.76
		22.23	22.99



General Reserve

Balance as per last Balance Sheet	17586.48	17586.48
Less : Balance written off *	885.61	
	16700.87	17586.48

Surplus

Balance as per last Balance Sheet	28025.80	25244.76
Add: Profit for the year	6213.72	2780.28
Less : Pursuant to Scheme of Arrangement (Refer Note No.31)	1854.69	-
Add: Transferred from Revaluation Reserve	0.76	0.76
	32385.59	28025.80
TOTAL	152317.76	130840.47

* During the financial year 2008-09 the Company had accounted for the assets/ liabilities of Inertia Iron and Steel Industries Private Limited (Amalgamating company) at the fair value in terms of Scheme of Arrangement under section 391 to 394 of the Companies Act, 1956 approved by Hon'ble High Court of Mumbai judicature at Nagpur between the Company and shareholders of Amalgamating Company having appointed date 31st March, 2008. The excess of the fair value of net assets taken over by the Company over paid up value of the equity shares allotted to the shareholders of Amalgamating Company was credited to general reserve. During the year the Company has adjusted Rs. 885.61 lacs with general reserve being the amount given to one of the party by the Amalgamating Company before amalgamation which could not be recovered and now written off.

NOTE : 4 LONG TERM BORROWINGS

PARTICULARS	As at 31.03.2014 Rs.in lacs	As at 31.03.2014 Rs.in lacs	As at 31.03.2013 Rs.in lacs
Secured			
Term Loans			
- From Banks	240368.60		139582.34
- From Financial Institutions	-		798.61
- From Others	-		24.79
		240368.60	140405.74
Unsecured			
Sales Tax Deferral (Under Package Scheme of Incentives) (Refer Note No. 4.10)		3917.12	3385.76
Inter Corporate Deposits (From related parties)*		2378.65	2349.46
Long term maturities of finance lease obligations (Refer Note No. 4.09)		1308.63	322.17
TOTAL		247973.00	146463.13

* Refer Note No.37 (c) for details of related parties.

4.01 The term loans from banks, financial institutions and others referred to above aggregating to Rs. 240298.00 lacs and Rs. 19171.72 lacs included in Current Maturities of Long Term Debts in Note No. 10 are guaranteed by some of the Directors in their personal capacities and pledge of 5927000 equity shares of the Company held by the Promoters.

4.02 Term loans from Banks and Financial Institution referred to above aggregating to Rs. 225948.34 lacs and Rs. 19171.72 lacs included in Current Maturities of Long Term Debts in Note No. 10 are secured by way of :

- First Charge on the moveable and immoveable fixed assets of the company, both present and future on pari-passu basis with other participating Financial Institution/ Banks except the moveable and immoveable fixed assets at Moitra Coking Coal Block including Washery at North Karanpura Coalfields near Hazaribagh in Jharkhand.

- b. First Ranking Charge on all titles and interest of the borrower in respect of all project documents / contracts / licences including insurance contracts and rights except mining rights pertaining to the assets of the borrower on pari-passu basis with other participating Financial Institutions/ Banks.
 - c. Charge on all the current assets of the company including raw materials, finished goods, stock-in-process, trade receivable, both present and future on pari-passu basis with other participating Financial Institutions/ Banks amongst them ranking next to the charge in favour of bankers to secure their working capital loans.
- 4.03** Term loans from Banks referred to above aggregating to Rs. 8000 lacs is secured by way of :
- a. First Charge created/ to be created on the all immoveable as well as moveable fixed assets of the company, both present and future on pari-passu basis with other participating Financial Institution/ Banks except the moveable and immoveable fixed assets at Moitra Coking Coal Block including Washery at North Karanpura Coalfields near Hazaribagh in Jharkhand.
 - b. Charge on all the current assets of the company including raw materials, finished goods, stock-in-process, trade receivable, both present and future on pari-passu basis with other participating Financial Institutions/ Banks amongst them ranking next to the charge in favour of bankers to secure their working capital loans.
- 4.04** Term loans from banks referred to above aggregating to Rs.6349.66 Lacs are secured by way of first charge on whole of the moveable and immoveable properties, except Book Debts, Store and Spares and Stocks, both present and future relating to coking coal mines project including washery at Moitra coking coal block at North Karanpura Coalfields near Hazaribagh in Jharkhand (the project) and charge on Current Assets of the Company on pari-passu basis amongst banks funding the project ranking next to the charge in favour of bankers to secure their working capital loans.
- 4.05** Term Loans of Rs.70.60 lacs and Rs.55.57 lacs included in current maturities of long term debt are secured by way of hypothecation of the specific Equipments/ Vehicles financed.
- 4.06** The term loans referred to above aggregating to Rs.5416.67 lacs and Rs.2500.00 lacs included in current maturities of long term debt in Note no. 10 are further secured by mortgage of certain piece of land and all the moveable assets of one of the related parties i.e. Neco Ceramics Limited.
- 4.07** Term Loans from Banks and Financial Institutions referred to above and Rs. 19171.72 lacs included in current maturities of long term debt in Note No. 10 are to be repaid as under :
- Rs. 1416.67 lacs is repayable in 12 equal monthly instalments of Rs.118.06 lacs each, ending on March, 2015.
 - Rs. 2704.17 lacs is repayable in 12 equal monthly instalments of Rs.225.35 lacs each, ending on March, 2015.
 - Rs. 1275.00 lacs is repayable in 24 equal monthly instalments of Rs.53.13 lacs each, commencing from April, 2015 and ending on March, 2017.
 - Rs. 2463.20 lacs is repayable in 18 equal monthly instalments of Rs.138.90 lacs each, ending on September, 2015.
 - Rs. 381.93 lacs is repayable in 12 equal monthly instalments of Rs.34.72 lacs each, ending on March, 2015.
 - Rs. 189.86 lacs is repayable in 6 equal quarterly instalments of Rs.30.88 lacs each, ending on September, 2015.
 - Rs. 1406.25 lacs is repayable in 3 equal quarterly instalments of Rs.468.75 lacs each, ending on October, 2014.
 - Rs. 5500.00 lacs is repayable in 11 equal quarterly instalments of Rs.500.00 lacs each, ending on October, 2016.
 - Rs. 10137.05 lacs is repayable in 36 structured monthly instalments, ending on March, 2017.
 - Rs. 1283.33 lacs is repayable in 28 equal monthly instalments of Rs.45.83 lacs each, ending on July, 2016.
 - Rs. 6991.98 lacs is repayable in 22 structured quarterly instalments, ending on October, 2019.
 - Rs. 6349.66 lacs is repayable in 48 equal monthly instalments of Rs.132.28 lacs each, commencing from July, 2015 and ending on June, 2019.
 - Rs. 23670.91 lacs is repayable in 22 quarterly instalments of Rs.1075.95 lacs each, commencing from quarter ending December 2015 and ending in March 2021 quarter.
 - Rs.140269.73 lacs is repayable in 78 equal monthly instalments of Rs.1798.33 lacs each, commencing from September, 2015 and ending on February, 2022.
 - Rs. 23482.71 lacs is repayable in 22 equal quarterly instalments of Rs.1067.40 lacs each, Commencing from November 2015 and ending in Feb 2021.
 - Rs. 7916.67 lacs is repayable in 38 equal monthly instalments of Rs.208.33 lacs each, Commenced from June 2013 and ending in May 2017.



Rs. 13499.81 lacs is repayable in 90 structured monthly instalments, Commencing from October 2014 and ending in March 2022.

Rs. 8000 lacs is repayable in 48 structured monthly instalments, Commencing from January 2017 and ending in December 2020.

Rs. 2321.72 lacs is repayable in 21 equal monthly instalments of Rs.116.85 lacs each, ending in December, 2015.

Rs.209.07 lacs is repayable in 3 equal monthly instalments of Rs.61.16 lacs each, ending in June, 2014.

Vehicle Loans included in Term Loans above are repayable in 36 to 60 monthly equal instalments (including interest) as per repayment schedule.

Term Loans from Others referred to above are repayable in 24 to 36 monthly equal instalments (including interest) as per repayment schedule.

Maturity Profile of Term Loans is as under :					(Rs. in lacs)
	Payable within one year	1-2 years	2-3 years	3-4 years	Beyond 4 years
Term Loans from Banks, Financial Institution and others	19227.29	31217.59	42609.27	37066.54	129475.20

4.08 Inter Corporate Deposits which are repayable on demand at anytime on or after 31st March, 2016. The said loan carry 0% interest rate.

4.09 The Minimum Lease Rentals outstanding as on 31st March, 2014 in respect of assets having the Gross Liability of Rs.4574.93 lacs (Previous Year Rs. 2324.93 lacs) taken on financial lease is as follows :

	31.03.2014 (Rs.in lacs)	31.03.2013 (Rs.in lacs)
Minimum Lease Payments		
(i) Payable not later than 1 year	917.63*	360.00
(ii) Payable later than 1 year and not later than 5 years	1845.00	360.00
(iii) Payable later than 5 years	-	-
Total Minimum Lease Payments	2762.63	720.00
Less : Future Finance Charges	877.00	136.24
Present Value of Minimum Lease Payments	1885.63	583.76
Present Value of Minimum Lease Payments		
(i) Payable not later than 1 year	577.00*	261.59
(ii) Payable later than 1 year and not later than 5 years	1308.63	322.17
(iii) Payable later than 5 years	-	-
Total Present Value of Minimum Lease Payments	1885.63	583.76

General description of Lease terms :

- (i) Lease Rentals are charged on the basis of agreed terms.
- (ii) Assets are taken on lease for a period of 5 to 10 years.

*Includes unpaid amount of Rs.17.62 lacs relating to installment due on 31st March, 2014 which has since been paid.

4.10 The Company is entitled to defer its liability to pay Sales Tax (including a portion of Purchase Tax) in respect of its certain units. The liability under the Schemes as on 31st March, 2014 is Rs.7797.64 lacs (Previous Year : Rs. 7361.03 lacs) which is provided for on the basis of its Net Present Value of Rs.3942.29 lacs (Previous Year : Rs.3385.76 lacs). This Sales-tax liability is repayable in five equal annual instalments starting at the end of the tenth year from the year to which it relates.

NOTE : 5 DEFERRED TAX LIABILITIES (NET)

PARTICULARS	As at 31.03.2014 Rs.in lacs	As at 31.03.2014 Rs.in lacs	As at 31.03.2013 Rs.in lacs
Deferred Tax Liabilities			
Related to Fixed Assets	20315.33		16005.48
Sales Tax Deferral not debited to Statement of Profit & Loss	1310.43		1289.78
		21625.76	17295.26

Deferred Tax Assets

Items disallowed under section 43B of Income Tax Act, 1961	612.92	602.59
Provision for Doubtful Trade Receivables & Advances	568.13	481.80
Leased Asset	104.83	143.80
	<u>1285.88</u>	<u>1228.19</u>
Net Deferred Tax Liability	<u>20339.88</u>	<u>16067.07</u>
Net Increase in Deferred Tax Liability	<u>4272.81</u>	<u>1838.66</u>
Less : Pursuant to Scheme of Arrangement (Refer Note No.31)	250.61	-
Amount Debited to Profit and Loss Account	<u>4022.20</u>	<u>1838.66</u>

5.01 The above does not include Net Deferred Tax Assets of Rs. 0.04 lacs (Previous Year Rs 0.12 Lacs) pertaining to the Subsidiary which, in the absence of virtual certainty that sufficient future Taxable Income will be available against which Deferred Tax Assets can be realized, has not been recognised in the books of accounts of the Subsidiary in line with Accounting Standard 22 dealing with accounting for Taxes on Income. In view of the above Deferred Tax Assets of Rs. 0.04 lacs in the subsidiary can not be set off with the above Deferred Tax liability.

NOTE : 6 OTHER LONG TERM LIABILITIES

PARTICULARS	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs
Deposits Received	16.85	16.85
TOTAL	<u>16.85</u>	<u>16.85</u>

NOTE : 7 LONG TERM PROVISIONS

PARTICULARS	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs
Provision for Site Restoration Expenses	2694.95	2694.95
TOTAL	<u>2694.95</u>	<u>2694.95</u>

7.01 The site restoration costs have been calculated in terms of guidelines for preparation of mines closure plan issued by Ministry of Coal, Government of India.

NOTE : 8 SHORT TERM BORROWINGS

PARTICULARS	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Secured			
Working Capital Rupee Loans from Banks		53271.54	45619.96
Unsecured			
Inter Corporate Deposits taken from :			
i) Related party (Refer Note No.37 (c))	13569.72		6272.42
ii) Others	1600.00		1849.40
		15169.72	8121.82
Buyer's Credit		63.81	203.61
Suppliers Credits *		31551.14	23756.06
TOTAL		<u>100056.21</u>	<u>77701.45</u>

* Backed by Letter of Credit and includes Rs. 25172.56 Lacs (Previous Year Rs. 16153.17 Lacs) relating to Capital Goods to be paid out of Term Loans.



8.01 Working Capital Loans from Banks are secured/to be secured by the hypothecation of whole of movable properties including Stocks and Book Debts, both present and future, and by second charge on immovable properties of the Company, excluding the moveable and immoveable fixed assets at Moitra Coking Coal Block including Washery at North Karanpura Coalfields near Hazaribagh in Jharkhand, ranking next to the mortgage charge of Financial Institutions and Banks for securing their Term Loans.

8.02 The Working Capital Loans from banks are guaranteed by some of the Directors in their personal capacities.

NOTE : 9 TRADE PAYABLES

PARTICULARS	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs
Trade Payables - Micro, Small and Medium Enterprises @	72.11	-
- Others	36864.12	35785.79
TOTAL	36936.23	35785.79

@ Micro, Small & Medium Enterprises under the Micro, Small & Medium Enterprises Development Act, 2006 have been determine based on the information available with the Company and the required disclosures are given below:

Particulars	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs
Principal amount remaining unpaid	72.11	*
Interest due thereon	0.53	*
Interest paid by the Company in terms of Section 16	-	*
Interest due and payable for the period of delay in payment	-	*
Interest accrued and remaining unpaid	0.53	*
Interest remaining due and payable even in succeeding years	-	*

* The details are not furnished as the informations are not available with the Company.

NOTE : 10 OTHER CURRENT LIABILITIES

PARTICULARS	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Current Maturities of Long term debts		19227.29	17780.17
Current Maturities of Sales Tax Deferral		25.17	-
Current Maturities of Lease obligation		577.00	261.59
Interest Accrued but not due on borrowings		485.57	612.51
Advances from Customers		5191.56	2525.07
Creditors for Capital Goods		150.16	192.70
Book Overdraft		105.95	27.80
Other Payables			
Statutory Liabilities	1045.69		1157.35
Deposits Received	7.75		13.21
Others*	5356.21		5879.95
		6409.65	7050.51
TOTAL		32172.35	28450.35

* Mainly includes Payable to Employees and Provision for Materials and Expenses.

NOTE : 11 SHORT TERM PROVISIONS

PARTICULARS	As at 31.03.2014 Rs.in lacs	As at 31.03.2013 Rs.in lacs
Provision for Employee Benefits	1597.41	1727.62
Provision for Wealth tax	1.56	1.67
Provision for Excise Duty	3614.08	2990.60
Other Provisions*	396.75	396.75
TOTAL	5609.80	5116.64

* includes provision for disputed Entry Tax and Cess on Metallurgical Coke

11.01 The Company has recognised liabilities based on substantial degree of estimation for Excise Duty payable on clearance of goods lying in stock, Entry Tax and Cess on Metallurgical Coke paid under dispute. The excise duty payable on clearance of goods lying in stock as at 31st March, 2013 was of Rs. 2990.60 lacs as per the estimated pattern of dispatches. During the year Rs.2990.60 lacs was utilised for clearance of goods. Liability recognised under this clause for the year is Rs. 3614.08 lacs which is outstanding as on 31st March, 2014. Actual outflow is expected in the next financial year. Any additional information in this regard can be expected to prejudice seriously the position of the Company.

NOTE : 12 FIXED ASSETS

(Rs.in lacs)



PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 01.04.2013	Acquired in terms of Scheme of Arrangement	Additions	Deduction/ Adjustment	As at 31.03.2014	Upto 31.03.2013	Acquired in terms of Scheme of Arrangement #	For the Year Adjustment	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
a) Tangible Assets											
Owned											
Land	6141.64	-	824.32	73.47	6892.49	-	-	-	-	6892.49	6141.64
Buildings	19696.70	4795.36	44.98	-	24537.04	4764.99	558.39	775.32	6098.70	18438.34	14931.71
Railway Sidings	3212.86	-	-	-	3212.86	2304.98	-	152.61	2457.59	755.27	907.88
Plant & Equipments	153624.85	23655.08	2795.22	-	180075.15	54175.44	4373.21	9881.80	68430.45	111644.70	99449.41
Office Equipments	403.26	19.64	51.43	-	474.33	187.61	5.16	22.52	215.29	259.04	215.65
Furniture & Fixtures	459.19	2.18	43.31	-	504.68	326.14	1.49	26.28	353.91	150.77	133.05
Vehicles	840.42	0.67	46.04	20.35	866.78	462.85	0.27	54.45	516.92	349.86	377.57
Sub-Total	184378.92	28472.93	3805.30	93.82	216563.33	62222.01	4938.52	10912.98	78072.86	138490.47	122156.91
Leased											
Land	331.90	1479.57	-	-	1811.47	63.29	76.18	18.62	158.09	1653.38	268.61
Plant & Equipments	2324.93	2250.00	-	-	4574.93	2184.40	544.53	268.80	2997.73	1577.20	140.53
Sub-Total	2656.83	3729.57	-	-	6386.40	2247.69	620.71	287.42	3155.82	3230.58	409.14
Total (A)	187035.75	32202.50	3805.30	93.82	222949.73	64469.70	5559.23	11200.40	81228.68	141721.05	122566.05
b) Intangible Assets :											
Good will (on consolidation)	38.03	-	-	-	38.03	-	-	-	-	38.03	38.03
Process Development*	3400.28	-	-	-	3400.28	3400.28	-	-	3400.28	-	-
Softwares**	50.36	-	77.24	-	127.60	36.71	-	21.85	58.56	69.04	13.65
Technical Know-How**	642.21	-	-	-	642.21	242.94	-	33.91	276.85	365.36	399.27
Indefeasible Right to Use**	1006.57	-	2430.72	-	3437.29	174.50	-	89.26	263.76	3173.53	832.07
Mining Rights	3293.61	-	-	-	3293.61	294.98	-	227.97	522.95	2770.66	2998.63
Total (B)	8431.06	-	2507.96	-	10939.02	4149.41	-	372.99	4522.40	6416.62	4281.65
Total (A+B)	195466.81	32202.50	6313.26	93.82	233888.75	68619.11	5559.23	11573.39@	85751.08	148137.67	126847.70
Previous Year	175513.92	-	19957.27	4.38	195466.81	58949.91	-	9669.20	68619.11	126847.70	
C) Capital Work-in-progress										191836.74	97738.17
D) Intangible Assets under Development										13946.30	8489.51

* internally generated

** Other than internally generated

@Rs. 0.87 lacs (Previous year Rs.0.79 lacs) transferred to preoperative expenses.

Represents depreciation for the period from the appointed date, i.e. 1st April 2008 to 31st March 2013 on the assets acquired pursuant to the Scheme of Arrangement.

- 12.01** Buildings include cost of building aggregating to Rs.144.43 lacs (Previous Year Rs. 144.43 lacs) constructed on land, ownership of which does not vest with the Company.
- 12.02** Indefeasible Right to Use represents the cost incurred by the Company for the exclusive right of usage of certain piece of lands during the contract period.
- 12.03** Addition to Plant and Equipments includes Borrowing Cost of Rs.378.13 lacs (Previous Year Rs. 888.17 lacs).
- 12.04** The gross block of fixed assets includes Rs. 44.28 lacs (Previous Year Rs. 44.28 lacs) on account of revaluation of fixed assets. Consequent to said revaluation there is an additional charge of depreciation of Rs. 0.76 lacs (Previous Year Rs. 0.76 lacs) and an equivalent amount has been withdrawn from Revaluation Reserve and credited to Surplus.
- 12.05** Additions to Indefeasible Right to use includes Rs.73.47 lacs regrouped from land.

12.06 Capital Work-in-progress includes :

	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs
Material at site	25.11	0.94
Building under Construction	248.03	247.05
Plant & Equipments under installation	145926.13	69907.84
Pre-operative Expenses	45637.47	27582.34
TOTAL	191836.74	97738.17

12.07 Intangible Assets under Development :

	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs
Mining Rights	6305.14	5213.07
Pre-operative Expenses	7641.16	3276.44
TOTAL	13946.30	8489.51

- 12.08** The Company has undertaken Projects for enhancement of Capacities of its Foundries in Nagpur and Integrated Steel Plant in Chhattisgarh by expanding its Steel Melt Shop, Rolling Mills, Pellet Plant, Sponge Iron Plant, Captive Power Plants, Coal Washerries, and developing its Coal and Iron Ore Mines (the Projects), etc. Further , the subsidiary is also engaged in setting up the Power Plant Project in Raigarh, Chhattisgarh and in Hazaribagh, Jharkhand. Since the projects are under construction stage, the expenditure incurred towards construction of projects have been considered as Pre-operative Expenditure, the details of which are as under :

Particulars	31.03.2014 (Rs.in lacs)	31.03.2013 (Rs.in lacs)
Raw Materials Consumed	-	185.64
Consumables, Stores and Spares Consumed	-	14.97
Power & Fuel	0.09	39.57
Remuneration and Benefits to Employees	1395.66	1716.74
Repairs & Maintenance - Buildings	-	-
Repairs & Maintenance - Others	27.25	48.64
Rent	-	3.71
Rates, Taxes and Fees	-	37.64
Travelling and Conveyance	8.34	75.87
Printing & Stationery	-	1.15
Legal & Professional	37.63	49.34
Insurance	0.25	0.13



Miscellaneous Expenses	60.12	157.71
Depreciation	0.87	0.79
Finance Costs	21367.72	12836.00
	22897.93	15167.90
Less: Miscellaneous Income	0.02	4.01
Excess prov w/back	-	0.05
Stock of Trial run production	-	2.60
Scrap Generated during Trial run	-	158.35
Trial Run Power used for manufacturing	-	-
Preoperative Expenses for the year	22,897.91	15002.89
Add : Preoperative Expenses upto Previous Year	30858.78	17415.15
	53756.69	32418.04
Less : Allocated during the year	478.06	1559.26
TOTAL	53278.63	30858.78

- 12.09** The Ministry of Coal had raised a demand for invoking the Bank Guarantee of Rs.1000 Lacs furnished by the Company, in respect of the Company's Moitra Coal Block in Jharkhand for delay in start of production of coal. The Company has filed a writ petition before the Hon'ble High Court at New Delhi, which has, by an interim order, restrained the Bank from transmitting the amount. The matter is pending for adjudication before the Hon'ble High Court at New Delhi.
- 12.10** The Company had filed Mining Lease applications for Rowghat Iron Ore Deposit in Bastar District Chhattisgarh. The Chhattisgarh State Government (SG) had rejected the same by a common order which was challenged by the Company by filing a revision application. The SG had filed a complaint before Ministry of Mines which had referred the matter to the Chief Vigilance Officer (CVO) which couldn't make out any case against the Company. The revision petition of the Company was allowed by the Adjudicating authority which was subsequently upheld by the Delhi High Court, which has also observed that the Company had successfully undertaken the Prospecting operations in the area. On a fresh complaint by the SG to the Chief Vigilance Commission (CVC) in 2012 containing the same allegations, the Central Bureau of Investigations(CBI) on the directions of the CVC had registered an FIR against the Company alleging certain irregularities against which the company has filed a writ petition for quashing of the said FIR before the Hon'ble Delhi High Court, in which the High Court has directed CBI not to take any coercive action against the Petitioners. During the pendency of the Writ Petition, investigation has been completed by CBI and the same is pending for consideration before the Court.
- 12.11** In accordance with the Accounting Standard (AS-28) on "Impairment of Assets", the Management during the year carried out an exercise of identifying the assets that may have been impaired in respect of each cash generating unit in accordance with the said Accounting Standard. On the basis of this review carried out by the management, there was no impairment loss on Fixed Assets during the year ended 31st March, 2014.

NOTE : 13 NON CURRENT INVESTMENTS

(Long Term Investments)

PARTICULARS	As at		As at	
	31.03.2014		31.03.2013	
	Rs.	Rs.in lacs	Rs.	Rs.in lacs
	Face Value		Face Value	
Trade Investments (Unquoted, Fully Paid Up)				
In Equity Shares - Others				
Punjab & Maharashtra Co-operative Bank Ltd.	40	0.01	40	0.01
The City Co-operative Bank Ltd. (Rs. 250)	10	-	10	0.00
TOTAL		0.01		0.01
13.01 Aggregate Amount of Unquoted Investments		0.01		0.01

NOTE : 14 LONG TERM LOANS & ADVANCES

(Unsecured and Considered Good)

PARTICULARS	As at 31.03.2014 Rs.in lacs	As at 31.03.2014 Rs.in lacs	As at 31.03.2013 Rs.in lacs
Capital Advances			
To Related Parties (Refer Note No.37 (c))	127292.14		113623.04
To Others	4203.51		1667.32
		131495.65	115290.36
Deposits		1429.97	760.31
Advance Payment of Income-tax (Net) (Refer Note No. 14.02)		1161.44	556.84
MAT Credit Entitlement		9552.47	7194.37
TOTAL		143639.53	123801.88

14.01 Presently the company is liable to pay Minimum Alternate Tax (MAT) under section 115JB of the Income Tax Act, 1961 (The Act) and the amount paid as MAT is allowed to be carried forward for being set off against the future tax liabilities computed in accordance with the provisions of the Act, other than Section 115JB, in next ten years. Based on the future projection of the performances, the Company will be liable to pay the income tax computed as per provisions, other than under section 115JB of the Act. Accordingly as advised in Guidance note on "Accounting for Credit available in respect of Minimum Alternate Tax under the Income Tax Act 1961" issued by the Institute of Chartered Accountants of India, Rs.1780.87 lacs (Previous Year Rs.864.84 lacs) being the excess of tax payable under section 115JB of the Act over tax payable as per the provisions other than section 115JB of the Act has been considered as MAT Credit Entitlement and credited to Statement of Profit and Loss. The total MAT Credit as at 31st March, 2014 is Rs.9552.47 lacs (Previous Year Rs. 7194.37 lacs), which includes Rs.577.23 lacs being incremental MAT credit entitlement relating to earlier years accounted pursuant to the Scheme of Arrangement.

14.02 During the year the Company has recomputed its tax liability for the financial years beginning from 1st April, 2008 to 31st March, 2013 for giving effects of the Scheme of Arrangement referred to in Note No. 31. The Company is in the process of filing of revised returns of Income Tax for all respective financial years.

NOTE : 15 CURRENT INVESTMENTS

PARTICULARS			As at 31.03.2014 Rs. Rs.in lacs	As at 31.03.2013 Rs.in lacs
	Number of Shares	Face Value		
	31.03.2014	31.03.2013		
In Equity Shares - Fully Paid Up (Quoted)				
Antarctica Graphics Limited	53000	53000	1 0.53	0.53
Datar Switchgears Limited	2200	2200	10 1.05	1.05
Elbee Services Limited	1400	1400	10 1.96	1.96
JSW Ispat Steel Limited	-	60	10 -	0.01
Jindal Steel Power Limited	3000	3000	5 0.55	0.55
JSW Steel Limited	8	8	10 0.01	0.01
Kirloskar Ferrous Industries Limited	100	100	5 0.02	0.02
Tata Steel Limited	135	135	10 0.41	0.41
Tourism Finance Limited	3000	3000	10 0.90	0.90
Triveni Sheet Glass Limited	1000	1000	10 1.00	1.00
Usha Martin Limited	500	500	10 0.05	0.05



In Equity Shares - Fully Paid Up (Unquoted)

Essar Steel India Limited	60	60	10	0.03	0.03
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Other Investments - Unquoted

In Preference Shares - Fully Paid Up

JSW Ispat Steel Limited (Rs.400)	40	40	10	-	-
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In Units

SBI One India Fund	104300	100000	10	10.43	10.00
SBI Infrastructure Bond	50000	50000	10	5.00	5.00
Union KBC Mutual Fund (EFGR)	231472	278704	10	25.00	25.00
Union KBC Cap. Protection Oriented (EFGR)	250000	250000	10	25.00	25.00
KBC Fixed Maturity Plan	100000	-	10	10.00	-

81.94 71.52

Less : Provision for diminution in the value

5.69 6.90

TOTAL

76.25 64.62

15.01	Aggregate Amount of Quoted Investment	1.98	1.70
15.02	Aggregate Market Value of Quoted Investment	10.52	11.74
15.03	Aggregate Amount of Unquoted Investment	74.27	62.92

NOTE : 16 INVENTORIES

PARTICULARS

	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs
Raw Materials	30682.95	31697.56
Raw Materials-in-transit	7754.45	12052.51
Work-in-progress*	4399.60	3557.00
Finished Goods	26822.57	24470.07
Finished Goods-in-transit	50.56	59.98
Stock in Trade	191.55	145.20
Stores, Spares and Consumables	8263.37	8202.74
TOTAL	78165.05	80185.06

*Includes Nil (Previous Year Rs.2.60 lacs) being stock of trial run product

16.01 Broad Heads of Work-in-Progress

Particulars

	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs
Iron & Steel Castings	4226.07	3360.85
Coke	103.08	119.26
Sponge Iron	70.45	76.89
TOTAL	4399.60	3557.00

16.02 Broad Heads of Finished Goods

Particulars	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs
Iron & Steel Castings	1390.90	1186.38
Pig Iron/Skull	2542.50	2559.37
Billets/ Rolled Products	20170.58	15483.35
Sponge Iron	264.87	3486.51
Others	2504.28	1814.44
TOTAL	26873.13	24530.05

NOTE : 17 TRADE RECEIVABLES

(Unsecured)

PARTICULARS	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Outstanding for a period exceeding six months			
Considered good	1652.11		1717.25
Considered doubtful	575.65		496.97
	2227.76		2214.22
Less : Provision for Doubtful Receivables	575.65		496.97
		1652.11	1717.25
Other receivables - considered good		39410.82	28468.16
TOTAL		41062.93	30185.41

NOTE : 18 CASH AND BANK BALANCES

PARTICULARS	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Cash and Cash Equivalents			
Balances with Banks			
In Current Accounts	19565.60		10194.89
Cheques in hand	1656.46		1352.50
Cash in hand	72.49		97.04
		21294.55	11644.43
Other Bank Balances			
In Current Account **		77.19	-
Fixed Deposits with Banks *			
Pledged as Margin Money		4157.63	3560.47
TOTAL		25529.37	15204.90

* Includes Rs. 592.22 lacs (Previous Year Rs. 511.31 lacs) having maturity period of more than 12 months.

** Relating to Mine Closure Escrow Account opened in terms of guidelines for preparation of mines closure plan issued by Ministry of Coal, Government of India.



NOTE : 19 SHORT TERM LOANS AND ADVANCES

(Unsecured, Considered Good unless stated otherwise)

PARTICULARS	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Loans and advances to Related Parties (Refer Note No.37 (c))		407.42	1213.94
Advance to Suppliers	4980.27		3728.82
Prepaid expenses	163.84		106.52
Balances with Central Excise Authorities	675.83		762.42
Others *	9209.67		4276.74
	15029.61		8874.50
Considered doubtful	1086.39		978.56
	16116.00		9853.06
Less : Provision for Doubtful Advances	1086.39		978.56
		15029.61	8874.50
Deposits			
Considered good	148.73		248.62
Doubtful	9.44		9.44
	158.17		258.06
Less: Provision for Doubtful Deposits	9.44		9.44
		148.73	248.62
TOTAL		15585.76	10337.06

* Mainly includes capital MODVAT receivable ,VAT refund receivable, interest receivable and advances to employees and others

NOTE : 20 REVENUE FROM OPERATIONS

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Sale of Products	350616.70	285178.54
Sale of Services/ Job Work Income	2792.88	241.33
Other Operating Revenues - Export Incentives	25.57	31.85
TOTAL	353435.15	285451.72

20.01 Broad Heads of Sale of Products

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Iron & Steel Castings	43780.81	46553.98
Pig Iron / Skull	7559.17	69227.08
Billets/ Rolled Products	180398.40	115862.81
Cast Iron	-	2564.97
Sponge Iron	44060.14	41588.57
Power	1995.82	4240.17
Others	4822.36	5140.96
TOTAL	350616.70	285178.54

20.02 Broad Heads of Sale of Services

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Job Work	1021.84	241.33
Management Consultancy	1685.40	-
Others	85.64	-
TOTAL	2792.88	241.33

NOTE : 21 OTHER INCOME

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Interest Income	584.56	756.05
Dividend on Current Investments	0.09	0.05
Profit on Sale of Fixed Assets (Net)	-	12.85
Profit on Sale of Current Investments (Net)	0.43	4.75
Excess Provision written back	-	-
Other Miscellaneous Receipts	355.75	334.15
TOTAL	940.83	1107.85

NOTE : 22 COST OF MATERIALS CONSUMED

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Materials Consumed		
Iron and Steel Scrap	14620.67	14509.84
Iron Ore	64092.74	67838.22
Metallurgical Coke	56720.10	47906.96
Coal and Coke	17367.89	12815.67
Billets/ Rolled Products	26630.20	6502.81
Others	8401.30	6275.25
TOTAL	187832.90	155848.75

NOTE : 23 PURCHASE OF STOCK IN TRADE

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Purchase of Stock in Trade		
Iron & Steel Castings	1345.81	2214.27
Pig Iron / Skull	1006.06	479.12
Cast Iron	-	2553.76
Rolled products	13912.31	-
Others	641.61	213.12
TOTAL	16905.79	5460.27


NOTE : 24 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

PARTICULARS	Year ended 31.03.2014 Rs.in lacs	Year ended 31.03.2014 Rs.in lacs	Year ended 31.03.2013 Rs.in lacs
Closing Inventories			
Finished Goods	26873.13		24530.05
Stock in Tade	191.55		145.20
Work-in-progress	4399.60		3554.40
		31464.28	28229.65
Opening Inventories			
Finished Goods	24530.05		18161.44
Stock in Tade	145.20		-
Work-in-progress	3557.00		3317.99
	28232.25		21479.43
Add : Acquired Pursuant to Scheme of Arrangement (Refer Note No.31)	138.61		-
		28370.86	21479.43
(Increase) / Decrease in Inventories		(3093.42)	(6750.22)

NOTE : 25 EMPLOYEE BENEFITS EXPENSE

PARTICULARS	Year ended 31.03.2014 Rs.in lacs	Year ended 31.03.2013 Rs.in lacs
Salaries, Wages and Allowances	12303.56	9883.16
Contribution to P.F. and Other Funds	1373.58	1421.68
Welfare and Other Amenities	1246.68	1444.28
TOTAL	14923.82	12749.12

25.01 As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee Benefits as defined in the Accounting Standard are given below:

Particulars	Year ended 31.03.2014 Rs.in lacs	Year ended 31.03.2013 Rs.in lacs
Defined Contribution Plan		
Employer's Contribution to Provident Fund, ESIC and Other Funds	1039.94	908.68

Defined Benefit Plan

The employees Gratuity Fund Scheme, which is a defined benefit plan, is managed by a Trust maintained with Life Insurance Corporation of India (LIC). The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	As at 31.03.2014 (Funded)	As at 31.03.2013 (Funded)
Reconciliation of Opening and Closing balance of Defined Benefit Obligation.		
Defined Benefit Obligation at the beginning of the year	2280.80	1798.59
Current Service Cost	348.36	313.91
Interest Cost	179.58	140.61

Past Service Benefit	29.09	-
Benefit Paid	(72.07)	(81.87)
Transfer In	34.85	-
Actuarial Losses / (Gain)	(74.27)	109.56
Defined Benefit Obligation at year end.	2726.34	2280.80
Reconciliation of Opening and Closing balance of Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	1387.80	801.40
Expected Return on Plan Assets	160.71	101.25
Employer Contribution	662.08	570.78
Benefit paid	(72.07)	(81.87)
Actuarial gain /(loss) on Plan Assets	(7.27)	(3.76)
Fair Value of Plan Assets at year end.	2131.25	1387.80
Reconciliation of Fair Value of assets and obligations		
Fair Value of Plan Assets	2131.25	1387.80
Present Value of Funded Obligations	2726.34	2280.80
Amount recognised in the Balance Sheet	595.09	893.00
Expense recognized in Statement of Profit & Loss Account		
Current Service Cost	348.36	313.91
Interest on Defined Benefit Obligation	179.58	140.61
Expected return On Plan Assets	(160.71)	(101.25)
Net Actuarial Losses / (Gains) Recognised in year	(67.00)	113.32
Past Service Cost	29.09	-
Total included in "Remuneration and benefits to Employees "	329.32	466.59

Amounts for the current and previous periods are as follows :

	31.03.2014	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Defined Benefit Obligation	2726.34	2280.80	1798.59	1329.95	1096.04
Plan Assets	2131.25	1387.80	801.40	555.67	472.44
Surplus/(Deficit)	(595.09)	(893.00)	(997.19)	(774.28)	(623.60)
Experience adjustment on Plan Assets (Gain)/Loss	*	*	*	*	*
Experience adjustment on Plan Liabilities Gain/ (Loss)	*	*	*	*	*

Actuarial Assumptions

	31.03.2014	31.03.2013
Mortality Table (LIC)	2006-08	2006-08
	(Ultimate)	(Ultimate)
Discount rate (per annum)	8.00%	8.00%
Expected Rate of escalation in Salary (per annum)	8.00%	8.00%
Expected rate of return on Plan Assets (per annum)	9.25% & 8.75%	9.25%

* The details are not furnished as the informations are not available with the Company.

NOTE : 26 FINANCE COSTS

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
Interest Paid	15456.81	16230.31
Lease Finance Charges	445.80	147.59
Other Borrowing Costs	1435.91	1688.57
TOTAL	17338.52	18066.47



NOTE : 27 OTHER EXPENSES

PARTICULARS	Year ended 31.03.2014 Rs.in lacs	Year ended 31.03.2014 Rs.in lacs	Year ended 31.03.2013 Rs.in lacs
MANUFACTURING EXPENSES			
Consumables, Stores and Spares Consumed	23351.73		22074.41
Power and Fuel	10338.35		9646.00
Excise Duty	608.23		850.79
Repairs and Maintenance -			
Buildings	69.76		80.71
Plant and Equipments	6813.68		6553.54
Others	3.62		7.37
Royalty and Cess	976.63		1055.74
Internal Material Movement	2900.46		2973.05
Other Manufacturing Expenses	1491.19		1483.78
		46553.65	44725.39
SELLING AND DISTRIBUTION EXPENSES			
Advertisement & Publicity	58.64		80.41
Commission and Discount	385.51		384.41
Sales Promotion Expenses	87.34		119.87
Freight and Forwarding	7063.56		5107.58
Provision for Sales Tax Deferral	556.53		665.32
		8151.58	6357.59
ADMINISTRATIVE EXPENSES			
Rent	213.52		180.15
Rates and Taxes	72.94		78.86
Insurance	155.00		242.67
Foreign Currency Fluctuation (Net)	1233.51		426.62
Printing and Stationery	56.35		60.32
Communication	124.01		135.20
Travelling and Conveyance	1299.11		1211.71
Vehicle Maintenance	275.09		240.88
Legal and Professional Charges	844.52		1047.92
Payments to Auditors	62.32		59.32
Security Expenses	368.51		280.17
Miscellaneous	735.65		578.87
		5440.53	4542.69
OTHER EXPENSES			
Bank Charges & Commission	176.75		410.86
Bad Debts / Advances written off (Net)	7.67		
Less : Provision written back	-	7.67	30.54
Provision for Doubtful Debts/Advances	127.70		114.08
Provision for Diminution in value of Investments	-		2.23
Provision for Wealth Tax	1.56		-
Loss on Sale of Assets	0.75		
Donations	6.57		7.84
		321.00	565.55
TOTAL		60466.76	56191.22

NOTE : 28 EARNING PER SHARE

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs. in lacs	Rs. in lacs
Basic Earnings Per Share		
Net Profit for the year	(A) 6213.72	2780.28
Weighted average number of equity shares (Nos.)	(B) 530398542	393930038
Basic Earnings Per Share of Rs.10/- each	Rs. (A) / (B) 1.17	0.71
Diluted Earnings Per Share		
Amount available for calculation of diluted EPS	(A) 6213.72	2780.28
Weighted average number of equity shares (Nos.)	530398542	393930038
Add : Potential number of Equity Shares	8859179	39354110
No. of shares used for calculation of Diluted EPS	(B) 539257721	433284148
Diluted Earnings Per Share of Rs.10/- each	Rs. (A) / (B) 1.15	0.64

NOTE : 29 Previous Year's figures have been reworked / regrouped / rearranged / reclassified wherever necessary.

NOTE : 30 Figures for the current year include figures of demerged undertaking of Corporate Ispat Alloys Limited (CIAL) amalgamated with the Company with effect from 1st April, 2008 and therefore not comparable with those of the previous year.

NOTE : 31 The Scheme of Arrangement ("the Scheme") under sections 391 to 394 of the Companies Act, 1956 between the Company and Corporate Ispat Alloys Limited ("CIAL") providing for merger of the Steel Division of CIAL (Demerged undertaking) was sanctioned by Hon'ble High Court of Mumbai judicature at Nagpur and Hon'ble High Court of Kolkata vide their orders dated 16th September 2013 and 16th April 2013 respectively. The Appointed Date as per the Scheme is 1st April 2008. The scheme became effective on 20th November, 2013. Upon the Scheme becoming effective:

- a. All the assets and liabilities as appearing in the books of demerged undertaking as on the appointed date have been recorded at their respective book values as appearing in the books of account.
- b. As a consideration of transfer of Assets and Liabilities as mentioned above, the Company has allotted 32649600 Equity shares of Rs.10/- each, credited as fully paid up to the eligible shareholders of CIAL who had held shares as on 1st April 2008 being the record date, in the ratio of 114 Equity shares for every 10 Equity Shares held by them in CIAL, without payments being received in cash.
- c. Excess of the book value of net assets taken over by the Company over the paid-up value of equity shares allotted (as referred to under (b) above) of Rs. 7683.87 lacs has been credited to Capital Reserve.
- d. Since the company has given the effects of the scheme in the current financial year, its effect of the profits and losses for the period from 1st April 2008 to 31st March 2013 has been adjusted with the opening balance of Surplus.



NOTE : 32 CONTINGENT LIABILITIES AND COMMITMENTS

	31.03.2014 (Rs.in lacs)	31.03.2013 (Rs.in lacs)
A Contingent Liabilities (To the extent not provided for): (No cash outflow is expected except stated otherwise)		
a. Guarantees given by the Company's Bankers. (Bank guarantees are provided under contractual/legal obligation.)	3960.87	3697.26
b. Corporate Guarantee (Given to Banks against the borrowings taken by one of the associate company)	1181.00	1181.00
c. Demands not acknowledged as debts		
i) Disputed Excise Duty and Service Tax	2728.54	2830.81
ii) Disputed Sales Tax	4065.75	4218.88
iii) Disputed Customs Duty (Relating to cess on Metallurgical Coke)	833.11	812.95
iv) Other Disputed Demands (Mainly related to demand of Cess on Power, Electricity Duty and Stamp Duty.)	7155.59	5798.10
v) Third Party Claims (Matters are pending before various forum.)	420.68	420.69
d. Liability in respect of Bills Discounted	18412.84	12550.55
e. Letters of credit opened in favour of suppliers (Cash flow is expected on receipt of material from suppliers)	45156.49	58171.18
B Capital Commitments :		
Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for (net of advances)	52203.79	107534.04

NOTE : 33 The Consolidated Accounts have been prepared in accordance with accounting standard (AS) 21 on Consolidated Financial Statements notified in the Companies (Accounting Standards) Rules 2006.

NOTE : 34 In the opinion of the management, Current Assets and Loans and Advances are of the value stated, if realised in the ordinary course of business.

	31.03.2014 (Rs.in lacs)	31.03.2013 (Rs.in lacs)
NOTE : 35 i) Derivative Contracts entered into by the Company and outstanding	351.04	-
ii) Foreign Currency exposures that are not hedged by derivatives instruments are as under :		
a) Receivable :	193.01	105.39
b) Payable :	29008.77	20073.63
iii) The expenditure on account of exchange difference on outstanding forward exchange contracts to be recognised in the Statement of Profit and Loss of subsequent period - Rs.0.24 lacs (Previous year NIL).		

NOTE : 36 SEGMENT REPORTING :

A. Segment information as per Accounting Standard - 17 on Segment Reporting :

Information provided in respect of revenue items for the year ended 31st March 2014 and in respect of assets / liabilities as at 31st March, 2014.

Information about Primary (Product wise) segments :

(Rs. In lacs)

PARTICULARS	Steel	Iron & Steel Castings	Others	Unallocated	Eliminations	Total
1. REVENUE						
External Sales	309585.73 (235465.10)	43849.42 (49986.62)	- (-)	- (-)		353435.15 (285451.72)
Inter-segment sales	2772.03 (3340.76)	346.53 (271.58)	- (-)	- (-)	(3118.56) (-3612.34)	- (-)
Total Revenue	312357.76 (238805.86)	44195.95 (50258.20)	- (-)	- (-)	(3118.56) (-3612.34)	353435.15 (285451.72)
2. RESULTS						
Segment Results	26346.73 (20825.50)	1812.96 (1549.12)	(15.78) (-9.16)	- (-)		28143.91 (22365.46)
Unallocated Corporate Expenses	- (-)	- (-)	9.19 (0.75)	283.82 (275.45)		293.01 (276.20)
Operating Profit / (Loss)	26346.73 (20825.50)	1812.96 (1549.12)	-24.97 (-9.91)	(283.82) (-275.45)		27850.90 (22089.26)
Finance Costs	- (-)	- (-)	0.37 (4.33)	17338.15 (18062.14)		17338.52 (18066.47)
Unallocated Income	- (-)	- (-)	5.85 (-)	580.83 (775.26)		586.68 (775.26)
Tax Expenses (Including Deferred Tax)	- (-)	- (-)	- (-)	4885.34 (2017.77)		4885.34 (2017.77)
Net Profit / (-) Loss	26346.73 (20825.50)	1812.96 (1549.12)	-19.49 (-14.24)	(21926.48) (-19580.10)		6213.72 (2780.28)
3. OTHER INFORMATION						
Segment Assets	596468.95 (439579.66)	38602.14 (39835.23)	4342.52 (4402.24)	- (-)		639413.61 (483817.13)
Unallocated Corporate Assets	- (-)	- (-)	- (-)	18566.00 (9037.19)		18566.00 (9037.19)
Total Assets	596468.95 (439579.66)	38602.14 (39835.23)	4342.52 (4402.24)	18566.00 (9037.19)		657979.61 (492854.32)
Segment Liabilities	53605.23 (47233.28)	9769.99 (10590.02)	76.79 (2483.07)	- (-)		63452.01 (60306.37)
Unallocated Corporate Liabilities	- (-)	- (-)	- (-)	382347.26 (251989.86)		382347.26 (251989.86)
Total Liabilities	53605.23 (47233.28)	9769.99 (10590.02)	76.79 (2483.07)	382347.26 (251989.86)		445799.27 (312296.23)
Capital Expenditure	118388.82 (125993.63)	1167.48 (2161.04)	13.17 (-2098.21)	- (-)		119569.47 (126056.46)
Depreciation	10319.55 (8486.37)	1249.53 (1178.66)	0.08 (0.05)	4.23 (4.12)		11573.39 (9669.20)
Non-cash Expenses other than Depreciation	- (-)	- (-)	- (-)	- (2.23)		- (2.23)

Note : Figures in brackets represent previous year's amounts.



B. Segment Identification, Reportable Segments and definition of each segment :

i. Primary / Secondary Segment Reporting Format :

- a) The risk-return profile of the Company's business is determined predominantly by the nature of its products. Accordingly, the business segments constitute the Primary Segments for disclosure of segment information.
- b) Since all the operations of the Company are predominantly conducted within India, there are no separate reportable geographical segments.

ii. Reportable Segments :

Segments have been identified and reported taking into account the differing risks and returns, nature of products, the organisational structure and the internal reporting system of the Company.

iii. Segment Composition :

- a) Steel Segment is engaged in manufacture and sale of Pig Iron, Billets, Rolled Products, Sponge Iron and includes its captive Power Plants at its unit located at Siltara, Raipur and Mining activities in the state of Chhattisgarh, Jharkhand and Maharashtra.
- b) Iron and Steel Castings Segment comprises of manufacture and sale of Engineering and Automotive Castings with production facilities at Nagpur, Bhilai and Anjora.
- c) "Other" represents the upcoming power projects at Raigarh, Chhattisgarh and at Hazaribagh, Jharkhand.

NOTE : 37 RELATED PARTY DISCLOSURES :

A. List of related parties :

(As certified by the Company)

I. Associate Companies

Maa Usha Urja Limited

II. Key Management Personnel and their Relatives

Shri B.L. Shaw

Shri Ramesh Jayaswal

Shri Arbind Jayaswal

Shri P.K.Bhardwaj

Shri Manoj Jayaswal

Shri Anand Jayaswal

Smt Manisha Jayaswal

Smt. Karishma Jayaswal

Shri Abhishek Jayaswal

Shri Avneesh Jayaswal

Shri Archit Jayaswal

III. Enterprises in which key managerial personnel and their relatives are able to exercise significant influence with whom transactions have taken place during the year:

(Other related parties)

Abhijeet Infrastructure Limited

AMR Iron & Steel Private Limited

Neco Heavy Engineering & Castings Limited

Neco Mining Company Limited

Neco Ceramics Limited

Steel & Tube Exports Limited

NSSL Limited

Corporate Ispat Alloys Limited

JLD Yavatmal Energy Limited

Jayaswal Holdings Private Limited

North Karnapura Coal Company Limited

Anurag Sales & Services Private Limited

Deify Infrastructures Limited

Karamveer Impex Private Limited

Jayaswal Neco Metalics Private Limited

Nine Star Plastic Packaging Services Private Limited

Apex Spinning Mills Private Limited

Vibrant Electronics Limited

Avon Sales & Services Private Limited

Jayaswal Neco Energy Private Limited

Jyotikant Investments Private Limited

Jayaswal Neco Power Private Limited

Jayaswal Neco Infrastructures Private Limited

Terra Infra Development Limited

Jayaswal Neco Steel & Mining Limited

Nagpur Scrap Suppliers Private Limited

Parivar Food Industries Private Limited

Neco Defence Systems Limited

Abhijeet Ferrotech Limited

Neco Valves and Pumps Private Limited

B. Transactions with Related Parties :

(Rs. In lacs)

Nature of transaction	Associates	Other Related Parties	Key Management Personnel & Relatives	Total
Shares Allotted during the year	-	12691.15	2241.81	14932.96
	(-)	(37950.00)	(-)	(37950.00)
Corporate Guarantees Given	1181.00	-	-	1181.00
	(1181.00)	(-)	(-)	(1181.00)
Unsecured Loans				
Taken during the year	-	1598.10	-	1598.10
	(2700.00)	(5297.44)	(-)	(7997.44)
Repaid during the year	167.83	10807.14	-	10974.97
	(2490.14)	(2192.10)	(-)	(4682.24)
Balance as on 31st March 2014	3266.03	12682.33	-	15948.36
	(3433.86)	(5188.02)	(-)	(8621.88)
Fixed Assets				
Purchase of Fixed Assets	-	77358.52	-	77358.52
	(-)	(41459.48)	(-)	(41459.48)
Purchase of Goods & Services				
Purchase of Goods & Services	-	12832.82	-	12832.82
	(2007.24)	(25224.87)	(-)	(27232.11)
Other Manufacturing Expenses	1779.40	1515.56	-	3294.96
	(-)	(69.75)	(-)	(69.75)
Sale of Goods & Services				
Sale of Goods & Services	-	11909.92	-	11909.92
	(-)	(14780.41)	(-)	(14780.41)
Trade Payables				
Balance as on 31st March 2014	114.90	26.16	-	141.06
	(67.70)	(12525.30)	(-)	(12593.00)
Other Current Liabilities				
Balance as on 31st March 2014	-	27.27	-	27.27
	(-)	(17.84)	(-)	(17.84)
Interest Accrued but not due on borrowings				
Balance as on 31st March 2014	-	76.66	-	76.66
	(-)	(-)	(-)	(-)
Deposit Received as on 31st March 2014	-	15.00	-	15.00
	(-)	(15.00)	(-)	(15.00)
Advances Recoverable in cash or in kind				
Balance as on 31st March 2014	-	407.42	-	407.42
	(-)	(1213.94)	(-)	(1213.94)
Capital Advances				
Received back	-	-	-	-
	(-)	(3353.39)	(-)	(3353.39)
Balance as on 31st March 2014	-	127292.14	-	127292.14
	(-)	(113623.04)	(-)	(113623.04)
Trade Receivables				
Balance as on 31st March 2014	-	4225.00	-	4225.00
	(-)	(3781.62)	(-)	(3781.62)



(Rs. In lacs)

Nature of transaction	Associates	Other Related Parties	Key Management Personnel & Relatives	Total
Income				
Rent Received	-	0.90	-	0.90
	(-)	(0.90)	(-)	(0.90)
Interest Received	-	-	-	0.00
	(-)	(2.37)	(-)	(2.37)
Commission Received	5.91	-	-	5.91
	(5.91)	(-)	(-)	(5.91)
Reimbursement of Expenses to the Company	2.03	199.76	-	201.79
	(0.30)	(3313.83)	(-)	(3314.13)
Expenditure				
Payment of Salaries / Perquisites	-	-	227.66	227.66
	(-)	(-)	(266.42)	(266.42)
Commission Paid	-	-	-	0.00
	(-)	(33.56)	(-)	(33.56)
Sitting Fees	-	-	0.20	0.20
	(-)	(-)	(0.20)	(0.20)
Service Charges	-	4.57	-	4.57
	(-)	(4.46)	(-)	(4.46)
Rent Paid	-	-	13.20	13.20
	(-)	(-)	(13.20)	(13.20)
Interest Paid	378.17	85.18	-	463.35
	(964.54)	(259.28)	(-)	(1223.82)
Reimbursement of Expenses by the Company	0.12	78.36	-	78.48
	(12.15)	(1020.81)	(-)	(1032.96)

Note : Figures in brackets represent previous year's amounts.

C. Details of major transactions with Related Parties :

		31.03.2014 (Rs.in lacs)	31.03.2013 (Rs.in lacs)
Shares Allotted during the year	Avon Sales & Services Private Limited	1320.00	4300.00
(Received against Inter Corporate Deposits)	Anurag Sales & Services Private Limited	1420.00	4400.00
	Apex Spinning Mills Private Limited	1460.00	4200.00
	Nine Star Plastic Packaging Service Private Limited	1150.00	4500.00
	Karamveer Impex Private Limited	1300.00	4100.00
	Jayaswal Neco Metallics Private Limited	1280.00	4600.00
	Jayaswal Neco Energy Private Limited	1330.00	4400.00
	Jayaswal Neco Power Private Limited	808.00	3800.00
	Jayaswal Neco Infrastructures Private Limited	1600.00	-
Corporate Guarantee Given			
Balance as on 31st March 2014	Maa Usha Urja Limited	1181.00	1181.00
Unsecured Loans taken	AMR Iron & Steel Private Limited	1556.35	1727.10
	Corporate Ispat Alloys Limited	-	3420.24
	Maa Usha Urja Limited	-	2700.00
	Jayaswal Neco Steel and Mining Limited	29.18	-
Unsecured Loans repaid	AMR Iron & Steel Private Limited	1094.88	2192.10
	Maa Usha Urja Limited	167.83	2490.14
	Jayaswal Neco Power Private Limited	2500.00	-
	Jayaswal Neco Infrastructures Private Limited	3833.19	-
	Jayaswal Neco Steel and Mining Limited	3357.61	-

Unsecured Loans

Balance as on 31st March 2014	Corporate Ispat Alloys Limited	10432.79	3420.24
	Maa Usha Urja Limited	3266.03	3433.86
	AMR Iron & Steel Private Limited	579.15	117.68
	Jyotikant Investments Private Limited	4.10	4.00
	Nagpur Scrap Suppliers Private Limited	7.17	7.00
	Vibrant Electronics Limited	7.17	7.00
	Jayaswal Holdings Private Limited	-	9.50
	Parivar Food Industries Private Limited	7.17	7.00
	Jayaswal Neco Infrastructures Private Limited	700.00	700.00
	Jayaswal Neco Steel & Mining Limited	944.78	915.60
Purchase of Fixed Assets	Deify Infrastructures Limited	76812.27	41205.76
Purchase of Goods & Services	NSSL Limited	3188.52	3169.61
	Deify Infrastructures Limited	8561.90	14960.40
Other Manufacturing Expenses	NSSL Limited	120.52	67.65
	Neco Ceramics Limited	1185.02	-
	Maa Usha Urja Limited	1779.40	-
Sale of Goods	NSSL Limited	8922.25	9645.35
	Corporate Ispat Alloys Limited	-	4149.23
	Neco Heavy Engineering & Castings Limited	2677.13	-
Trade Payables	Corporate Ispat Alloys Limited	-	2648.24
	Deify Infrastructures Limited	-	9774.34
	Maa Usha Urja Limited	114.90	-
	NSSL Limited	20.14	-
Other Current Liabilities	Steel & Tube Exports Limited	20.07	9.32
	JLD Yavatmal Energy Limited	7.10	8.52
Interest Accrued but not due on borrowings	AMR Iron & Steel Private Limited	73.15	-
Deposits Received	Neco Heavy Engineering & Castings Limited	15.00	15.00
Advances Recoverable -	Abhijeet Infrastructure Limited	14.18	899.79
Balance as on 31st March 2014	Neco Ceramics Limited	385.80	188.53
	Terra Infra Development Limited	-	19.61
	Neco Heavy Engineering & Castings Limited	-	63.35
	NSSL Limited	-	42.56
	Deify Infrastructures Limited	-	0.10
	Neco Defence Systems Limited	6.89	-
	JLD Yavatmal Energy Limited	0.56	-
Capital Advances			
Received back	Deify Infrastructures Limited	-	3353.39
Balance as on 31st March 2014	Deify Infrastructures Limited	127292.14	113623.04
Trade Receivables	NSSL Limited	3641.37	3756.77
Rent Received	Neco Heavy Engineering & Castings Limited	0.90	0.90
Commission Received	Maa Usha Urja Limited	5.91	5.91
Payment of Salaries/Perquisites	Arbind Jayaswal	91.53	100.41
	Ramesh Jayaswal	91.53	100.41
	P. K. Bhardwaj	37.95	27.65
	Avneesh Jayaswal	6.65	37.95
Commission Paid	Deify Infrastructures Limited	-	33.56
Sitting Fees	B. L. Shaw	0.20	0.20
Service Charges	Steel & Tube Exports Limited	4.57	4.46
Rent Paid	Arbind Jayaswal	6.60	6.60
	Ramesh Jayaswal	6.60	6.60
Interest Paid	AMR Iron & Steel Private Limited	81.28	207.61
	Corporate Ispat Alloys Limited	-	50.99
	Maa Usha Urja Limited	378.17	964.54



NOTE : 38 DIVIDEND ACCRUED ON REDEEMABLE PREFERENCE SHARES NOT PROVIDED FOR :

PARTICULARS	31.03.2014	31.03.2013
	(Rs.in lacs)	(Rs.in lacs)
1 16% Redeemable Cumulative Preference Shares	1700.51	1700.51
2 0.0001% Cumulative Redeemable Preference Shares	0.01	0.01
TOTAL	<u>1700.52</u>	<u>1700.52</u>

NOTE : 39 DETAILS OF PRIOR PERIOD EXPENDITURES :

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs. in lacs	Rs. in lacs
Freight and Forwarding	-	5.00
Rent	1.19	-
Rates and Taxes	0.81	-
Power & Electricity	-	23.58
TOTAL	<u>2.00</u>	<u>28.58</u>

NOTE : 40 DETAILS OF EXCISE DUTY/ SERVICE TAX RECOVERED ON SALES :

PARTICULARS	Year ended 31.03.2014	Year ended 31.03.2013
	Rs.in lacs	Rs.in lacs
a) Shown as reduction from turnover	37330.03	30527.49
b) Charged to Statement of Profit and Loss on account of difference in stock	608.23	850.79

As per our Report of even date attached

For CHATURVEDI & SHAH
Chartered Accountants

R. KORIA
Partner

For AGRAWAL CHHALLANI & CO.
Chartered Accountants

S. R. CHHALLANI
Partner

For and on behalf of Board of Directors

ARBIND JAYASWAL
Managing Director

A. D. KARAJGAONKAR
Company Secretary

P. K. BHARDWAJ
Executive Director &
Chief Financial Officer

Nagpur, 30th April, 2014

JAYASWAL NECO INDUSTRIES LIMITED

CIN - L28920MH1972PLC016154

Registered Office : F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440 016.



Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L28920MH1972PLC016154
Name : Jayaswal Neco Industries Limited
Registered Office : F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440 016.
Name of the Member(s) : _____
Registered address : _____
E-mail ID : _____
Folio No. / Client ID : _____ DP ID: _____

I/We, being the member(s) of shares of the above named Company, hereby appoint

1. Name : _____
Address : _____
E-mail ID : _____
Signature : _____, or failing him
2. Name : _____
Address : _____
E-mail ID : _____
Signature : _____, or failing him
3. Name : _____
Address : _____
E-mail ID : _____
Signature : _____, or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the Annual General Meeting of the Company, to be held on the 22nd day of September, 2014 at 12.30 P.M. at F-8 MIDC Industrial Area, Hingna Road, Nagpur - 440 016 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.

1. _____ 5. _____
2. _____ 6. _____
3. _____ 7. _____
4. _____ 8. _____

Signed this day of 2014.

Signature of shareholder _____ Signature of Proxy holder(s) _____

Affix
Re. 1/-
Revenue
Stamp

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

JAYASWAL NECO INDUSTRIES LIMITED

CIN - L28920MH1972PLC016154

Registered Office : F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440 016.



ATTENDANCE SLIP

(Shareholders attending the meeting in person or by Proxy are requested to fill in and sign the Attendance Slip and hand it over at the entrance of the Meeting Hall).

I hereby record my presence at the 41st Annual General Meeting of the Company to be held on Monday, the 22nd day of September, 2014 at 12.30 P.M. at the Registered Office of the Company situated at F-8 MIDC Industrial Area, Hingna Road, Nagpur - 440 016.

Folio No. _____ / Client ID No. _____

Full name of the shareholder/Proxy _____
(in block letters)

Signature _____



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To,



If undelivered please return to :

Jayaswal Neco Industries Limited

CIN - L28920MH1972PLC016154

F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440 016.

Tel. No. : (07104) 237276, 237471, 237472, **Fax No. :** (07104) 237583, 236255

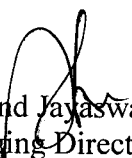
E-mail : contact@necoindia.com, **Web Site :** www.necoindia.com

FORM A

Covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	Jayaswal Neco Industries Limited
2.	Annual Standalone financial statements for the year ended	March 31, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A

For and on behalf of Board of Directors


Arbind Jayaswal
(Managing Director)


P.K. Bhardwaj
(Chief Financial Officer)


B.K. Agrawal
(Audit Committee Chairman)

AUDITORS

Refer our Auditor's Report dated 30th April, 2014 on the Standalone Financial statements of the Company

For Chaturvedi & Shah
Chartered Accountants
Firm Reg. No – 101720 W



R Koria
Partner
Membership No – 35629

Place: Mumbai

Date: 27 AUG 2014



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



S. R. Chhallani
Partner
Membership No. – 30154

Place: Nagpur



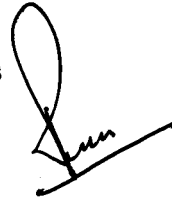
FORM A

Covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	Jayaswal Neco Industries Limited
2.	Annual Consolidated financial statements for the year ended	March 31, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A

For and on behalf of Board of Directors


Arvind Jayaswal
(Managing Director)


P.K. Bhardwaj
(Chief Financial Officer)


B.K. Agrawal
(Audit Committee Chairman)

AUDITORS

Refer our Auditor's Report dated 30th April, 2014 on the Consolidated Financial statements of the Company

For Chaturvedi & Shah
Chartered Accountants
Firm Reg. No – 101720 W



R Koria
Partner
Membership No – 35629



Place: Mumbai

Date: 27 AUG 2014

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



S. R. Chhallani
Partner
Membership No. – 30154



Place: Nagpur