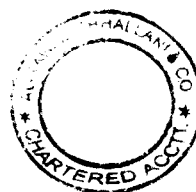


FORM B

(Pursuant to Clause 31(a) of the Listing Agreement)

Covering letter of the Annual Financial Statements to be filed with the stock exchange:

1.	Name of the Company	Jayaswal Neco Industries Limited
2.	Annual Standalone financial statements for the year ended	31 st March, 2015
3.	Type of Audit Qualification	Qualification under paragraph "<i>Basis for Qualified Opinion</i>" of the Independent Auditors' Report dated 29th May, 2015 to the Members of Jayaswal Neco Industries Limited on the Standalone Financial Statement for the year ended 31st March 2015 is reproduced below: <i>"As mentioned in Note No. 12.11 to the standalone financial statements, during the year the Hon'ble Supreme Court of India cancelled 3 coal blocks of the Company and subsequently these blocks have been allotted to different bidders in the E-auction by the Ministry of Coal, Government of India. The Company has filed a writ petition before the Hon'ble Delhi High Court challenging the provision of ordinance & tendering process and no adjustments have been made in the value of these 3 coal mining assets for the reasons mention therein. We were unable to determine whether any adjustment to these amounts were necessary".</i> (Refer Page No. 54 of Annual Report 2014-15)
4.	Frequency of Qualification	Appeared first time in the financial year ended 31 st March 2015
5.	Draw attention to the relevant notes in the annual financial statement and management response to the qualification in the directors report	Note No 12.11 to the Standalone Financial Statement (Refer Page No. 74 of Annual Report 2014-15) 12.11 The Hon'ble Supreme Court of India by its Order dated 24th September, 2014 had cancelled number of coal blocks allotted to various entities which included three coal blocks consisting of one operational coal block at Gare Palma IV/4 – Raigarh, Chhattisgarh and two under development coal blocks at Gare Palma IV/8- Raigarh, Chhattisgarh and Moitra at North Karanpura, Jharkhand allotted to the Company by the Ministry of Coal, Government of India. The Government of India, has issued second Ordinance on 26th December, 2014 for implementing the order of the Hon'ble Supreme Court and fixation of Compensation etc.



	In the E Auction of the Schedule II (Operational) and Schedule III (Under advanced development stage) coal blocks which included the above three coal mines of the Company conducted by the Nominated Authority, Ministry of Coal got awarded to different bidders. As on 31st March, 2015 the Company's Net investment in the value of Mining Assets in the three Coal blocks was Rs. 24461.50 lacs. The Company had also made provision for Rs. 2694.95 lacs for site restoration expenses. The Company had filed a Writ Petition (WP) before the Hon'ble Delhi High Court, challenging the provisions of Ordinance and Tender process. The Hon'ble Delhi High Court was pleased to issue Notice to the Central Government (Union of India) on its WP. Subject to outcome of the WP, no adjustment has been made in the value of the above mentioned mining assets as the value of compensation to be received cannot be determined at this stage. The losses/gains, if any on account of it would be recognised as and when determined. Management response to the Qualification in the directors report Your Directors submit the following explanation to the above comments/qualified opinion of the Auditors: - That the Hon'ble Supreme Court of India by its Order dated 24th September, 2014 had cancelled number of coal blocks allotted to various entities which included three coal blocks of the Company consisting of one operational coal block at Gare Palma IV/4, Raigarh, Chhattisgarh and two under development coal blocks at Gare Palma IV/8, Raigarh, Chhattisgarh and Moitra at North Karanpura, Jharkhand allotted by the Ministry of Coal, Government of India. - That subsequently, the Government of India, issued Second Ordinance on 26th December, 2014 for implementing the order of the Hon'ble Supreme Court and fixation of Compensation etc. - That the above mines of the Company were allotted to other bidders in the e-auction, of the Schedule II (Operational) and Schedule III (Under Advanced Development Stage) of the coal blocks, conducted by the Nominated Authority, Ministry of Coal, Government of India. - That the Company had filed a Writ Petition (WP) before the Hon'ble Delhi High Court, challenging the provisions of above Ordinance and Tender process. The Hon'ble Delhi High Court was pleased to issue Notice to the Central Government (Union of India) on its WP. Subject to outcome of the WP, no
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		adjustment was made in the value of the mining assets by the Company as the value of compensation to be received could not be determined at that stage. In the opinion of your Directors the losses/gains, if any on account of transfer of mining assets would be recognized as and when determined. (Refer Page No. 16 of Annual Report 2014-15)
6.	Additional Comment from the Board/Audit Committee	NIL

For and on behalf of Board of Directors


Arbind Jayaswal
Managing Director
DIN 00249864


P.K. Bhardwaj
Executive Director and CFO
DIN 03451077


B.K. Agrawal
Audit Committee Chairman
DIN 01223894

AUDITORS

Refer our Auditor's Report dated 29th May, 2015 on the Standalone Financial statements of the Company.

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



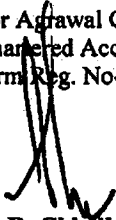
R Koria
Partner
Membership No - 35629

Place: Mumbai

Date:



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



S. R. Chhallani
Partner
Membership No. - 30154

Place: Nagpur

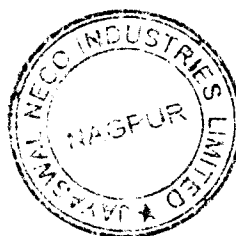


FORM B

(Pursuant to Clause 31(a) of the Listing Agreement)

Covering letter of the Annual Financial Statements to be filed with the stock exchange:

1.	Name of the Company	Jayaswal Neco Industries Limited
2.	Annual Consolidated financial statements for the year ended	31 st March, 2015
3.	Type of Audit Qualification	Qualification under paragraph "<i>Basis of Qualified Opinion</i>" of the Independent Auditor Report dated 29th May, 2015 to the Members of Jayaswal Neco Industries Limited on the Consolidated Financial Statement for the year ended 31st March 2015 is reproduced below <i>"As mentioned in Note No. 12.11 to the consolidated financial statements, during the year the Hon'ble Supreme Court of India cancelled 3 coal blocks of the Holding Company and subsequently these blocks have been allotted to different bidders in the E-auction by the Ministry of Coal, Government of India. The Holding Company has filed a writ petition before the Hon'ble Delhi High Court challenging the provision of ordinance & tendering process and no adjustments have been made in the value of these 3 coal mining assets for the reasons mention therein. We were unable to determine whether any adjustment to these amounts were necessary".</i> (Refer Page No 123 of Annual Report 2014-15)
4.	Frequency of Qualification	Appeared first time in the financial year ended 31 st March 2015
5.	Draw attention to the relevant notes in the annual financial statement and management response to the qualification in the directors report	Note No 12.11 to the Consolidated Financial Statement (Refer Page No. 142 of Annual Report 2014-15) 12.11 The Hon'ble Supreme Court of India by its Order dated 24th September, 2014 had cancelled number of coal blocks allotted to various entities which included three coal blocks consisting of one operational coal block at Gare Palma IV/4 -Raigarh, Chhattisgarh and two under development coal blocks at Gare Palma IV/8- Raigarh, Chhattisgarh and Moitra at North Karanpura, Jharkhand allotted to the Company by the Ministry of Coal, Government of India.



	The Government of India, has issued second Ordinance on 26th December, 2014 for implementing the order of the Hon'ble Supreme Court and fixation of Compensation etc. In the E Auction of the Schedule II (Operational) and Schedule III (Under advanced development stage) coal blocks which included the above three coal mines of the Company conducted by the Nominated Authority, Ministry of Coal got awarded to different bidders. As on 31st March,2015 the Company's Net investment in the value of Mining Assets in the three Coal blocks was Rs. 24461.50 lacs. The Company had also made provision for Rs. 2694.95 lacs for site restoration expenses. The Company had filed a Writ Petition (WP) before the Hon'ble Delhi High Court, challenging the provisions of Ordinance and Tender process. The Hon'ble Delhi High Court was pleased to issue Notice to the Central Government (Union of India) on its WP. Subject to outcome of the WP, no adjustment has been made in the value of the above mentioned mining assets as the value of compensation to be received cannot be determined at this stage. The losses/gains, if any on account of it would be recognised as and when determined. Management response to the Qualification in the directors report Your Directors submit the following explanation to the above comments/qualified opinion of the Auditors: - That the Hon'ble Supreme Court of India by its Order dated 24th September, 2014 had cancelled number of coal blocks allotted to various entities which included three coal blocks of the Company consisting of one operational coal block at Gare Palma IV/4, Raigarh, Chhattisgarh and two under development coal blocks at Gare Palma IV/8, Raigarh, Chhattisgarh and Moitra at North Karanpura, Jharkhand allotted by the Ministry of Coal, Government of India. - That subsequently, the Government of India, issued Second Ordinance on 26th December, 2014 for implementing the order of the Hon'ble Supreme Court and fixation of Compensation etc. - That the above mines of the Company were allotted to other bidders in the e-auction, of the Schedule II (Operational) and Schedule III (Under Advanced Development Stage) of the coal blocks, conducted by the
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		Nominated Authority, Ministry of Coal, Government of India. iv. That the Company had filed a Writ Petition (WP) before the Hon'ble Delhi High Court, challenging the provisions of above Ordinance and Tender process. The Hon'ble Delhi High Court was pleased to issue Notice to the Central Government (Union of India) on its WP. Subject to outcome of the WP, no adjustment was made in the value of the mining assets by the Company as the value of compensation to be received could not be determined at that stage. In the opinion of your Directors the losses/gains, if any on account of transfer of mining assets would be recognized as and when determined. (Refer Page No. 16 of Annual Report 2014-15)
6.	Additional Comment from the Board/Audit Committee	NIL

For and on behalf of Board of Directors

Arbind Jayaswal
Managing Director
DIN 00249864

P.K. Bhardwaj
Executive Director and CFO
DIN 03451077

B.K. Agrawal
Audit Committee Chairman
DIN 01223894

AUDITORS

Refer our Auditor's Report dated 29th May, 2015 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:

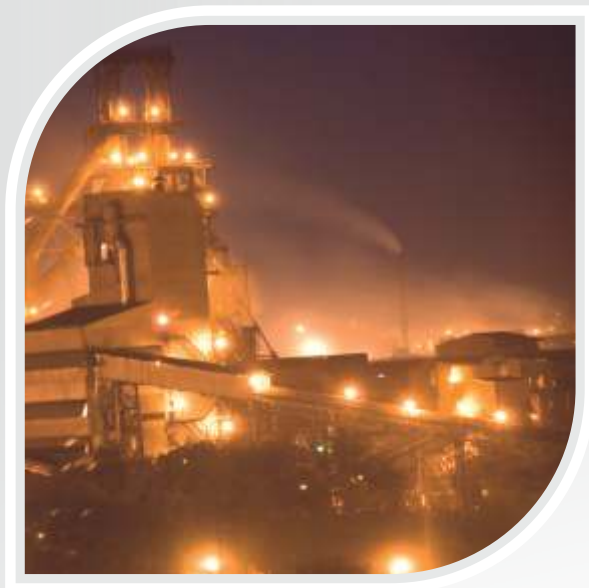


For Agrawal Chhallani & Co.
Chartered Accountants
Firm Reg. No- 100125W

S. R. Chhallani
Partner
Membership No. - 30154

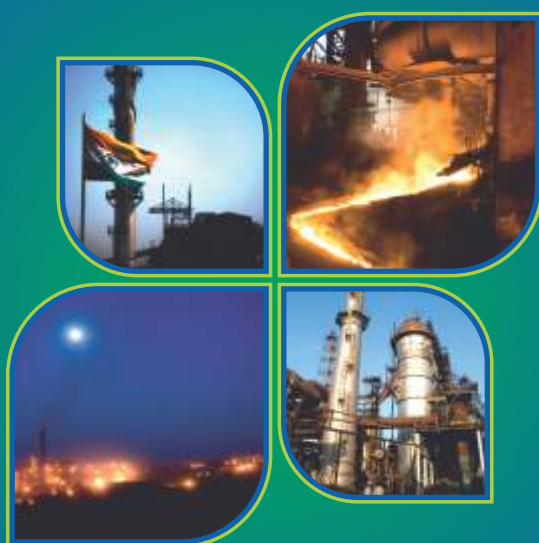
Place: Nagpur





**Jayaswal Neco
Industries Limited**

42nd
ANNUAL REPORT
2014 - 15



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 P K Das	Director (IDBI Bank Nominee)
		Shri D K Sahni	Director (Independent)
		Smt. Raji Nathani	Director (Independent)
		Shri Arvind Iyer	Director (Independent)
		Shri M P Singh	Executive Director (Steel)
		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
		ICICI Bank Limited	State Bank of Patiala
		IDBI Bank Limited	State Bank of Travancore
		Indian Overseas Bank	UCO Bank
		Oriental Bank of Commerce	Union Bank of India
AUDITORS	:	M/s Chaturvedi & Shah	M/s Agrawal Chhallani & Co
		Chartered Accountants Mumbai.	Chartered Accountants 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. Centricast Division – MIDC Area, Hingna Road, Nagpur (MH). 3. Automotive Castings Division – MIDC Area, Hingna Road and Butibori, Nagpur (MH). 4. Construction Castings Division – Light Industrial Area, Bhilai & Anjora (CG).	



NOTICE

NOTICE is hereby given that 42nd Annual General Meeting (AGM) of the Members of **Jayaswal Neco Industries Limited** will be held on **Tuesday, the 29th day of September, 2015 at 12.30 P.M.** at the Registered Office of the Company at F-8, MIDC Industrial Area, Hingna Road, Nagpur- 440016 (MH) 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, 2015 and 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, 2015 and the report of the Auditors thereon.
2.
 - a) To appoint a Director in place of Shri Arbind Jayaswal (DIN: 00249864), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
 - b) To appoint a Director in place of Shri Ramesh Jayaswal (DIN: 00249947), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
3. To ratify the appointment of 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, the appointment of M/s. Chaturvedi & Shah, Chartered Accountants, Mumbai (Registration No. 101720W), as the Auditors of the Company be and is hereby ratified to hold such office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting of the Company 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, the appointment of M/s. Agrawal Chhallani & Co., Chartered Accountants, Nagpur (Registration No. 100125W), as the Auditors of the Company be and is hereby ratified to hold such office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

4. APPOINTMENT OF SHRI ARVIND IYER 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, consent of the members be and is hereby given to the appointment of Shri Arvind Iyer (DIN: 01375173) as an Independent Director of the Company not liable to retire by rotation with effect from 13th November, 2014 to hold office for 2 (Two) consecutive years for a term up to 12th November, 2016."

5. APPOINTMENT OF SHRI M. M. VYAS 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, consent of the members be and is hereby given to the appointment of Shri M. M. Vyas (DIN: 00399012) as an Independent Director of the Company not liable to retire by rotation with effect from 12th February, 2015 to hold office for 2 (Two) consecutive years for a term up to 11th February, 2017."

6. INCREASE IN THE REMUNERATION OF SHRI AVNEESH JAYASWAL, GROUP 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 Section 188 (1) (f) and other applicable provisions of the Companies Act, 2013, if any and the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, approval of the Company be and is hereby accorded to the revision in the remuneration w.e.f. 1st October, 2015 of Shri Avneesh Jayaswal (S/o Shri Ramesh Jayaswal, Joint Managing Director of the Company), holding the office of Group Director (an office and place of profit, presently without being a member of the Board) of the Company, as specified below:

(Amount in Rs.)

PAY SCALE	100000-10000-150000-12500-212500-15000-287500-17500-375000
BASIC	175000
HRA (40% OF BASIC)	70000
CONVEYANCE ALLOWANCE	800
EDUCATION ALLOWANCE	7000
PF (12% OF BASIC)	21000
MEDICAL REIMBURSEMENT	1250
LTA	21000
PP	7890
SPECIAL ALLOWANCE	100482
GRATUITY	AS PER COMPANY'S RULE
TOTAL	404422 per month

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to consider and approve any further increase from time to time in the remuneration of Shri Avneesh Jayaswal as per the remuneration policy of the Company in that behalf."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and things as it may think expedient to give effect this resolution."

7. APPOINTMENT OF SHRI MEGH PAL SINGH AS EXECUTIVE DIRECTOR (STEEL)

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 Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereof and the Rules made thereunder including any statutory modifications or re-enactment thereof for the time being in force, approval of Members of the Company be and is hereby accorded to the appointment of Shri Megh Pal Singh (DIN: 02635073) as Executive Director (Steel) of the Company liable to retire by rotation within the meaning of Section 2(94) of the Companies Act, 2013, for a period of 3 years commencing from 13.11.2014 on the following terms and conditions including remuneration:

- Designation : Executive Director (Steel)
- Grade : L-10
- Remuneration : Rs. 187500 per month in the pay scale of Rs.100000-10000-150000- 12500- 212500-15000-287500-17500 -375000
- Allowances : House Rent Allowance, Children's Education Allowance, Conveyance Allowance, Special Allowance and Personal Pay Allowance as admissible as per the rules of the Company.
- Perquisites : Contribution to Provident Fund, Gratuity, Leave Encashment, Leave Travel Allowance, Reimbursement



- of Medical Expenses for self and family, Telephone for office use, etc as per the rules applicable to senior cadre personnel of the Company.
- f. Minimum Remuneration : In the event of loss or inadequate profits, Salary, Allowances and Perquisites as above subject to the limits prescribed under Schedule V of the Companies Act, 2013.
- g. Notice period : During Probation Period-1 month notice from either side. After Confirmation-3 months notice from either side.

“RESOLVED FURTHER THAT the above terms and conditions including remuneration may be varied by the Board of Directors of the Company from time to time subject to the provisions and limits specified in Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT in case of absence or inadequacy of profits in any financial year the above remuneration be paid to Shri Megh Pal Singh as minimum remuneration subject to the provisions of Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such things and take all such steps as it may deem fit to give effect to this resolution.”

8. TO APPROVE THE REMUNERATION OF COST AUDITORS FOR THE FINANCIAL YEAR ENDING 31ST MARCH, 2016

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, 2016, 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: 12th August, 2015

By Order of the Board of Directors

Registered Office:

**F-8, MIDC Industrial Area
Hingna Road, Nagpur-440016**

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 and 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 Wednesday, the 23rd September, 2015 to Tuesday, the 29th September, 2015 (both days inclusive).
7. Relevant documents referred to in the accompanying Notice and the Statements 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.
9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, Members have been provided with the facility to cast their vote on the resolutions proposed to be passed in the 42nd Annual General Meeting (AGM) by electronic means ('remote e-voting') or by Ballot at the AGM. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting'). Instructions and other information relating to remote e-voting are given in the Notice under Note No. 14.
10. Voting rights will be in proportion to the shares registered in the name of the Members as on 22nd September, 2015 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or voting at the AGM.
11. Members who cast their votes by remote e-voting prior to the AGM, may attend the meeting but will not be entitled to cast their votes again.
12. The facility for voting through Ballot shall be made available at the Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through Ballot.
13. The Company has engaged the services of National Securities Depository Limited (NSDL) for providing e-voting facility.
14. **Instructions and information relating to 'remote e-voting' are as under:**
 - a) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - b) Click on **Shareholders - Login**
 - c) If you are already registered with NSDL for e-voting, then use your existing User ID and Password for Login. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
If you are logging in for the first time then –
 - i) In case you have received this Notice by physical mode then enter the Login credentials (i.e., User ID and password mentioned in the Attendance Slip).
 - ii) In case you have received this Notice by email, the User ID and Password are mentioned in the file attached. To open the file, please use your Client ID or Folio No. as password.
 - d) The Password change menu will appear on your screen. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Please note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - e) As the Home page of remote e-voting opens. Click on remote e-voting: **Active Voting Cycles**.
 - f) Select EVEN ("E-voting Event Number") of "**Jayaswal Neco Industries Limited**".
 - g) Once you select the EVEN, the Cast Vote page will open. Now you are ready for remote e-voting.
 - h) Cast your vote by selecting your favoured option and click "Submit" and also "Confirm" when prompted.
 - i) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - j) Once you have voted on the resolution, you will not be allowed to modify your vote.



- k) **Corporate/Institutional shareholders** (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board resolution/ Power of Attorney/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@necoindia.com with a copy marked to evoting@nsdl.co.in by quoting the DP ID and Client ID or Folio No.
- l) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- m) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- n) The e-voting period shall commence at 9.00 a.m on Friday, 25th September, 2015 and end at 5.00 p.m. on Monday, 28th September, 2015. During the period, Members of the Company, holding shares either in physical or dematerialized form, as on the cut-off date i.e., Tuesday, 22nd September, 2015 may cast their vote electronically. The e-voting module shall be blocked by NSDL for voting thereafter.
- o) Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 22nd September, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or helpdesk@nsdl.co.in.
- p) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot.
- q) Shri Shantanu Jog, Company Secretary, Proprietor M/s Shantanu Jog and Associates, Company Secretaries, Nagpur, has been appointed by the Board of Directors of the Company to act as the Scrutinizer to scrutinize the voting process (remote e-voting and ballot) in a fair and transparent manner and submit a consolidated Scrutinizer's report of the total votes cast to the Chairman. Shri Shantanu Jog has submitted his consent to act as scrutinizer and will be available for the same purpose.
- r) The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer through "Ballot" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- s) The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman, who shall countersign the same and declare the result of the voting forthwith.
- t) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.necoindia.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the shares of the Company are listed.

Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Annual General Meeting.

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 13th November, 2014, appointed Shri Arvind Iyer (DIN: 01375173), as an Additional Director (Independent) of the Company, who holds the office as an Additional Director till the conclusion of this Annual General Meeting. Shri Iyer's appointment was in the capacity of Independent nature, in that capacity he is to hold the office as an Independent Director for a term of 2 (Two) years from 13th November, 2014 to 12th November, 2016 subject to approval of members in General meeting.

Shri Iyer 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 Iyer 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 Iyer fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Agreement.

Brief resume of Shri Arvind Iyer, 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 in connection with the appointment of Shri Arvind Iyer as an Independent Director of the Company.

Copy of the letter of appointment of Shri Iyer 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 is in the interest of the Company that Shri Iyer continues as an Independent Director to hold office for 2 (Two) consecutive years for a term from 13th November, 2014 till 12th November, 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 Arvind Iyer 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

The Board of Directors of the Company ('the Board') at its meeting held on 12th February, 2015, appointed Shri M. M. Vyas (DIN: 00399012), as an Independent Director of the Company, to hold such office for a term of 2 (Two) years from 12th February, 2015 to 11th February, 2017 subject to approval of the members in General meeting. Shri M.M Vyas is associated with the Company for more than 10 years as Director.

Shri Vyas 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 Vyas 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 Vyas fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Agreement.

Brief resume of Shri M. M. Vyas, 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 in connection with the appointment of Shri M. M. Vyas as an Independent Director of the Company.

Copy of the letter of appointment of Shri Vyas 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 is in the interest of the Company that Shri Vyas continues as an Independent Director to hold office for 2 (Two) consecutive years for a term from 12th February, 2015 till 11th February, 2017, hence the Board recommends the Resolution set out at Item No. 5 of the Notice for the approval by the shareholders as an Ordinary Resolution.

Except, Shri M. M. Vyas 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 13th November, 2014, on the recommendation of the Nomination and Remuneration Committee appointed Shri Avneesh Jayaswal (S/o Shri Ramesh Jayaswal, Joint Managing Director of the Company) as Group Director (an office and place of profit, without being a member of the Board) of the Company with effect from 1st September, 2014.

Keeping in view that Shri Avneesh Jayaswal would be completing first year of his tenure as Group Director of the Company on 31st August, 2015, Nomination and Remuneration Committee as well as the Board of Directors of the Company have recommended revision of the remuneration of Shri Avneesh Jayaswal w.e.f. 1st October, 2015 as below:



Existing Remuneration :

(Amount in Rs.)

PAY SCALE	100000-10000-150000-12500-212500-15000-287500-17500-375000
BASIC	140000
HRA (40% OF BASIC)	56000
CONVEYANCE ALLOWANCE	800
EDUCATION ALLOWANCE	7000
PF (12% OF BASIC)	16800
MEDICAL REIMBURSEMENT	1250
LTA	21000
GRATUITY	AS PER COMPANY'S RULE
TOTAL	242850 per month

Revised Remuneration:

(Amount in Rs.)

PAY SCALE	100000-10000-150000-12500-212500-15000-287500-17500-375000
BASIC	175000
HRA (40% OF BASIC)	70000
CONVEYANCE ALLOWANCE	800
EDUCATION ALLOWANCE	7000
PF (12% OF BASIC)	21000
MEDICAL REIMBURSEMENT	1250
LTA	21000
PP	7890
SPECIAL ALLOWANCE	100482
GRATUITY	AS PER COMPANY'S RULE
TOTAL	404422 per month

Pursuant to the provisions of Section 188 (1) (f) of the Companies Act, 2013 read with Rule 14 the Companies (Meetings of Board and its Powers) Rules, 2014, no related party can be appointed to any office or place of profit in a Company carrying a monthly remuneration exceeding Rs. 2,50,000/- except with the approval of the shareholders.

As Shri Avneesh Jayaswal is the son of Shri Ramesh Jayaswal, Joint Managing Director of the Company and his revised monthly remuneration will be exceeding Rs. 2,50,000/-, approval of the shareholders is sought for passing of the Special Resolution set out at Item No. 6 of the Notice.

Taking into account the varied experience of Shri Avneesh Jayaswal especially in project management and execution, the Nomination and Remuneration Committee and the Board recommend the Special Resolution set out at Item No. 6 of the Notice for the approval of the members.

Except, Shri Avneesh Jayaswal himself and Shri Ramesh Jayaswal, being the father of Shri Avneesh Jayaswal, 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 13th November, 2014, on the recommendation of the Nomination and Remuneration Committee appointed Shri Megh Pal Singh (DIN: 02635073), as an Additional Director

of the Company pursuant to the provisions of Section 161 (1) of the Companies Act, 2013, to hold the office in that capacity till the conclusion of this Annual General Meeting.

Taking into account the fact that Shri Megh Pal Singh had been overseeing the entire operations of the Steel Plant Division of Company including the mines connected with the Steel Plant Division, the Board elevated him to the position of Executive Director (Steel) liable to retire by rotation w.e.f 13th November, 2014, to enable him to function as the Whole Time Director of the Company subject to approval of the members of the Company.

The Board appointed him as Executive Director (Steel) for a period of 3 years commencing from 13.11.2014 on the following terms and conditions including remuneration:

- a. Designation : Executive Director (Steel)
- b. Grade : L-10
- c. Remuneration : Rs. 187500 per month in the pay scale of Rs. 100000-10000-150000-12500-212500-15000-287500-17500-375000
- d. Allowances : House Rent Allowance, Children's Education Allowance, Conveyance Allowance, Special Allowance and Personal Pay Allowance as admissible as per the rules of the Company.
- e. Perquisites : Contribution to Provident Fund, Gratuity, Leave Encashment, Leave Travel Allowance, Reimbursement of Medical Expenses for self and family, Telephone for office use, etc. as per the rules applicable to senior cadre personnel of the Company.
- f. Minimum Remuneration : In the event of loss or inadequate profits, Salary, Allowances and Perquisites as above subject to the limits prescribed under Schedule V of the Companies Act, 2013.
- g. Notice period : During Probation Period-1 month notice from either side.
After Confirmation-3 months notice from either side.

Notice under Section 160 of the Act has been received from a member in connection with the appointment of Shri Megh Pal Singh as an Executive Director (Steel) of the Company.

Shri Megh Pal Singh is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

Brief resume of Shri Megh Pal 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.

Copy of the letter for appointment of Shri Megh Pal Singh as an Executive Director (Steel) 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 Megh Pal Singh's rich experience of about 35 years in almost all the functional areas of a Steel plant and that he has been overseeing the entire operations of the Steel Plant Division (SPD) of the Company w.e.f. 12th August, 2014, it is in the interest of the Company that Shri Singh continues to hold the position of Executive Director of the Company liable to retire by rotation for the period of 3 years w.e.f. 13th November, 2014, hence the Board recommends the Resolution set out at Item No. 7 of the Notice for approval by the shareholders as Special Resolution.

Except, Shri Megh Pal Singh 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 2015-16 on the remuneration of Rs. 125000/- plus service tax and reimbursement of out of pocket expenses at actual.

Consent Cum Declaration dated 12th May, 2015 issued by the above firm regarding their consent and 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: 12th August, 2015

By Order of the Board of Directors

Registered Office:
F-8, MIDC Industrial Area
Hingna Road, Nagpur-440016

Ashutosh Mishra
Company Secretary
Membership No: A23011

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

Name of Directors	Shri Arbind Jayaswal	Shri Ramesh Jayaswal	Shri Arvind Iyer	Shri M .M. Vyas	Shri Megh Pal Singh
DIN	00249864	00249947	01375173	00399012	02635073
Date of Birth	26.11.1953	02.02.1960	27.03.1962	07.10.1942	22.03.1958
Designation	Managing Director	Joint Managing Director	Director (Independent)	Director (Independent)	Executive Director (Steel)
Date of Appointment	28.11.1972	05.03.1983	13.11.2014	26.02.1998	13.11.2014
Qualification	B.Sc.	B.Com	M.Com, MBA, ICWA	B.Sc.	B.E. Metallurgy and Material Science
Experience in Specific Functional Areas	Associated with Iron and Steel business for over 36 years. Looks after the administrative, accounts, technical and other allied matters.	Associated with Iron and Steel business for over 26 years. Looks after the implementation of new projects and other allied matters.	Vast experience in planning and implementation of Projects and Operational expertise in manufacturing sector	Experience in administration, Export Marketing & Liasoning with Government Agencies, Institutions and Banks for over 36 years and associated with business of Iron and Steel Casting and fitting over 23 years.	Rich experience of about 35 years in almost all the functional areas of a Steel Plant.
Other Directorships (Major)	1. Maa Usha Urja Limited 2. Neco Heavy Engineering and Castings Limited 3. Jayaswal Holdings Private Limited 4. Jayaswal Neco Urja Limited	1. Maa Usha Urja Limited 2. Neco Heavy Engineering and Castings Limited 3. Jayaswal Holdings Private Limited 4. Jayaswal Neco Urja Limited 5. Terra Projects Private Limited	1. Premier Nutraceuticals Private Limited 2. Premier Healthcare Marketing Private Limited 3. Jayaswal Neco Urja Limited	Steel and Tube Exports Limited	Maa Usha Urja Limited
Membership of Committees of other Companies	2	2	--	--	--
No. of Equity Shares Held	2397920	2397920	140	70993	--

DIRECTORS' REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Dear Members,

The Directors are pleased to present their **42nd Annual Report** on the affairs of the Company together with the Audited Financial Statements for the year ended 31st March, 2015.

1. FINANCIAL RESULTS

The summarized financial results for the year vis-a-vis the previous year are as follows:

	(Rs. in crore)	
Particulars	31.03.2015	31.03.2014
Revenue from Operations (Gross)	3356.28	3534.35
Revenue from Operations (Net)	3024.27	3161.05
Other Income	17.37	10.32
Total Revenue	3041.64	3171.37
Operating Expenses	2665.00	2770.12
EBIDTA	376.64	401.25
Interest and Financial Charges	184.85	173.38
Depreciation and Amortization Expenses	82.84	115.72
Exceptional Item	91.61	-
Profit before tax	17.34	112.15
Tax Expenses	15.37	48.85
Profit after Tax carried to Balance Sheet	1.97	63.30

Your Company has not carried any amount to reserves and the amount of Profit after tax of Rs. 1.97 crore has been carried to Balance Sheet as Surplus.

2. DIVIDEND :

Due to inadequacy of profits your Directors regret their inability to recommend declaration of dividend for the year to the Members of the Company.

3. MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report for the year under review giving detailed analysis of Company's operations, segment-wise performance etc., as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is given herein below and forms part of this report.

A] Share Capital:

The Company during the year has allotted 4,00,00,000 Equity Shares of Rs. 10/- each issued for cash at a premium of Rs. 15/- per share on preferential basis to certain Promoter Group entities and other entities to cater to the equity requirements for the expansion of projects under implementation. All the new shares issued are listed on BSE Limited and National Stock Exchange of India Limited. The paid up Share Capital of the Company as on 31st March, 2015 was Rs. 638.63 crore. During the year under review, the Company has not issued shares with differential rights as to dividend, voting or otherwise nor granted stock option nor sweat equity.

B] Financial Performance :

Your Directors wish to inform that the year under review was a very challenging one with multiple constraints being faced due to unprecedented dumping of Steel from China, Russia, Japan and South Korea at very aggressive prices, cancellation of captive coal blocks with blockage of investments incurred over period of time in the coal mines, no future return expected from the cancelled coal blocks, payment of significant additional levy on coal extracted right from the inception, pricing pressures, low domestic demand, lack of working capital to sustain the operations and burden of debt servicing of the projects.



Due to the reasons as mentioned above the Company's Gross turnover for the year stood at Rs. 3356.28 Crore and has reduced by 5.04% than the previous year's Rs. 3534.35 Crore. The Company's Earnings Before Interest Depreciation and Tax (EBIDTA) levels were at Rs. 376.64 crore as against Rs. 401.25 crore for the previous year.

The Net Profit before tax from its ordinary activities for the year stood at Rs. 108.95 Crore, exceptional item for retrospective one time additional levy on coal as levied by the orders of the Hon'ble Supreme Court for the previous years' period was Rs. 91.61 crore, the consequent Net Profit Before Tax after exceptional items was Rs. 17.34 crore.

The Company's Net Profits After Tax was Rs. 1.97 Crore for the year.

During the year, the Networth of the Company has increased to Rs. 2218.12 Crore from Rs. 2123.87 Crore in the previous year, mainly on account of preferential issue of shares, the consequent accretion to Securities Premium Account.

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

i) Steel Plant Division:

Despite extremely tough situation being faced the Division's Gross Turnover during the year was Rs. 2920.94 Crore as compared to Rs. 3095.86 Crore of the previous year.

During the year under review the steel division remained focused on ramp up of its coal mine production at Gare Palma IV/4 which was de-allocated w.e.f. 1st April, 2015, cost reduction efforts, increased production and sale of value added Finished Rolled products, Pig Iron and Sponge Iron, improvement in productivity of Blast Furnace, higher capacity utilization of wire rod mill, strategizing procurement cost of coking coal and iron ore and in captive power generation.

The production levels of the Steel Melt Shop and the Sponge Iron Plant during 2014-15 were at around 86% and 93% of the previous year. The production levels of the Rolling Mill was around 88% of the previous year and the Hot Metal production level was around 96% of the previous year.

The share of metallics sales value i.e. pig iron and sponge iron was around 34 % in 2014-15 which is at almost same levels in previous year, due to weak demand for finished steel and huge dumping pressures being faced by the steel sector during the year. The Company going forward is expected to increase the contribution of finished steel in overall sales quite significantly.

ii) Castings Division:

The Automotive Sub Division accounted for around 34% , the Centrifugal Castings Sub Division for around 32%, Engineering Castings Sub Division for around 27% and the Construction Casting Sub Division for around 7% of the total Foundry Gross Revenues.

During the year 2014-15 the slowdown in the demand from the end user industries continued to affect the performance of the Iron and Steel Castings Division. Consequently, the production in Casting Division of the Company was lower by 8% as compared to previous year's levels.

The Division continued in its objectives to focus on better productivity, cost rationalization and improvement in the quality of castings.

The Gross revenues from the foundry division reported a marginal drop to Rs. 435.34 crore during the year from Rs. 438.49 crore in the Financial Year 2013-14.

The Centrifugal and Construction Castings Sub Divisions 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 continued 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. The Company is striving hard to improve the performance of this division.

C] Projects :

The Company with a view to optimize costs, monetize the benefits of captive mines, increase the extent of value addition in the long product segment had commenced implementation of various facilities in the States of Chhattisgarh and Jharkhand. The Coal mining projects in the state of Chhattisgarh and Jharkhand suffered huge setback and were halted completely due to cancellation of the Company's three coal mines by the Hon'ble Supreme Court's order.

The Company had 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 currently executed /under implementation projects is as under:

1. INTEGRATED STEEL PLANT EXPANSION:

The Facilities 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. Post stabilization 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 Project has been completed, the balance of packages and stabilization work is in process.

b) 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. The required Land has been acquired and the procurement activities are in advance stage. The civil, structural and the equipment erection work is in process. All the statutory clearances for this project have been received and it is under implementation. The project is facing time delays due to various constraints it has being at Green field location.

2. IRON ORE PELLETISATION PLANT:

The Company has successfully set up 12 Lacs TPA Iron Ore Pelletisation Plant in the existing Integrated Steel Plant Complex at Raipur. Currently the stabilization process is going on. Low cost dump fines of Iron Ore are adequately available at Mines and other sites which are being 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 the 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 including certain need based capital expenditure schemes at its Steel Plant Division, Raipur. It would 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 capex which will lead to further value addition to the Rolled Products.

D] Industry Outlook, Developments and Concerns:

The slowdown in the economic growth which set in two years back continued in the year 2014-15. Many factors like continued inflationary pressures, adverse effects due to coal blocks de-allocation, extraordinary dumping of cheap steel, lack of commensurate domestic demand, pricing pressures, fiscal situation, freeze on the flow of credit by the Banks and Financial Institutions, lack of private and public investments and the influence of subdued external demand compounded the problems for the domestic Iron and Steel industry.

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 commensurately.

Stringent anti dumping measures to avoid dumping from China, Russia, South Korea and Japan where domestic



demand is very weak, revival of private and public infrastructure investments in our country, easing of availability of coal at affordable prices through coal linkages, increasing iron ore and fines production and removing restrictions on its mining, recommencement of credit flow to the sector is must to revive the sector which is a vital part of the country's core sector.

Solving socio political issues at the mines sites would help to commence captive iron ore mining in those areas.

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.

Sustained domestic economic recovery will have to be led by improved public infrastructure expenditure and private investment and consumption.

Law and order problems in Iron Ore Mining belts in the State of Chhattisgarh is another continuing concern for the company as well as for the economy; creating serious problems for government and social machineries.

This has already delayed operationalisation of the captive Iron Ore Mines of the Company in those regions. Nevertheless, the Company is making all efforts to start those Mines.

Finding market for its new Steel Melt Shop and Rolling Mill products and sustained pressure on selling prices amidst weak demand is a major challenge and area of concern for the company.

The analysts predict that despite global overcapacity, potential growth in domestic demand will continue to fuel ambitions in the Indian steel landscape. Boosting domestic demand will be a critical enabler to realize the ambition. The steel intensity curve, socio-economic indicators coupled with announced directional plans of the new Government, all indicate potential to multiply the industry size in India.

The focus on the "Make in India" campaign is expected to give a fresh impetus to the steel consumption.

Steel being a capital-intensive industry, the investments need to be calibrated to realistic levels based on domestic demand while aspiring for increased participation in the global arena.

With good raw material supply conditions, a growing market and competent producers, analysts believe that India is at the start of a new growth curve. It may not be immediate, however the fundamental conditions for growth are in place.

De-allocation of Coal Blocks

Your Company's Operating coal mine at Gare Palma IV/4 in Raigarh, Chhattisgarh being operational since the year 2006 and advance stages of development coal mines at Gare Palma IV/8 in Raigarh, Chhattisgarh and Moitra block in Jharkhand got de-allocated w.e.f. 1st April, 2015 and 24th September, 2014 respectively by the Hon'ble Supreme Court orders dated 25th August, 2014 and 24th September, 2014.

It has been a huge setback for the company and its entire investments made in those blocks won't yield any return to the Company and also has created issue for sustained availability of coal feed at economical prices for its 25% iron making requirement through Sponge Iron route.

The Company did qualify technically and was in top 50% bidders for E-Auction of new coal blocks which took place for the operating and soon to be operational coal mines. However, it was forced to back out due to very high bidding rates in the E-Auction which company thought to be downright unfeasible to bid.

Your Company had created some reserve of its captive coal for around five-six months of its requirement. The Company is also procuring coal now for its Sponge Iron requirement by way of Imports mainly from South Africa. The Company would also explore coal linkage options by participating through the policy framework of the Central Government.

The Company was also required to pay additional levy at Rs.295 PMT on coal blocks right from the inception of coal mining till 24th September, 2014 by 31st December, 2014 and from 25th September, 2014 till 31st March, 2015 by 30th June, 2015. The Company did comply with the requirement in the stipulated time frame.

E] Internal Control Systems:

The Company has an Internal Control System, commensurate with the size, scale and nature of its business. It's a risk focused system, analyzing and reporting to the management on the day to day operations of the Company.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures, policies and rules & regulations at all locations of the Company. On the basis of the report of the internal auditor, the respective department or functional head undertake corrective action in their respective areas and thereby strengthen the controls. Internal Audit Department presents the significant audit observations and corrective actions thereon to the Audit Committee of the Board.

F] 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 6350 approximately.

G] Corporate Social Responsibility:

Corporate Social Responsibility for the Company entails much more than social outreach programs 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 programs and projects 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.

As required under Section 135 of the Companies Act, 2013, your Board has constituted Corporate Social Responsibility (CSR) Committee vide its meeting held on 30th April, 2014 which comprises of Shri Arbind Jayaswal, Chairman, Shri Ramesh Jayaswal and Shri B. K. Agrawal (Independent Director) as Members. During the year under review the Board of your Company approved a CSR policy on recommendation of CSR Committee and since then pursuing the CSR programs and projects as per its approved policy.

As part of its initiatives under "Corporate Social Responsibility (CSR)", the Company has undertaken projects and programs in the areas like Healthcare, Sanitation, Drinking Water, Education and Training, Women Empowerment, Promotion of Traditional Art and Culture, Environmental Sustainability, Sports and Rural Development. These projects and programs are largely in accordance with Schedule VII of the Companies Act, 2013.

During the year under review some of the CSR activities undertaken by the Company in and around the Plants and Mining Areas are as follows:

- i. Health care and awareness programs, organizing health/eye check-up and blood donation camps, provision of ambulance facility, opening of First Aid Centre, distribution of utensils to 275 families for ensuring hygienic health conditions, orientation programs on health education, yoga, hygiene etc., health check up camp for livestock, provision for Lavatory and installation of Handpumps and Borewells.
- ii. Organizing Education Tour Programs and Free Coaching Classes, Distribution of stationeries, providing bus facility to school children, arranging community teachers and organizing educational competitions, sponsoring Ekal Vidyalayas in villages.
- iii. Providing sport kit facility to school children, organizing sports activities and construction of boundary wall and leveling of play ground.
- iv. Forming self help group, providing leadership development training and free tailoring classes to women, Blanket distribution to elderly men and women, providing Bee-keeping equipments to trained villagers and arranging vocational training for students.
- v. Providing solar panel to operate pumps and street lights and solar lamps to old age village women and providing telephone facility to villagers for emergency and 108 calls.
- vi. Organizing cultural programs and socio-cultural programs, promotion of traditional art and culture.
- vii. Tree plantation and promoting rain water harvesting etc.

Your Directors wish to inform:

- i. That as per the provisions of Section 135 (5) of the Companies Act, 2013, Company was required to spent Rs. 161.84 lacs during the financial year 2014-15 on the CSR Activities.
- ii. That the CSR Budget for the financial year 2014-15 as approved by the CSR Committee and the Board was of Rs. 172.94 lacs.



- iii. That during the financial year 2014-15, the actual expenditure incurred by the Company on the CSR activities was 101.12 lacs.

The Company was not able to spend the budgeted expenditure in the financial year 2014-15, as this year proved to be the year of turmoil for the Company, mainly due to cancellation of all the coal mines allocated to the Company by the Hon'ble Supreme Court vide its order dated 24th September, 2014. Further, the Company during this period had to apply lot of time and efforts to get back these mines but all resulted in vain. All this process badly hampered the CSR activities of the Company too, resulting in less expenditure than what was envisaged, as large amount of CSR expenditure was planned nearby the plants and mines of the Company including the above mentioned coal mines.

Your Directors wish to share that despite of all the odds nevertheless your Company is committed for responsibilities towards society and in the next financial year i.e., 2015-16 it will make an utmost endeavour to spend the entire amount earmarked for the CSR activities.

The Annual Report on CSR activities is attached as “**Annexure A**” and forms part of this report.

4. AUDITORS REPORT:

Auditors Report on the financial statements of the Company for the year ended 31st March, 2015 is self explanatory save a Qualified Opinion which has been specified here in below along with the Board's explanation thereto:

AUDITOR'S COMMENT/QUALIFICATION

In the paragraphs titled “Qualified Opinion” and “Basis for Qualified Opinion” in the Independent Auditor's Report read with Note No. 12.11 to the Standalone Financial Statements 2014-15, the Auditor's have commented that “**no adjustment has been made in the value of mining assets**” related to the three cancelled coal blocks of the Company located at Gare Palma IV/4 and Gare Palma IV/8- Raigarh, Chhattisgarh and Moitra- North Karanpura, Jharkhand.

EXPLANATION TO AUDITOR'S COMMENT/ QUALIFICATION

Your Directors submit the following explanation to the above comments/qualified opinion of the Auditors:

- i. That the Hon'ble Supreme Court of India by its Order dated 24th September, 2014 had cancelled number of coal blocks allotted to various entities which included three coal blocks of the Company consisting of one operational coal block at Gare Palma IV/4, Raigarh, Chhattisgarh and two under development coal blocks at Gare Palma IV/8, Raigarh, Chhattisgarh and Moitra at North Karanpura, Jharkhand allotted by the Ministry of Coal, Government of India.
- ii. That subsequently, the Government of India, issued Second Ordinance on 26th December, 2014 for implementing the order of the Hon'ble Supreme Court and fixation of Compensation etc.
- iii. That the above mines of the Company were allotted to other bidders in the e-auction, of the Schedule II (Operational) and Schedule III (Under Advanced Development Stage) of the coal blocks, conducted by the Nominated Authority, Ministry of Coal, Government of India.
- iv. That the Company had filed a Writ Petition (WP) before the Hon'ble Delhi High Court, challenging the provisions of above Ordinance and Tender process. The Hon'ble Delhi High Court was pleased to issue Notice to the Central Government (Union of India) on its WP. Subject to outcome of the WP, no adjustment was made in the value of the mining assets by the Company as the value of compensation to be received could not be determined at that stage. In the opinion of your Directors the losses/gains, if any on account of transfer of mining assets would be recognized as and when determined.

Your Directors wish to inform that as on 30th June, 2015, the Company's net investment in the value of mining assets in the three coal blocks was Rs. 22013.39 lacs and it had also made provision for Rs. 2694.95 lacs for site restoration expenses.

5. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under review, Shri D. K. Sahni (DIN 00131269) and Smt. Raji Nathani (DIN 06945777) were appointed as Additional Directors (Independent) w.e.f. 11th August, 2014. Members at the 41st Annual General Meeting of the Company, under Section 149, 152 read with Schedule IV of the Companies Act, 2013 have appointed Shri S.N. Singh

(DIN 00398484), Shri D. K. Sahni (DIN 00131269) and Smt. Raji Nathani (DIN 06945777) as Director (Independent) for the period of 2(Two) years ending 21st September, 2016 and also appointed Shri B. K. Agrawal (DIN 01223894) as Director (Independent) for a period of 5 (Five) years ending 21st September, 2019. Further, IDBI Bank Limited has withdrawn the nomination of Shri Rakesh Awasthi and appointed Shri Pradip Kumar Das (DIN 06593113) as its nominee w.e.f. 16th August, 2014.

Pursuant to provisions of Section 149 and 161 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors of the Company appointed Shri Arvind Iyer (DIN 01375173) as Additional Director (Independent) w.e.f. 13th November, 2014. Shri Megh Pal Singh (DIN 02635073) was appointed as Additional Director as well as Executive Director (Steel) subject to approval of Members in General Meeting. Further, Shri Madan Mohan Vyas (DIN 00399012), was subject to approval of Members in General Meeting, appointed as Director (Independent) w.e.f. 12th February, 2015 for 2(Two) years. Except the above, no other changes took place in the Board of Directors of the Company and the Board was duly constituted.

During the year under review, Shri A.D.Karajgaonkar ceased as the Company Secretary due to superannuation and Shri Ashutosh Mishra was appointed as the Company Secretary w.e.f. 30th April, 2014.

According to Section 161 of the Companies Act, 2013, Shri Arvind Iyer and Shri Megh Pal Singh will hold the office of Additional Director up to date of ensuing Annual General Meeting.

The Company has received requisite notices in writing from Members under Section 160 of the Companies Act, 2013 proposing the candidature of Shri Arvind Iyer as an Independent Director for a term of 2 (Two) years commencing from 13th November, 2014, Shri M. M. Vyas as an Independent Director for a term of 2 (Two) years commencing from 12th February, 2015 and Shri Megh Pal Singh as Executive Director (Steel) for a period of 3 (Three) years w.e.f. 13th November, 2014. The Board recommends the appointments as aforesaid in the interest of the Company.

Shri Arbind Jayaswal(DIN 00249864), Managing Director and Shri Ramesh Jayaswal (DIN 00249947), Joint Managing Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

Necessary information on the Directors seeking appointment, reappointment is given in the Notice of the ensuing Annual General Meeting.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

Pursuant to Section 203 of the Companies Act, 2013 and rules made there under, the Board of Directors of the Company in its meeting held on 30th April , 2014 has noted/appointed the following persons as Key Managerial Personnel of the Company:

- i) Shri Arbind Jayaswal, Managing Director,
- ii) Shri Ramesh Jayaswal, Joint Managing Director,
- iii) Shri P K Bhardwaj, Executive Director and CFO, and
- iv) Shri Ashutosh Mishra, Company Secretary.

Board Evaluation

The Board of Directors of the Company is committed to get its performance evaluated in order to identify its strengths and areas in which it may improve its functioning. To that end, the Nomination and Remuneration Committee has established the process for evaluation of performance of Directors including Independent Directors, the Board and its Committees. The evaluation of performance of Executive Directors will be done by Independent Directors.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria and process for performance evaluation of the Non-Executive Directors and Executive Directors through questionnaire to judge the knowledge to perform the role, time and level of participation, performance of duties, professional conduct, independence etc. The appointment/re-appointment/continuation of Directors on the Board shall be based on the outcome of evaluation process.

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee adopted a policy for selection



and appointment of Directors, Key Managerial Personnel and Senior Management Personnel and their remuneration. The Nomination & Remuneration Policy details are stated in the Corporate Governance Report.

Meetings

During the year 5 (Five) Board Meetings and 4 (Four) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchanges.

RELATED PARTY TRANSACTIONS:

During the period under review all related party transactions that were entered were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

The policy on Related Party Transactions duly approved by the Board on the recommendation of the Audit Committee has been posted on the Company's website.

6. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is attached as "**Annexure B**" and forms part of this report.

7. PARTICULARS OF EMPLOYEES :

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company forming part of Directors' Report is not annexed to the Annual Report but will be provided to the members upon request. In terms of Section 136 of the Act, the Directors Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. Any Member, if interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

8. SUBSIDIARY COMPANY AND ASSOCIATE COMPANY :

Statement in respect of Jayaswal Neco Urja Limited, a Subsidiary Company and Maa Usha Urja Limited, an Associate Company under Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 in Form AOC-1, is attached as "**Annexure C**" and forms a part of this report.

The Company has formulated a policy for determining 'material subsidiaries' and the said policy has been posted on the website of the Company.

Web link : <http://www.necoindia.com/wp-content/uploads/2015/08/Policy-on-Material-Subsidiaries.pdf>

JAYASWAL NECO URJA LIMITED (JNUL)

JNUL has not yet started any commercial activity and as such there was no income from the operations. During the year under review, the Company has earned an interest income of Rs. 18,739 as compared to Rs. 5,84,854 for the previous year. The expenditure for the year under review was of Rs. 1,68,60,498 as compared to Rs. 1,21,98,219 for the previous year.

The project to be set up by the Company is on hold by the management in view of adverse scenario in the Power sector.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013 ("the Act") and the relevant Accounting Standards, Consolidated Financial Statements of the Company and its Subsidiary have been prepared and forms part of the Annual Report.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

10. CORPORATE GOVERNANCE REPORT :

The report on Corporate Governance as stipulated under the Clause 49 of the Listing Agreement with the Stock Exchanges along with the requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is appended and forms a part of this report.

11. RISK MANAGEMENT :

Pursuant to the requirement of Clause 49 of the Listing Agreement, the Company has constituted a Risk Management Committee. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of this Report.

Your Board has approved a Risk Management Policy to ensure efficient and effective assessment and management of risk in the achievement of the objectives of the Company on an ongoing basis.

Your Company recognizes that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and effective manner. Your Board has approved a comprehensive Risk Management Plan in order to manage the identified risks more efficiently. In the management of the risks the probability of risk assumption has been estimated with available data and information and appropriate risk treatments worked out in the identified risk areas. Risk mitigation measures have been recommended with an aim to reduce the loss or injury arising out of various risk exposures. The key risks covered in the Risk Management Plan are as under:

- i. Competition
- ii. Fluctuations in Foreign Exchange
- iii. Inflation and Cost Structure
- iv. Economic Environment and Market Conditions
- v. Technological Obsolescence
- vi. Quality and Project Management
- vii. Political Environment
- viii. Environmental Risk Management
- ix. Legal Risk

The objective of your Company in framing the Risk Management Policy and adopting a Risk Management Plan is to manage and ultimately to achieve a substantial reduction in the Company's risk exposure and to maintain it at an acceptable level.

12. VIGIL MECHANISM/WHISTLE BLOWER MECHANISM :

The Company has established a Vigil Mechanism that enables the Directors and Employees to report genuine concerns. The Vigil Mechanism provides for (a) adequate safeguards against victimization of persons who use the Vigil Mechanism; and (b) direct access to the Chairperson of the Audit Committee of the Board of Directors of the Company in appropriate or exceptional cases. Details of the Vigil Mechanism policy are made available on the Company's website www.necoindia.com and have also been provided in the Corporate Governance Report forming part of this Report.

13. DIRECTORS RESPONSIBILITY STATEMENT :

As required under section 134 (3) (c) of the Companies Act, 2013, your Directors confirm and state:

- a. that in the preparation of the annual financial statements for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Note 1 of the Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made 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, 2015 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;



- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls have been in place and that the internal financial controls are adequate and have been operating effectively;
- f. that systems to ensure compliance with the provisions of all applicable laws have been in place and are adequate and operating effectively.

14. INTERNAL FINANCIAL CONTROL SYSTEMS :

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were operating effectively and no reportable material weakness in the design or operation was observed.

15. EXTRACT OF ANNUAL RETURN :

The particulars forming part of the extract of the Annual Return in form MGT 9 is attached as “**Annexure D**” and forms a part of this report.

16. AUDITORS :

M/s. Chaturvedi & Shah, Chartered Accountants, Mumbai and M/s. Agrawal Chhallani & Co., Chartered Accountants, Nagpur, the Auditors of the Company, hold office for the period of 2 years and 3 years respectively from the last Annual General Meeting (AGM) held on 22nd September, 2014 subject to ratification of their appointment at every AGM.

The Board of Directors recommend the appointment of M/s. Chaturvedi & Shah, Chartered Accountants, Mumbai and M/s. Agrawal Chhallani & Co., Chartered Accountants, Nagpur as the statutory auditors of the Company for the ratification by the members as required above at the ensuing Annual General Meeting of the Company.

The Company has received consent letters/ certificates from both the statutory auditors to the effect that their appointments are within the prescribed limits under Section 141 of the Companies Act, 2013 and that they are not disqualified.

17. COST AUDITOR :

In pursuance of Section 148 of the Companies Act, 2013, your Directors appointed M/s. Manisha & Associates, Nagpur to conduct the Audit of the Cost Accounting records for the financial year 2014-2015.

The Board of Directors of the Company on the recommendation of the Audit Committee, at its meeting held on 29th May, 2015 has reappointed M/s. Manisha & Associates, Nagpur as the Cost Auditor of the Company, to conduct the Audit of the Cost Accounting records for the financial year 2015-2016 on the remuneration of Rs. 1,25,000/- plus service tax and reimbursement of out of pocket expenses at actual. As required under Section 148 (3) of the Companies Act, 2013 read with rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the shareholders. Therefore a resolution seeking the shareholders approval to the remuneration payable to M/s. Manisha & Associates, Cost Auditors for the financial year 2015-16 is included at item no. 8 of the Notice convening the ensuing Annual General Meeting.

18. SECRETARIAL AUDITOR :

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board has appointed M/s. R. A. Daga and Co, Company Secretaries, Nagpur to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended 31st March, 2015 in Form MR-3 is attached as “**Annexure E**” and forms a part to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

19. GENERAL :

Your Directors state that during the year under review:

1. The Company had no deposits covered under Chapter V of the Companies Act, 2013.
2. Neither the Managing Director nor the Whole-time Directors of the Company received any remuneration or commission from its subsidiary.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going

concern status and Company's operations in future except the coal blocks cancellation by the order of the Hon'ble Supreme Court details of which is covered in this report under the head "De-allocation of Coal Blocks".

4. No cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

20. ACKNOWLEDGMENTS:

Your Directors place on record, their sincere 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

Date: 12th August, 2015

Place : Nagpur

Basant Lal Shaw

Chairman

(DIN:00249729)

ANNEXURE A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

- 1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs –**

Corporate Social Responsibility (CSR) lies within the functioning of the Corporate operations itself, which caters to the needs of the community and the regions in which it operates. It has now been realised and accepted that the government alone would not be able to ameliorate the dilapidated condition of the weaker sections of the society. A combined endeavour is needed from all who dwell in the society including the corporates.

CSR has become a global concern. But, Jayaswal Neco Industries Limited (JNIL) has always been aware of its Corporate Social Responsibility and has been fulfilling the aspirations of the society since long. It has adopted CSR as a strategic tool for the sustainable development of the society. For JNIL, CSR is not simply investment of funds for the social cause but linking of the business activity with the social activity.

Objective and Philosophy - The key objective of the CSR policy is to frame guidelines for JNIL to adopt CSR as a part of its business process for the sustainable growth of the society, work towards elimination of all hurdles for the social inclusion of the disadvantaged group such as the poor and the disabled, work for the economic and socio-cultural growth of the communities around which the Company operates. The objective will be to build a self-sustainable habitat that surrounds the units of the Company and to provide utmost attention to the children as in their hands lies the country's future and it is for their sake that the health, education and environment get the topmost priority in our CSR policy. Our ultimate aim is to serve the community in true sense.

With the aforesaid mission, the Corporate Social Responsibility Policy of the JNIL has been meticulously framed taking into account inter-alia the following main features :

- i. To take welfare measures for the community at large so that the poorer section of the society derive the utmost benefit;
- ii. To promote education, including special education and employment enhancing vocational skills among children, women, elderly and disabled persons to widen their livelihood prospects;
- iii. To set up old age home, to participate in the drive to eradicate poverty and malnutrition, to promote preventive and curative healthcare and sanitation;
- iv. To protect and safeguard environment and maintain ecological balance.

Web link

<http://www.necoindia.com/wp-content/uploads/2014/12/Corporate-Social-Responsibility-Policy.pdf>



2. The Composition of CSR Committee is as follows -

- 1 Shri Arbind Jayaswal, Chairman
- 2 Shri Ramesh Jayaswal, Member
- 3 Shri B. K. Agrawal, Member

3. Average net profit of the Company for last three financial years:

Average Net Profit – Rs. 8092.21 Lacs

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):

The Company is required to spend Rs. 161.84 Lac on CSR activities.

5. Details of CSR spent for the financial year:

a. **Total amount spent for the financial year :** Rs. 101.12 Lacs

b. **Amount unspent, if any :** Rs. 60.72 Lacs

c. **Manner in which the amount spent during the financial year is detailed below:**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr No	Projects / Activities	Sector in which the Project is covered	Locations	Amount Outlay (Budget) Project or Programs Wise	Amount Spent on the project or programs	Cumulative Expenditure upto reporting period	Amount spent: *Direct or through implementing agency
			District (State)	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)
1	Free ambulance service to community, health & eye check up camp, First Aid Centre, Medicine supply, Providing safe drinking water, installation of hand pumps, supply through water tanker in acute summer.	Health care, sanitation and safe drinking water	Raigarh, Narayanpur, Bhanupratappur and Raipur (Chhattisgarh)	48.26	34.43	34.43	34.43
2	Awards to meritorious students, Honorarium to teachers, Adoption of Nursing students, Free bus service to school students, Distribution of books, stationery to students & computers to school, organising essay/ letter writing competition, Vocational training, coaching and job oriented training.	Education and training	Raipur, Raigarh, Narayanpur and Bhanupratappur (Chhattisgarh)	47.21	37.61	37.61	37.61
3	Development of tailoring training centre for women	Women Empowerment	Bhanupratappur (Chhattisgarh)	0.79	0.72	0.72	0.72

4	Protection of ecological balance through landscaping & garden development, Tree plantation, Distribution of plants	Environmental Sustainability	Raipur, Narayanpur and Bhanupratappur (Chhattisgarh)	3.65	11.25	11.25	11.25
5	Distribution of musical instruments, Extension of supports for promotion of traditional art & culture of state, Assistance in development of cultural program in Chakradhar Samaroh & Rajyotsav	Protection of national heritage, Promotion and development of traditional art and culture	Narayanpur, Bhanupratappur, Raigarh and Raipur (Chhattisgarh)	35.66	7.54	7.54	7.54
6	Organising various sport activities, providing financial assistance and distributing sports items for promotion of rural / nationally recognised sports	Sports	Narayanpur, Bhanupratappur and Raipur (Chhattisgarh)	11.09	1.91	1.91	1.91
7	Construction of primary health centre, Maintenance of road, Construction of boundary walls & stage in school, Construction of toilets & bathrooms in Aganbadi centre, Contribution to Gram Vikash Samiti, Distribution of Beekeeping equipment & cloths to villagers	Rural development projects	Raigarh, Narayanpur and Bhanupratappur (Chhattisgarh)	26.28	7.66	7.66	7.66
TOTAL				172.94	101.12	101.12	101.12

***Note** - The Company has spent all the money on CSR activities directly and not through any implementing agency.

- As the Company was not able to spend the 2% of the average net profit of the last three financial years due to certain reasons, so the statement thereto as required under second proviso to section 135(5) is given in the Directors' Report.
- The CSR Committee affirms that the implementation and monitoring of CSR Policy is in compliance with the CSR Policy and objectives of the Company.

Place: Nagpur
Date: 12.08.2015

Arbind Jayaswal
(Managing Director & Chairman CSR Committee)



ANNEXURE B

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as per Section 134 (3) (m) of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014

A) Conservation of Energy-

i) the steps taken or impact on conservation of energy:

Company is fully committed to Energy Conservation along with Technology up gradation. We are getting our units periodically audited for energy conservation.

We are in constant search and trials of alternate fuel to replace fossil fuels and taking a step in this direction we are into trials of using. Already we have three Blast Furnace gas fired boilers, we were first in Industry to install Non-recovery type of coke ovens. We have started looking for cheaper and clean options for fuel and are in process of adopting a cleaner technology for proposed Producer gas Plants.

ii) the steps taken by the company for utilizing alternate sources of energy:

Blast Furnace Unit:

Recently upgraded our conventional Blast Furnace Stoves to top fired efficient Kalugin Stoves. It is expected that this will contribute fairly well to reduce the fuel rate at Blast Furnace.

Waste heat recovery system - Hot blast stoves flue gas temperature is utilized to heat combustion air thus contributing in energy conservation.

Coke Oven Unit:

We have also installed Waste Heat Recovery Boilers as a co-generation Power Plant and utilising the heat of exhaust gases from Coke Ovens.

Pellet Plant:

Carbon powder extracted from used Tyres acts as a replacement of coke fines at our recently commissioned pellet plant.

Sponge Iron Unit:

We are having Co-generation Power Plants for our Sponge Iron Division.

Rolling Mills:

We were first in India to use BF gas fired Furnaces at Sinter Plant, Rolling Mills and Coke Ovens.

iii) The capital investment on energy conservation equipments:

We have invested Rs. 55 Crore to upgrade our conventional Blast Furnace Stoves.

In last financial year we have invested to the tune of Rs. 80 Crore for our stoves and coke oven power plant.

B) Technology absorption-

i) The efforts made on technology absorption and advantages achieved:

- Installation of CGLS in withdrawal system - Decrease in Consumption of Stabutherm grease.
- Installation of high temperature bags - Consistent blowing rate and productivity.
- Water cooled heat shield in Ladle Refining Furnace - Refractory consumption decreased.
- Installation of lakos filter in secondary cooling circuit - Nozzle consumption reduced, billet quality improved.
- Installation of non-sinusoidal oscillation system - Billet surface improved and grinding before rolling eliminated.
- Installation of Double ring for brick retaining in steel ladles - Steel consumption reduced drastically.

ii) Technology imported during the last three years reckoned from beginning of the financial year -

Details of Technology Imported	Technology Imported from	Year of Import
Hot Blast Stove	Kalugin, Russia	2014-2015

iii) The above technology has been fully absorbed.

iv) **Expenditure Incurred on Research and Development** : Nil

C) Foreign Exchange Earnings and Outgo

2014-15

(Rs. In Lacs)

Foreign Exchange earned in terms of Actual Inflows

830.62

Foreign Exchange spent in terms of Actual Outflows

10975.48

ANNEXURE C

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1	Name of the subsidiary	Jayaswal Neco Urja Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	-
4	Share capital	Rs. 13,73,00,000
5	Reserves & Surplus	Rs. (3,42,17,254)
6	Total assets	Rs. 43,45,12,647
7	Total Liabilities	Rs. 43,45,12,647
8	Investments	Nil
9	Turnover	Rs. 18,739
10	Profit/(Loss) before taxation	Rs. (1,68,41,759)
11	Provision for taxation	Nil
12	Profit/(Loss) after taxation	Rs. (1,68,41,759)
13	Proposed Dividend	Nil
14	% of shareholding	99.82%

Notes: The following information shall be furnished at the end of the statement:

1.	Names of subsidiaries which are yet to commence operations	Jayaswal Neco Urja Limited
2.	Names of subsidiaries which have been liquidated or sold during the year.	-



Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of Associate	Maa Usha Urja Limited
1	Latest audited Balance Sheet Date	31.03.2014
2	Shares of Associate held by the company on the year end	
	No.	* 25,30,000 shares of Rs. 10/- each
	Amount of Investment in Associates	* Nil
	Extend of Holding %	31.63%
3	Description of how there is significant influence	Significant influence is through holding of 31.63% of Equity shares jointly with other Promoter Group Companies
4	Reason why the associate is not consolidated	The Company holds the shares in its associate jointly with Promoter Group Companies which are the beneficial owners.
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	-
6	Profit / Loss for the year	
i)	Considered in Consolidation	-
ii)	Not Considered in Consolidation	-

* 4,13,600 Equity shares of Rs. 10/- each are held by the Company jointly with Anurag Sales and Services Private Limited (the beneficial owner)

* 21,16,400 Equity shares of Rs. 10/- each are held by the Company jointly with Nine Star Plastic Packaging Services Private Limited (the beneficial owner)

1.	Names of associates or joint ventures which are yet to commence operations.	-
2.	Names of associates or joint ventures which have been liquidated or sold during the year.	-

For and on behalf of Board of Directors

Arbind Jayaswal
Managing Director
(DIN : 00249864)

P. K. Bhardwaj
Executive Director &
Chief Financial Officer
(DIN : 03451077)

Ashutosh Mishra
Company Secretary
(Membership No.:A23011)

ANNEXURE D

Form No. MGT- 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

i)	CIN	L28920MH1972PLC016154
ii)	Registration Date	28-11-1972
iii)	Name of the Company	Jayaswal Neco Industries Limited
iv)	Category / Sub- Category of the Company	Public Company / Limited by Shares
v)	Address of the Registered Office & contact details	
	Address :	F-8, MIDC Industrial Area, Hingna Road
	Town / City :	Nagpur
	Pin Code :	440016
	State :	Maharashtra
	Country Name :	India
	Telephone (with STD Code) :	07104 - 237276, 237471 ,237472
	Fax Number :	07104 - 237583, 236255
	Email Address :	contact@necoindia.com
	Website, if any:	www.necoindia.com
vi)	Whether listed company	Yes
vii)	Name and Address of Registrar & Transfer Agents (RTA):-	
	Name of RTA:	Sharex Dynamic (India) Private Limited
	Address :	Unit- 1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (E)
	Town / City :	Mumbai
	State :	Maharashtra
	Pin Code:	400072
	Telephone :	(022) 2851-5606 , 2851-5644
	Fax Number :	(022) 2851-2885
	Email Address :	sharexindia@vsnl.com

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

4

All the business activities contributing 10 % or more of the total turnover of the company shall be stated :-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Iron and Steel Castings	2431	12.65
2	Pig Iron/Skull	2410	23.32
3	Sponge Iron	2410	11.13
4	Billets/Rolled Products	2410	48.29



III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

No. of Companies for which information is being filled -

2

Sr. No.	Name And Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Jayaswal Neco Urja Limited Address : F-8 MIDC, Industrial Area, Hingna Road, Nagpur, Maharashtra (MH)- 440016	U40102MH2007PLC169762	Subsidiary	99.82	2(87)
2	Maa Usha Urja Limited Address: F-8 MIDC, Industrial Area, Hingna Road, Nagpur, Maharashtra (MH)- 440016	U27300MH1995PLC091956	Associate	*31.63	2(6)

* 4,13,600 Equity shares of Rs. 10/- each are held by the Company jointly with Anurag Sales and Services Private Limited (the beneficial owner)

* 21,16,400 Equity shares of Rs. 10/- each are held by the Company jointly with Nine Star Plastic Packaging Services Private Limited (the beneficial owner)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2014)				No. of Shares held at the end of the year (As on 31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter and Promoter Group									
(1) Indian									
a) Individual/ HUF	15158690	-	15158690	2.53	15158690	-	15158690	2.37	-0.16
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	396744151	-	396744151	66.28	424144151	-	424144151	66.42	0.14
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
(2) Foreign									
a) NRI - Individual/	-	-	-	-	-	-	-	-	-
b) Other - Individual/	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Others	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter and Promoter Group (A)	411902841	-	411902841	68.81	439302841	-	439302841	68.79	-0.02
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	14301200	5235	14306435	2.39	14301200	5235	14306435	2.24	-0.15
b) Banks / FI	273372	3166	276538	0.05	920	3166	4086	0.00	-0.05
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	5062	-	5062	0.00	4062	-	4062	0.00	-
f) Insurance Companies	334953	-	334953	0.05	-	-	-	-	-0.05

g) Fills	52500	245	52745	0.01	52500	245	52745	0.01	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	14967087	8646	14975733	2.50	14358682	8646	14367328	2.25	- 0.25
2. Non-Institutions									
a) Bodies Corporate.									
i) Indian	112350472	834199	113184671	18.91	123781691	834199	124615890	19.51	0.60
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	21477106	1761050	23238156	3.88	21446431	1736366	23182797	3.63	-0.25
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	27032930	6799206	33832136	5.65	35708403	32696	35741099	5.60	-0.05
c) Others (specify)									
NRI	640364	10759	651123	0.11	585698	10759	596457	0.09	-0.02
Clearing Members	848403	-	848403	0.14	826651	-	826651	0.13	-0.01
OCB	-	-	-	-	-	-	-	-	-
Sub-total (B)(2) : -	162349275	9405214	171754489	28.69	182348874	2614020	184962894	28.96	0.27
Total Public Shareholding (B)=(B)(1)+ (B)(2)	177316362	9413860	186730222	31.19	196707556	2622666	199330222	31.21	0.02
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	589219203	9413860	598633063	100%	636010397	2622666	638633063	100%	0%

ii Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2014)			Shareholding at the end of the year (As on 31.03.2015)			% Change in shareholding during the year
		No. of shares	% of total shares of the company	% shares pledged/ encumbered to total shares*	No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares*	
1	Jayaswal Holdings Pvt Ltd	53098951	8.88	1.46	53098951	8.31	8.25	-0.57
2	Jayaswal Neco Power Pvt. Ltd.	32954500	5.50	-	36354500	5.69	-	0.19
3	Jayaswal Neco Infrastructures Pvt. Ltd	31025500	5.18	-	34385500	5.38	-	0.20
4	Jayaswal Neco Steel and Mining Ltd.	13250000	2.21	-	13250000	2.07	-	-0.14
5	Basant Lall Shaw	10312850	1.72	-	10312850	1.62	-	-0.10
6	Arbind Jayaswal	2397920	0.40	0.01	2397920	0.38	0.01	-0.02
7	Ramesh Jayaswal	2397920	0.40	0.01	2397920	0.38	0.01	-0.02
8	Nisha Jayaswal	25000	0.00	0.00	25000	0.00	0.00	0.00
9	Rita Jayaswal	25000	0.00	0.00	25000	0.00	0.00	0.00
10	Apex Spinning Mills Pvt. Ltd.	32399600	5.41	-	35299600	5.53	-	0.12
11	Avon Sales & Services Pvt. Ltd.	36095000	6.03	-	39095000	6.12	-	0.09



12	Anurag Sales & Services Pvt. Ltd	35771000	5.98	-	38931000	6.10	-	0.12
13	Nine Star Plastic Packaging Services Pvt Ltd.	41574600	6.94	-	44294600	6.94	-	-
14	Jayaswal Neco Metallica Pvt. Ltd.	37910500	6.33	-	40710500	6.37	-	0.04
15	Jayaswal Neco Energy Pvt. Ltd.	36632000	6.12	-	39732000	6.22	-	0.10
16	Karamveer Impex Pvt. Ltd	44269000	7.40	-	47229000	7.39	-	-0.01
17	Neco Valves and Pumps Pvt. Ltd.	864000	0.15	-	864000	0.14	-	-0.01
18	Neco Leasing and Finance Pvt. Ltd.	899500	0.15	-	899500	0.14	-	-0.01
	TOTAL	411902841	68.81	1.49	439302841	68.79	8.28	-0.02

*The term "encumbrance" has the same meaning as assigned to it in regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011.

iii Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Name of Promoter	Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Apex Spinning Mills Pvt. Ltd.				
	At the beginning of the year	32399600	5.41		
	Allotment of shares on 06.08.2014	2900000		35299600	5.53
	At the End of the year			35299600	5.53
2	Anurag Sales & Services Private Limited				
	At the beginning of the year	35771000	5.98		
	Allotment of shares on 06.08.2014	3160000	-	38931000	6.10
	At the End of the year			38931000	6.10
3	Avon Sales and Services Private Limited				
	At the beginning of the year	36095000	6.03		
	Allotment of shares on 06.08.2014	3000000	-	39095000	6.12
	At the End of the year			39095000	6.12
4	Nine Star Plastic Packaging Services Private Limited				
	At the beginning of the year	41574600	6.94		
	Allotment of shares on 06.08.2014	2720000	-	44294600	6.94
	At the End of the year			44294600	6.94
5	Jayaswal Neco Metallica Private Limited				
	At the beginning of the year	37910500	6.33		
	Allotment of shares on 06.08.2014	2800000	-	40710500	6.37
	At the End of the year			40710500	6.37
6	Jayaswal Neco Energy Private Limited				
	At the beginning of the year	36632000	6.12		
	Allotment of shares on 06.08.2014	3100000	-	39732000	6.22
	At the End of the year			39732000	6.22

7	Karamveer Impex Private Limited				
	At the beginning of the year	44269000	7.40		
	Allotment of shares on 06.08.2014	2960000	-	47229000	7.39
	At the End of the year			47229000	7.39
8	Jayaswal Neco Power Private Limited				
	At the beginning of the year	32954500	5.50		
	Allotment of shares on 06.08.2014	3400000	-	36354500	5.69
	At the End of the year			36354500	5.69
9	Jayaswal Neco Infrastructures Private Limited				
	At the beginning of the year	31025500	5.18		
	Allotment of shares on 06.08.2014	3360000	-	34385500	5.38
	At the End of the year			34385500	5.38

iv Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of Promoter	Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Efficient Structures Private Limited				
	At the beginning of the year	25262353	4.22		
	Allotment of shares on 06.08.2014	2600000	-	27862353	4.36
	At the End of the year			27862353	4.36
2	Costal Multitrading Private Limited				
	At the beginning of the year	22800353	3.81		
	Allotment of shares on 06.08.2014	2200000	-	25000353	3.91
	At the End of the year			25000353	3.91
3	Rajvardhan Trade Zone Private Limited				
	At the beginning of the year	23112353	3.86		
	Allotment of shares on 06.08.2014	2400000	-	25512353	3.99
	At the End of the year			25512353	3.99
4	Darshan Gems Private Limited				
	At the beginning of the year	13920000	2.32		
	Allotment of shares on 06.08.2014	2600000	-	16520000	2.59
	At the End of the year			16520000	2.59
5	Salmon Developers Private Limited				
	At the beginning of the year	14045000	2.35		
	Allotment of shares on 06.08.2014	2800000	-	16845000	2.64
	At the End of the year			16845000	2.64
6	Reliance Capital Trustee Co. Ltd.				
	At the beginning of the year	14300000	2.39		
	Change during the year		Nil		
	At the End of the year			14300000	2.24
7	Karishma Jayaswal				
	At the beginning of the year	1779255	0.30		
	Transfer (purchase) of shares on 06.06.2014	3644010	-	5423265	0.85
	Transfer (sale) of shares on 29.10.2014	-934917	-	4488348	0.70
	At the End of the year			4488348	0.70



8	Avneesh Jayaswal				
	At the beginning of the year	3569130	0.60		
	Change during the year		Nil		
	At the End of the year			3569130	0.56
9	Anand Jayaswal				
	At the beginning of the year	3063310	0.51		
	Change during the year		Nil		
	At the End of the year			3063310	0.48
10	Hargunn Bedi Jayaswal				
	At the beginning of the year	-	-		
	Transfer (purchase) of Shares on 18.07.2014	1202530	-	1202530	0.19
	Transfer (purchase) of Shares on 29.10.2014	934917	-	2137447	0.33
	At the End of the year			2137447	0.33

v Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Directors / Key Managerial Personnel	Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A	Directors				
1	Basant Lall Shaw, Chairman				
	At the beginning of the year	10312850	1.72		
	Change during the year		Nil		
	At the End of the year			10312850	1.62
2	Arbind Jayaswal, Managing Director				
	At the beginning of the year	2397920	0.40		
	Change during the year		Nil		
	At the End of the year			2397920	0.38
3	Ramesh Jayaswal, Joint Managing Director				
	At the beginning of the year	2397920	0.40		
	Change during the year		Nil		
	At the End of the year			2397920	0.38
4	M. M. Vyas, Director (Independent)				
	At the beginning of the year	70993	0.01		
	Change during the year		Nil		
	At the End of the year			70993	0.01
5	B. K. Agrawal, Director (Independent)				
	At the beginning of the year	7500	0.00		
	Change during the year		Nil		
	At the End of the year			7500	0.00
6	P. K. Bhardwaj, Executive Director and CFO				
	At the beginning of the year	-	-		
	Change during the year		Nil		
	At the End of the year			-	-
7	S. N. Singh, Director (Independent)				
	At the beginning of the year	-	-		
	Change during the year		Nil		
	At the End of the year			-	-

8	D. K. Sahni, Director (Independent)			
	At the beginning of the year	-	-	
	Change during the year	Nil		
	At the End of the year		-	-
9	Raji Nathani Director (Independent)			
	At the beginning of the year	-	-	
	Change during the year	Nil		
	At the End of the year		-	-
10	P. K. Das, Nominee Director (IDBI Bank Limited)			
	At the beginning of the year	-	-	
	Change during the year	Nil		
	At the End of the year		-	-
11	M. P. Singh, Executive Director (Steel)			
	At the beginning of the year	-	-	
	Change during the year	Nil		
	At the End of the year		-	-
12	Arvind Iyer, Director (Independent)			
	At the beginning of the year	140	0.00	
	Change during the year	Nil		
	At the End of the year		140	0.00
B	Key Managerial Personnel (KMP)			
13	Ashutosh Mishra			
	At the beginning of the year	-	-	
	Change during the year	Nil		
	At the End of the year		-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2014)				
i) Principal Amount	312867.42	15169.72	-	328037.14
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	167.37	318.20	-	485.57
TOTAL (i + ii + iii)	313034.79	15487.92	-	328522.71
Change in Indebtedness during the financial year				
Addition	85876.24	1769.27	-	87645.51
Reduction	17806.20	2311.17	-	20117.37
Net Change	68070.04	-541.9	-	67528.14
Indebtedness at the end of the financial year (31.03.2015)				
i) Principal Amount	380937.46	14627.82	-	395565.28
ii) Interest due but not paid	6557.07	-	-	6557.07
iii) Interest accrued but not due	212.60	296.85	-	509.45
TOTAL (i + ii + iii)	387707.13	14924.67	-	402631.80



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

(Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Arvind Jayaswal, MD	Ramesh Jayaswal JMD	M. P. Singh Executive Director (Steel)	P.K. Bhardwaj Executive Director and CFO	Total Amount (Rs. in Lacs)
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	118.62	118.62	20.17	40.64	298.05
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	3.00	3.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	118.62	118.62	20.17	43.64	301.05
	Ceiling as per the Companies Act, 2013 read with Schedule V for a managerial person	217.15	217.15	217.15	217.15	-

B Remuneration to other directors :

(Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	M. M. Vyas	D. K. Sahni	Arvind Iyer	
	Fee for attending board/committee meetings	0.40	0.60	0.50	1.50
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	0.40	0.60	0.50	1.50
	Independent Directors	B. K. Agrawal	S. N. Singh	Raji Nathani	
	Fee for attending board/committee meetings	0.90	0.72	0.55	2.17
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	0.90	0.72	0.55	2.17
2	Other Non-Executive Directors	Rakesh Awasthi, Nominee Director	P. K. Das, Nominee Director	Basant Lall Shaw, Chairman	
	Fee for attending board/committee meetings	0.11	0.50	0.65	1.26
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (3)	0.11	0.50	0.65	1.26
	Total (B)=(1+2+3)	1.41	1.82	1.70	4.93
	Total Managerial Remuneration				*305.98
	Overall Ceiling as per the Act	Rs.17.34 Lacs (being 1% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)			

* Total Remuneration to MD, WTD and other Directors (being the Total of A and B)

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WT

(Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Ashutosh Mishra, Company Secretary			Total
1	Gross salary	13.66	-	-	13.66
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	13.66	-	-	13.66

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
B. DIRECTORS					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		



ANNEXURE E

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31-03-2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JAYASWAL NICO INDUSTRIES LIMITED
CIN: L28920MH1972PLC016154
F-8, MIDC Industrial Area, Hingna Road,
Nagpur-440016

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jayaswal Neco Industries Limited bearing CIN: L28920MH1972PLC016154 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Companies books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31/03/2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- A.** We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31/03/2015 according to the provisions of :
- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; As there were no foreign transactions thus the said Provisions are not applicable.
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **N.A**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **N.A**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **N.A** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **N.A** and

We have also examined compliance with the applicable clauses of the following:

- (i) Since Secretarial Standards issued by Institute of Company Secretaries of India (ICSI) were not applicable during the year, we have not commented on the same for the audit period.

- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited (NSE) & BSE Limited (BSE), during the period under review the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
- B.** We further report that the Company has, in our opinion, complied with the applicable provisions of the Companies Act, 1956 and the Companies Act, 2013, Rules made under these Acts and the Memorandum and Articles of Association of the Company, with regard to:
- i. maintenance of various statutory registers and documents and making necessary entries therein;
 - ii. Closure of the Register of Members;
 - iii. forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
 - iv. service of documents by the Company on its Members, Auditors and the Registrar of Companies;
 - v. notice of Board meetings and Committee meetings of the Board;
 - vi. the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
 - vii. the 41st Annual General Meeting held on 22nd September, 2014;
 - viii. minutes of proceedings of General Meetings and of the Board and its Committee meetings;
 - ix. approvals of the Members, the Board of Directors, the Committees of Directors and the Government;
 - x. constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director, Joint Managing Director and Whole-time Directors;
 - xi. payment of remuneration to Directors including the Managing Director, Joint Managing Director and Whole-time Directors,
 - xii. appointment and remuneration of Auditors and Cost Auditors;
 - xiii. transfers and transmissions of the Company's shares, issue and dispatch of duplicate certificates;
 - xiv. issues of shares on Preferential Basis;
 - xv. borrowings, registration of creation, modification and satisfaction of charges wherever applicable;
 - xvi. investment of the Company's funds including investments in securities and loans to others;
 - xvii. form of balance sheet & statement of profit and loss account as prescribed;
 - xviii. general Instructions for preparation of the same as prescribed;
 - xix. Directors' report;
 - xx. contracts, common seal, registered office and publication of name of the Company; and
 - xxi. Generally, all other applicable provisions of the Said Act and the Rules made under the Act.

C. We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013 and the Listing Agreement.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views if any are captured and recorded as part of the minutes.
- The Company has obtained all necessary approvals under the various provisions of the Act; and
- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.



- D. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- E. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.
- F. We further report that the Company has complied with the provisions of the Depositories Act, 1996 and the rules framed there under by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.
- G. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable
- H. **We further report that:**
- i) the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited & National Stock Exchange of India Limited.
 - ii) the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - iii) the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

We further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Nagpur

Date: 05/08/2015

Encl. ANNEXURE I

ANNEXURE II

**R.A. DAGA & Co.
Company Secretaries**

**Rachana Daga
Proprietor
Membership No: 5522
C. P. No: 5073**

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE I and ANNEXURE II' and forms an integral part of this report.

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31-03-2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

ANNEXURE I

To,
The Members,
Jayaswal Neco Industries Limited
CIN: - L28920MH1972PLC016154
F-8, MIDC Industrial Area, Hingna Road,
Nagpur - 440016.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Nagpur
Date: 05/08/2015

R.A. DAGA & Co.
Company Secretaries

Rachana Daga
Proprietor
Membership No: 5522
C. P. No: 5073



Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31-03-2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

ANNEXURE II

Registered Office & Corporate Office :

F-8, MIDC Industrial Area, Hingna Road, Nagpur

List of plants situated at :

1. Steel Plant Division – Siltara Growth Centre, Raipur (CG).
2. Centricast Division – MIDC Area, Hingna Rd, Nagpur (MH).
3. Automotive Castings Division –MIDC Area, Hingna Road and Butibori, Nagpur (MH).
4. Construction Castings Division – Light Industrial Area, Bhilai & Anjora (CG)

Under the Major Group and Head :

1. Factories Act, 1948;
2. Industries (Development & Regulation) Act, 1951
3. Acts prescribed for Mining activities
4. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
5. Acts prescribed under prevention and control of pollution;
6. Acts prescribed under Environmental protection;
7. Acts as prescribed under Direct Tax and Indirect Tax
8. Land Revenue laws of respective States;
9. Labour Welfare Act of respective States;
10. Local laws as applicable to various offices and Plants.

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 utilisation 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 12 (Twelve) Directors; with the composition of Executive and Non-Executive / Independent Directors.

5 (Five) Board Meetings were held during the year ended 31.03.2015. The dates of the meetings are given below: i) 30.04.2014, ii) 25.06.2014, iii) 11.08.2014, iv) 13.11.2014 and v) 12.02.2015

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 22.09.2014	No. of Directorships in other Companies as on 31/03/2015 (Excluding Foreign & Private Limited Companies)	No. of Memberships / Chairmanship in Committee of Directors in other Companies	
					Director	Member	Chairman
1	Shri Basant Lall Shaw Chairman (DIN 00249729)	Promoter Non-Executive	5	Yes	5	-	2
2	Shri Arbind Jayaswal Managing Director (DIN 00249864)	Promoter Executive	5	Yes	7	2	-
3	Shri Ramesh Jayaswal Joint Managing Director (DIN 00249947)	Promoter Executive	5	Yes	9	2	-
4	Shri B K Agrawal Director (DIN 01223894)	Independent Non-Executive	5	Yes	-	-	-
5	Shri M. M. Vyas Director (DIN 00399012)	Independent Non-Executive	3	No	1	-	-
6	Shri P K Bhardwaj Executive Director & CFO (DIN 03451077)	Professional Executive	4	Yes	-	-	-
7	Shri S N Singh Director (DIN 00398484)	Independent Non-Executive	4	No	1	-	-
8	Shri Rakesh Awasthi Director (*) (DIN 00252540)	Independent Non-Executive (IDBI Bank Ltd. Nominee)	2	No	1	-	-



9	Shri Darshan Kumar Sahni Director (w.e.f. 11.08.2014) (DIN 00131269)	Independent Non-Executive	3	Yes	-	-	-
10	Smt. Raji Nathani Director (w.e.f. 11.08.2014) (DIN 06945777)	Independent Non-Executive	3	No	-	-	-
11	Shri Pradeep Kumar Das Director (*) (DIN 06593113)	Independent Non-Executive (IDBI Bank Ltd. Nominee)	2	No	-	-	-
12	Shri MP Singh Director (w.e.f. 13.11.2014) (DIN 02635073)	Professional Executive	2	No	1	-	-
13	Shri Arvind Iyer Director (w.e.f. 13.11.2014) (DIN 01375173)	Independent Non-Executive	2	No	-	-	-

(*) IDBI Bank Limited appointed Shri Pradeep Kumar Das as its nominee in place of Shri Rakesh Awasthi w. e. f. 16th August, 2014.

Details about Directors seeking Appointment / Reappointments at the forthcoming Annual General Meeting are given separately along with Notice convening the said Meeting.

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

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

At the time of appointing an Independent Director, a formal letter of appointment is given to him, inter alia explaining the role, function, duties and responsibilities expected of him as a Director of the Company. The Independent Director is also explained in detail the Compliance required from him under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations and affirmation taken with respect to the same. Further the Company has put in place a system to familiarize the Independent Directors about the Company, its products, business and the on-going events relating to the Company through presentation.

As required under Clause 49 of the Listing Agreement, the Company has formulated a policy on familiarisation programme for Independent Directors. The Policy is available on the website of the Company.

Web link - <http://www.necoindia.com/wp-content/uploads/2015/08/Familiarisation-Program-of-Independent-Director.pdf>

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 30.04.2014, 11.08.2014, 13.11.2014, and 12.02.2015. 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. To strengthen and broad base the Audit Committee, the Board of Directors vide its meeting dated 12th February, 2015 reconstituted the Audit Committee by induction of Shri Arvind Iyer, Independent Director as the member of the Audit Committee.

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.	Name of Members	No of Meetings attended
1)	Shri B K Agrawal Chairman	4
2)	Shri Ramesh Jayaswal Member	4
3)	Shri S N Singh Member	3
4)	Shri Arvind Iyer Member	-

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 NOMINATION AND REMUNERATION COMMITTEE

During the year, Nomination and Remuneration Committee met on 11.08.2014 and 13.11.2014.

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

Sr.No.	Name of Members	Attendance
1.	Shri M M Vyas Chairman	1
2.	Shri B K Agrawal Member	2
3.	Shri Rakesh Awasthi Member (ceased w.e.f. 16.08.2014)	1
4.	Shri D K Sahani Member (Appointed w.e.f. 13.11.2014)	1

At the meeting held on 11.08.2014, as above, the Committee has reviewed and recommended the following:

- Appointment of Shri Basant Lall Shaw, Chairman of the Company, as the Director of the Company liable to retire by rotation.
- Appointment of Shri Satyendra Narain Singh and Shri B.K.Agrawal as Independent Directors.
- Appointment of Shri Darshan Kumar Sahni and Smt. Raji Nathani as Additional Directors.

At its meeting held on 13.11.2014, the Committee reviewed and recommended the following:

- Appointment and remuneration of Shri Avneesh Jayaswal as the the Group Director (Not being member of the Board) of the Company.
- Appointment of Shri Megh Pal Singh as the Additional Director as well as the Executive Director (Steel) of the Company.
- Revision of the Sitting Fee for the Meetings of the Board and its Committees.

The terms of reference of the Nomination and Remuneration Committee include the following:

- To review and recommend the Directors' Remuneration, service contracts, performance linked incentives and other perks, benefits etc. to be drawn by the Company's Directors.
- 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.



- iii. To formulate the criteria for determining qualifications, positive attributes and independence of the directors.
- iv. To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other senior employees and
- v. To perform all other functions as are required under the Listing Agreement with the Stock Exchanges as amended from time to time.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration Committee has adopted a policy which, inter-alia, deals with the manner of selection of members of the Board including Executive and Non-Executive Directors, Key Managerial Personnel and Senior Management Personnel and their remuneration. The details of the policy are as follows -

1. APPOINTMENT CRITERIA AND QUALIFICATION:

i) For Non Executive Directors

- a. The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- b. In case of appointment of Independent Directors, the Nomination and Remuneration Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- c. The Nomination and Remuneration Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- d. The Nomination and Remuneration Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:
 - i. Qualification, expertise and experience of the Directors in their respective fields;
 - ii. Personal, Professional or business standing;
 - iii. Diversity of the Board.
- e. In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

ii) For Executive Directors including Managing / Whole-time Director and Key Managerial Personnel (KMP) and Senior Management Personnel

For the purpose of selection the Nomination and Remuneration Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria as laid down under the Companies Act, 2013 or other applicable laws.

2. REMUNERATION:

i) For Non Executive Directors

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees and reimbursement of expenses for participation in the Board / Committee meetings as detailed hereunder:

By way of sitting fees as under:

Board Meeting - Rs.25000/- per Meeting*. (Rs. 5000/- per meeting upto 31st October, 2014)

Audit Committee Meeting - Rs.5000/- per Meeting*. (Rs. 2000/- per meeting upto 31st October, 2014)

Nomination And Remuneration Committee Meeting - Rs.5000/- per Meeting*. (Rs. 1000/- per meeting upto 31st October, 2014)

Corporate Social Responsibility Committee Meeting - Rs. 5000/- per Meeting* w.e.f. 1st November, 2014.

*Subject to revision by the Board of Directors from time to time.

ii) For Remuneration of Executive Directors including Managing / Whole-time Director, KMP and Senior Management Personnel

- a) The remuneration / compensation / commission etc., as the case may be, to the Executive Directors including the Managing / Whole time Director will be determined by the Nomination and Remuneration Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Companies Act, 2013 and Rules made thereunder.

Further, the Managing Director/ Whole time Directors of the Company are authorised to decide the remuneration of KMP (other than Managing/Whole-time Directors) and Senior Management Personnel, and which shall be decided based on the standard market practice and prevailing HR policies of the Company. Provided that the appointment and remuneration of KMP shall require approval of the Board on the recommendation of the Nomination and Remuneration Committee.

- b) The remuneration of the Executive Directors including Managing Director/ Whole Time Directors is broadly divided into 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).

No sitting fee is payable to Executive Directors of the Company for attending the Meetings of the Board and its Committees.

3. TERM:

The Term of the Directors including Managing / Whole time Director / Manager/ Independent Director shall be governed as per the provisions of the Act and Rules made thereunder and the Clause 49 of the Listing Agreement, as amended from time to time.

4. REMOVAL:

Due to reasons for any disqualification mentioned in the Companies Act, 2013 or under any other applicable Act, Rules and Regulations there under and / or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations, the Nomination and Remuneration Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel.

DETAILS OF REMUNERATION PAID TO THE DIRECTORS

The details of Remuneration to Directors during the year 01.04.2014 to 31.03.2015 and the number of Equity Shares held by them in the Capital of the Company are as follows:

Sr. No.	Names of Directors	Designation	Service Contract	Notice Period	Remuneration drawn Amount (Rs. in lacs)		No. of Equity Shares held	Stock Options Granted
					Salary, Allowances & Perquisites	Sitting fees		
1	Shri Basant Lall Shaw	Chairman	--	--	--	0.65	10312850	--
2	Shri Arbind Jayaswal	Managing Director	01.01.2014 to 31.12.2016	6 months notice	118.62 (**)	--	2397920	--
3	Shri Ramesh Jayaswal	Joint Managing Director	01.01.2014 to 31.12.2016	6 months notice	118.62 (**)	--	2397920	--
4	Shri P K Bhardwaj	Executive Director and CFO	25.02.2014 to 24.02.2017	3 months notice	43.64 (**)	--	--	--



5	Shri B K Agrawal	Director	--	--	--	0.90	7500	--
6	Shri MM Vyas	Director	--	--	--	0.40	70993	--
7	Shri RAwasthi	Director (IDBI Bank Ltd. Nominee)	--	--	--	0.11(*)	--	--
8	Shri PK Das	Director (IDBI Bank Ltd. Nominee)	--	--	--	0.50(*)	--	--
9	Shri SN Singh	Director	--	--	--	0.72	--	--
10	Shri DK Sahani	Director	--	--	--	0.60	--	--
11	Smt. Raji Nathani	Director	--	--	--	0.55	--	--
12	Shri Arvind Iyer	Director	--	--	--	0.50	140	--
13	Shri MP Singh	Executive Director (Steel)	13.11.2014 to 12.11.2017	3 months notice	20.17 (**)	--	--	--

(*)Sitting Fees paid to the Institutions.

(**)Break up of Remuneration

Amount (Rs. in lacs)

Name of Directors	Salary and Allowances	Prov. Fund	Perks	Total
Shri Arbind Jayaswal	111.49	7.13	-	118.62
Shri Ramesh Jayaswal	111.49	7.13	-	118.62
Shri P K Bhardwaj	38.13	2.51	3.00	43.64
Shri MP Singh	19.14	1.03	-	20.17

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 of Shri Arbind Jayaswal and Shri Ramesh Jayaswal within a period of 7 years.

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

V SHARE TRANSFER – CUM – STAKEHOLDERS RELATIONSHIP COMMITTEE

To align with the provisions of Section 178 of the Companies Act, 2013 the Board of Directors of the Company vide its meeting dated 30th April, 2014 resolved to change the nomenclature of its existing "Share Transfer-cum-Shareholders / Investor Grievances Committee" to " Share Transfer Cum Stakeholders Relationship Committee" and also expanded its terms of reference. 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, Securityholders and Investors Grievances in compliance with the Clause 49 of the Listing Agreement with Stock Exchanges. Investors' grievances are addressed within 15 days from the date of receipt. During the year under review four (4) Complaints were received from the investors, all were resolved to the satisfaction of the shareholders 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 02-12-2014, approved the issue of Duplicate Share Certificates, for 100 shares.

VI CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In compliance with the provisions of Section 135 of the Companies Act, 2013, the Board of Directors of the Company vide its meeting held on 30th April, 2014 constituted the Corporate Social Responsibility Committee (CSR Committee). During the year Corporate Social Responsibility Committee met on 03.11.2014.

The composition of the Corporate Social Responsibility Committee and the attendance of Members at the Corporate Social Responsibility Committee meeting is as below :

Sr. No.	Name of Members		Attendance
1	Shri Arbind Jayaswal	Chairman	1
2	Shri Ramesh Jayaswal	Member	-
3	Shri B K Agrawal	Member	1

The terms of reference of Corporate Social Responsibility Committee are as under -

- To formulate and recommend to the Board a Corporate Social Responsibility Policy which shall indicate the CSR activities that the Company shall pursue within the framework of activities mentioned in Schedule VII of the Companies Act, 2013 as amended from time to time.
- To recommend the amount of expenditure to be incurred by the Company on the activities proposed to be carried out under the head CSR during the relevant financial year.
- To monitor the Corporate Social Responsibility Policy of the Company from time to time.
- To comply with the directions of the Board as may be given from time to time in connection with pursuing CSR activities, expenditure thereon and such other matters related thereto.

In the said meeting the Committee members took note of its terms of reference, approved the Corporate Social Responsibility Policy and recommended it for Board's approval, approved the CSR Budget and the activities planned for the financial year 2014-15 and also took note of the amount spent on the CSR activities during the period April to September, 2014.

VII RISK MANAGEMENT COMMITTEE

Pursuant to the provisions of Clause 49 of the Listing Agreement, the Board of Directors of the Company constituted the Risk Management Committee (RMC).

During the year Risk Management Committee met on 23.03.2015. In this meeting the Committee took note of its terms of reference, Risk Management Policy and to strengthen its base inducted Shri Kapil Shroff, Chief (Finance) of the Company as the member of the Committee.

The composition of the Risk Management Committee and the attendance of Members at the Risk Management Committee meeting is as below:

Sr. No.	Name of Members		Attendance
1	Shri Arbind Jayaswal	Chairman	1
2	Shri B K Agrawal	Member	1
3	Shri P K Bhardwaj	Member	1
4	Shri Kapil Shroff	Member	1

The terms of reference of Risk Management Committee are as under -

- To lay down Policies and procedures for risk assessment and minimization.
- To implement, review and monitor risk management plan of the Company,
- To identify, maintain and periodically review Risk Categories for classification of risk.
- To periodically report to the Board of the key strategic, operations, reporting and compliance risks the company



is facing or likely to face, the level of risk and the processes implemented to manage each of these key risks and about proper implementation and monitoring of the risk management plan.

- v) To comply with the directions of the Board as may be given from time to time in connection with pursuing objectives of Risk Management Policy and such other matters related thereto as the Board may deem fit.

VIII INDEPENDENT DIRECTORS' MEETING

As stipulated by the Code of Independent Directors (Schedule IV) under the Companies Act, 2013 and Clause 49 of the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 12th February, 2015 to review the performance of Non-independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary for the Board and its Committees to effectively and reasonably perform and discharge their duties.

IX BOARD EVALUATION

The Board of Directors of the Company is committed to get its performance evaluated in order to identify its strengths and areas in which it may improve its functioning. To that end, the Nomination and Remuneration Committee has established the process for evaluation of performance of Directors including Independent Directors, the Board and its Committees. The evaluation of performance of Executive Directors will be done by Independent Directors.

X 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
31.03.14	Registered Office at F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440 016.	22.09.14	12.30 P.M.
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.

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

a. Annual General Meeting held on 22.09.2014

- i) Resolution under Section 149, 152 read with Schedule IV and other applicable provisions, if any, 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, approving the appointment of Shri B. K. Agrawal (DIN: 01223894), as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to 21st September 2019.

b. Annual General Meeting held on 30.09.2013

- i) 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.

c. Annual General Meeting held on 29.09.2012

- i) Resolution 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.

During the year under review, no special resolution passed through Postal Ballot.

2. During the year, the Company has also issued 4,00,00,000 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.100 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. All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arms length pricing basis and do not attract the provisions of Sections 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

Weblink - <http://www.necoindia.com/wp-content/uploads/2015/02/RPT-Policy-JNIL.pdf>

4. The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle Blower policy under which the employees are free to give their views on the accounting policies and practices of the Company, report unethical or undesirable behavior or practices, actual and suspected fraud taking place in the Company, violations of Company's Code of Conduct or ethics policy. The reportable matters may be disclosed to the Audit Committee through Company Secretary. In exceptional cases employees may also report directly to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.
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 31.03.2015.
6. The matters required to be covered under Management Discussion and Analysis Report is 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: 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 Statements, 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 has appointed separate persons to the post of Chairman and Managing Director.
9. During the last three years no non-compliance has been made by the Company and no penalties, strictures imposed on the Company by stock exchange, SEBI or any statutory authority in respect of any matter related to capital market.



10. A certificate from CEO / CFO with respect to the matters required to be conveyed pursuant to the amended Clause 49 IX of the Listing Agreement with regard to the Audited Financial Statements for the year ended 31st March, 2015, was placed before the Board at its Meeting held on 29th May, 2015 and the same was noted.

XI 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 : 29th September, 2015 at 12.30 P.M.
Venue : Regd. Office at F-8, MIDC Industrial Area, Hingna Road, Nagpur - 440 016.

- 3 **Book Closure Date** : 23rd September, 2015 to 29th September, 2015
 (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, 2016

Sr. No.	Particulars	Tentative Date
1	Unaudited Financial Results for the period of 3 months ended 30 th June, 2015	Second week of August, 2015
2	Unaudited Financial Results for the period of 3 months ending 30 th September, 2015	Second week of November, 2015
3	Unaudited Financial Results for the Period of 3 months ending 31 st December, 2015	Second week of February, 2016
4	Audited Financial Results for the period of 12/3 months ending 31 st March, 2016	Last week of May, 2016
5	Annual General Meeting for the year 31 st March, 2016	Last week of September, 2016

- 7 **Listing of Equity shares on** : 1) **BSE Limited**
 Phiroze 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 2015-2016 have been duly paid to both the above Stock Exchanges.

- 9 Annual Custody / Issuer fee for the year 2015-2016 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. 14	11.79	9.06	11.75	9.05
May 14	17.19	10.94	17.05	11.00
June 14	17.78	14.01	17.65	14.05
July 14	19.30	16.05	19.30	16.10
Aug. 14	16.95	13.95	16.90	14.00
Sep. 14	16.55	11.15	16.55	11.10
Oct. 14	11.32	9.73	11.30	9.75
Nov. 14	13.94	10.40	14.00	10.35
Dec. 14	12.43	10.50	12.35	10.55

Jan. 15	13.31	11.10	13.35	11.15
Feb. 15	12.13	10.35	12.15	10.40
Mar. 15	11.00	7.96	11.00	7.95

- B. Equity Shares of the Company are regularly traded on both the Exchanges. During the year, approximately 638.85 Lacs Equity Shares were traded.
- C. Share Price Performance relative to BSE Sensex and NSE Nifty

Financial Year 2014-2015	Percentage Change		
	Company	BSE Sensex	NSE Nifty
	-5.36%	24.89%	26.65%

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 received one investor complaint, regarding non receipt of transferred shares, which were reposted to the shareholder as the same were received undelivered.

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 dematerialization 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 dematerialized form. Requests received from Shareholders through their Depository Participants for dematerializing 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 respect.

13 Shareholding Pattern as on 31st March, 2015:

Category	No. of Shares held	% of total shareholding	No. of Shareholders	% of total shareholders
A) Promoter and Promoter Group	439302841 (*)	68.79	18	0.04
Sub Total A	439302841	68.79	18	0.04
B) Public Shareholding				
i) Financial Institutions / Insurance Companies Banks / Mutual Funds/Venture Capital Funds/FII's	14367328	2.25	23	0.06
ii) NRIs / OCBs	596457	0.09	170	0.41
iii) Other Corporate Bodies	124615890	19.51	565	1.37
iv) Others	59750547	9.36	40586	98.12
Sub Total B	199330222	31.21	41344	99.96
Total (A+B)	638633063	100.00	41362	100.00



(*) Includes 52857285 Equity Shares being 12.03% of the Promoter and Promoter Group shareholding, and 8.28% 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, 2015 :

Shares of Nominal Value (Rs.)	Number of Shareholders	% of Holders	Total Amount	% of Amount
Upto to 5000	31567	76.31	55561200.00	0.87
5001 to 10000	4262	10.30	36953840.00	0.58
10001 to 20000	2290	5.54	36896170.00	0.58
20001 to 30000	864	2.09	22713090.00	0.35
30001 to 40000	437	1.06	15964730.00	0.25
40001 to 50000	460	1.11	22136810.00	0.35
50001 to 100000	715	1.73	53984640.00	0.84
100001 to Above	767	1.86	6142120150.00	96.18
Total	41362	100.00	6386330630.00	100.00

15. Dematerialisation of Shares and Liquidity:

636017252 Equity Shares i.e. 99.59 of the total Equity Shares have been dematerialized up to 30.06.2015.

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) 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 : 12th August, 2015

Basant Lall Shaw

Chairman

(DIN-00249729)

| 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, 2015, 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 compliance with the conditions of the 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 future viability of the company nor of 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: 12th August, 2015

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

S. R. Chhallani
 Partner
 Membership No. – 30154
Place : 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 31.03.2015, adhered to the Code of Conduct laid down by the Company.

Arbind Jayaswal
Managing Director / CEO
Dated : 12th August, 2015.



INDEPENDENT AUDITORS' REPORT

To
The Members of
Jayaswal Neco Industries Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Jayaswal Neco Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, 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 qualified audit opinion on the standalone financial statements.

Basis for Qualified Opinion

As mentioned in Note No. 12.11 to the standalone financial statements, during the year the Hon'ble Supreme Court of India cancelled 3 coal blocks of the Company and subsequently these blocks have been allotted to different bidders in the E-auction by the Ministry of Coal, Government of India. The Company has filed a writ petition before the Hon'ble Delhi High Court challenging the provision of ordinance and tendering process and no adjustments have been made in the value of these 3 coal mining assets for the reasons mentioned therein. We were unable to determine whether any adjustments to these amounts were necessary.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the "Basis for Qualified Opinion" paragraph above, the aforesaid standalone financial statements 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, of the state of affairs of the Company as at 31st March, 2015 and its profit and its 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and 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, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
 - f. On the basis of the written representations received from the directors as on 31st March, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 12.09, 12.10 and 30 (A) to the standalone financial statements except for the possible effect of the matters described in the basis for Qualified Opinion.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts except for the possible effect of the matters described in the basis for Qualified Opinion.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Chaturvedi & Shah

Chartered Accountants
(Firm Registration No. - 101720W)

R Koria

Partner
Membership No. - 35629

Place: Mumbai

Date : 29th May, 2015

For Agrawal Chhallani & Co.

Chartered Accountants
(Registration No. : 100125W)

S. R. Chhallani

Partner
Membership No. - 30154

Place: 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, 2015)

- 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 and nature of its assets. No material discrepancies were noticed on such physical verification as compared with the available records.
- 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 by the company to companies, firms or other parties covered in the register maintained under section 189 of the Act:
 - a. The company has given advances in the nature of loan to its subsidiary, and as per the information and explanations given to us; the above advances along with the interest are not due for repayment.
 - b. As the loan is not due for repayment, the question of overdue amount does not arise.
- 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 and fixed assets and 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. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) (d) of the Act and are of the opinion that, prima facie, the prescribed accounts and 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.
- vii. 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, Value Added Tax, Cess and any other statutory dues with the appropriate authorities during the year except in certain 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, 2015 for a period of more than six months from the date they became payable.
 - b. The disputed statutory dues of Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise Duty, Value added tax and Cess aggregating to **Rs. 8353.87 Lacs**, that have not been deposited on account of Disputed matters pending before appropriate authorities are as under:

Nature of Dues	Name of the Statute	Period Involved	Amount (Rs. in lacs) (*)	Forum where dispute is pending
Custom Duty	Custom Act, 1962	1998-99	765.10	Supreme Court
		2004-05	100.00	CESTAT
Excise Duty/ Service Tax	Central Excise Act, 1944	2000-01	5.52	Supreme Court
		2008-10	5.03	Appellate Tribunal
		2001-12	2088.28	CESTAT
		2005-08	1.98	Additional Commissioner
		2005-10	82.32	Commissioner (Appeal)
Sales Tax / VAT and Entry Tax	Central Sales Tax Act, 1956 and Sales Tax Acts of various states	1993-94, 1995-97, 2002-03 & 2004-05	1128.62	Joint Commissioner
		1996-97, 2002-03 & 2006-09	1281.77	Deputy Commissioner
Electricity Cess / Duty	Electricity Act, 2003 and Chhattisgarh State Electricity Regulatory Commission	2004-05 to 2010-11	2680.49	Supreme Court
		2011-12	200.00	High Court
		2006-08	14.76	Chief Engineer (Electrical) department
Total			8353.87	

(*) Net of amount deposited under protest

- c. There was no such amount which was required to be transferred to Investor Education and protection fund in accordance with the relevant provision of the Companies Act, 1956 and rule made thereunder.
- viii. 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.
- ix. Based on our audit procedures and according to the information and explanations given by the management, we are of the opinion that as on 31st March, 2015 the Company has not defaulted in repayment of dues to banks, except the repayment of principal amount of Rs. 1618.89 lacs and interest of Rs. 6,557.07 lacs for a period less than sixty days.
- x. The Company has given corporate guarantees aggregating to Rs. 1,181 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.
- xi. 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 applied for the purpose for which they were raised.
- xii. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For Chaturvedi & Shah

Chartered Accountants

(Firm Registration No. - 101720W)

R Koria

Partner

Membership No. - 35629

Place: Mumbai

Date : 29th May, 2015

For Agrawal Chhallani & Co.

Chartered Accountants

(Registration No. : 100125W)

S. R. Chhallani

Partner

Membership No. - 30154

Place: Nagpur



BALANCE SHEET AS AT 31ST MARCH, 2015

PARTICULARS	Note No.	As at 31.03.2015 Rs.in lacs	As at 31.03.2014 Rs.in lacs
I. EQUITY AND LIABILITIES			
1) Shareholders' Funds			
Share Capital	2	63862.58	59862.58
Reserves and Surplus	3	<u>157949.33</u>	<u>152524.22</u>
		221811.91	212386.80
2) Non Current Liabilities			
Long Term Borrowings	4	295847.88	245594.35
Deferred Tax Liability (Net)	5	21390.42	20339.88
Other Long Term Liabilities	6	23.42	16.85
Long Term Provisions	7	<u>2694.95</u>	<u>2694.95</u>
		319956.67	268646.03
3) Current Liabilities			
Short Term Borrowings	8	84494.41	100056.21
Trade Payables	9	43211.05	36936.23
Other Current Liabilities	10	45052.91	32095.56
Short Term Provisions	11	<u>6158.90</u>	<u>5609.80</u>
		178917.27	174697.80
TOTAL		<u><u>720685.85</u></u>	<u><u>655730.63</u></u>
II. ASSETS			
1) Non Current Assets			
Fixed Assets	12		
Tangible Assets		133932.17	140906.44
Intangible Assets		6177.74	6372.31
Capital Work in Progress		298442.66	189266.58
Intangible Assets under Development		<u>15303.22</u>	<u>13946.30</u>
		453855.79	350491.63
Non Current Investments	13	0.01	0.01
Long Term Loans & Advances	14	<u>100900.85</u>	<u>143525.27</u>
		554756.65	494016.91
2) Current Assets			
Current Investments	15	1496.16	1446.80
Inventories	16	92459.41	78165.05
Trade Receivables	17	31446.08	41062.93
Cash and Bank Balances	18	6018.01	25457.01
Short Term Loans and Advances	19	<u>34509.54</u>	<u>15581.93</u>
		165929.20	161713.72
TOTAL		<u><u>720685.85</u></u>	<u><u>655730.63</u></u>
Significant Accounting Policies	1		
Notes to the Financial Statements	2 to 44		

As per our Report of even date
For **CHATURVEDI & SHAH**
Chartered Accountants
(Registration No. : 101720W)

For and on behalf of Board of Directors

R. KORIA
Partner
Membership No.:35629

ARBIND JAYASWAL
Managing Director
DIN : 00249864

For **AGRAWAL CHHALLANI & CO.**
Chartered Accountants
(Registration No. : 100125W)

ASHUTOSH MISHRA
Company Secretary
Membership No.:A23011

P.K.BHARDWAJ
Executive Director &
Chief Financial Officer
DIN : 03451077

S. R. CHHALLANI
Partner
Membership No.:30154

Nagpur, 29th May, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015

PARTICULARS		Note No.	Year ended 31.03.2015	Year ended 31.03.2014
			Rs.in lacs	Rs.in lacs
1	Revenue from Operations (Gross)	20	335628.53	353435.15
	Less: Excise Duty/Service Tax Recovered		33201.52	37330.03
	Revenue from Operations (Net)		302427.01	316105.12
2	Other Income	21	1736.80	1031.64
3	Total Revenue (1+2)		304163.81	317136.76
4	Expenses			
	Cost of Materials Consumed	22	166184.72	187832.90
	Purchase of Stock in Trade	23	30459.10	16905.79
	Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	24	(4177.36)	(3093.42)
	Employee Benefits Expense	25	15762.21	14916.93
	Finance Costs	26	18484.72	17338.14
	Depreciation and Amortization Expenses	12	8283.79	11572.44
	Other Expenses	27	58271.52	60448.77
	Total Expenses		293268.70	305921.55
5	Profit before Exceptional item and tax (3-4)		10895.11	11215.21
6	Exceptional item	42	9161.53	-
7	Profit before tax (5-6)		1733.58	11215.21
8	Tax Expenses :			
	Current Tax		446.51	2390.12
	MAT Credit Entitlement		(377.36)	(1780.87)
	Deferred Tax Liability (Net)	5	1458.97	4022.20
	Income Tax for Earlier Years		8.62	253.89
			1536.74	4885.34
9	Profit for the year (7-8)		196.84	6329.87
10	Earnings per Equity share of Rs.10/- each	28		
	Basic (Rs.)		0.03	1.19
	Diluted (Rs.)		0.03	1.17
	Significant Accounting Policies	1		
	Notes to the Financial Statements	2 to 44		

As per our Report of even date

For CHATURVEDI & SHAH

Chartered Accountants

(Registration No. : 101720W)

R. KORIA

Partner

Membership No.:35629

For AGRAWAL CHHALLANI & CO.

Chartered Accountants

(Registration No. : 100125W)

S. R. CHHALLANI

Partner

Membership No.:30154

For and on behalf of Board of Directors

ARBIND JAYASWAL

Managing Director

DIN : 00249864

P.K.BHARDWAJ

Executive Director &

Chief Financial Officer

DIN : 03451077

Nagpur, 29th May, 2015



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	31.03.2015 (Rs.in lacs)	31.03.2014 (Rs.in lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Statement of Profit and Loss	1733.58	11215.21
ADJUSTED FOR		
Depreciation and Amortization Expenses	8283.79	11572.44
Loss on sale of Fixed Asset (Net)	0.24	0.75
Profit on sale of Investment (Net)	(10.09)	(0.43)
Dividend on Current Investments	-	(0.09)
Interest Income	(1435.53)	(675.37)
Finance Costs	18484.72	17338.14
Unrealised Foreign Exchange differences	(51.05)	(486.31)
Provision for Sales Tax Deferral	493.98	556.53
Bad Debts /Advances written off (Net of reversal)	13.52	7.67
Provision for Doubtful Debts/ Advances	396.67	127.70
Provision for diminution in value of Investment	(1.30)	(1.20)
Provision for Wealth tax	1.66	1.56
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	27910.19	39656.60
ADJUSTMENTS FOR		
Trade and Other Receivables	10460.85	(16854.46)
Inventories	(14294.36)	3045.96
Trade and Other Payables	10412.04	(5306.91)
CASH GENERATED FROM OPERATIONS	34488.72	20541.19
Direct Taxes (Paid) / Refund	(1181.65)	(2103.09)
Wealth Tax	(1.56)	(1.67)
NET CASH FLOW FROM OPERATING ACTIVITIES	33305.51	18436.43
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets and Capital Work-in-progress	(52216.09)	(98233.31)
Sale of Fixed Assets	0.14	18.95
Sale of Investments	12.04	0.44
Purchase of Investments	(50.00)	(10.43)
Advances to Subsidiary (Net)	-	(154.51)
Dividend Income	-	0.09
Movement in Inter Corporate Deposits (Net)	-	19.61
Interest Income	769.00	657.52
NET CASH USED IN INVESTING ACTIVITIES	(51484.91)	(97701.64)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed against issue of Equity Shares	10000.00	17200.00
Repayment of Lease Liability	(895.91)	(896.68)

Proceed from Long Term Borrowings	71103.23	116350.12
Repayment of Long Term Borrowings	(17831.37)	(20578.42)
Short Term Loans (Net)	(15561.80)	16084.21
Finance Costs	(48073.75)	(38567.56)
Margin Money and Current Account not included in Cash and Cash Equivalents	280.26	(669.83)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	(979.34)	88921.84
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(19158.74)	9656.63
Cash and Cash Equivalents (Opening Balance)	21287.83	11630.95
Add : Pursuant to Scheme of Arrangement	-	0.25
Cash and Cash Equivalents (Opening Balance)	21287.83	11631.20
Effect of exchange rate on Cash and Cash Equivalent	0.04	-
Balance of Cash and Cash Equivalent	2129.05	21287.83
Cash and Cash Equivalents (Closing Balance)	2129.09	21287.83

- (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
For CHATURVEDI & SHAH
Chartered Accountants
(Registration No. : 101720W)

R. KORIA
Partner
Membership No.:35629

For AGRAWAL CHHALLANI & CO.
Chartered Accountants
(Registration No. : 100125W)

S. R. CHHALLANI
Partner
Membership No.:30154

ASHUTOSH MISHRA
Company Secretary
Membership No.:A23011

For and on behalf of Board of Directors

ARBIND JAYASWAL
Managing Director
DIN : 00249864

P.K.BHARDWAJ
Executive Director &
Chief Financial Officer
DIN : 03451077

Nagpur, 29th May, 2015



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

NOTE: 1

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1.01 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013 as adopted consistently by the Company. The financial statements have been prepared on a going concern basis under the historical cost convention except for certain fixed assets which are carried at revalued amounts.

1.02 USE OF ESTIMATES:

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent 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:

Tangible Assets

Tangible Assets are stated at cost net of Central Value Added Tax and Value Added Tax Credits, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use. Tangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Capital Work-in-Progress".

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

1.04 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.

1.05 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.

1.06 DEPRECIATION:

- i) Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Straight Line Method. Depreciation is provided over useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of following assets where the useful life is different as per technical evaluation than those prescribed in Schedule II:

Particulars	Useful life considered for depreciation
(a) Various plants at its Integrated Steel Complex and Flat product making facilities at Raipur	Over 40 years
(b) Certain Plant and equipments including Furnace, Sand Plants, Moulding Machines etc. at Automotive Casting Division (II) at Nagpur.	Over 30 years
The Management believes that the useful lives as given above represent the period over which management expects to use these assets.	
ii) Assets acquired under finance lease on or after 1 st April 2001 are depreciated on a straight line basis over the lease term.	
iii) The leasehold land has been amortised over the lease period.	
iv) In respect of additions or extensions forming an integral part of existing assets and insurance spares, depreciation is provided as aforesaid over the residual life of the respective assets.	
1.07 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 identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.	
1.08 INVESTMENT:	
Current investments are carried at the lower of cost and quoted / fair value, computed category- wise. Non Current Investments are stated at cost. Provision for diminution in the value of Non Current 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 and net realisable value. The Cost of Inventories comprise of all costs of purchase, costs 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 Net Realisable Value. 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:	
i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date 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 in the Statement of Profit and Loss 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.	
1.11 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 is recognised only when risk and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue 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. Interest income is recognised on a time proportion basis taking into account the amount outstanding and rate applicable. Dividend is considered when the right to receive is established.	
1.13 CUSTOMS:	
Liability on account of Customs Duty on Imported materials in transit or in bonded warehouse is accounted in the year in which the goods are cleared from customs.	



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 based on projected unit credit method. 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 PRELIMINARY AND ISSUE EXPENSES:

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

1.18 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.

1.19 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.

1.20 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 reasonable certainty that the assets will be realised in future. In the case of unabsorbed depreciation and carry forward tax losses, all deferred tax asset are recognised only if there is virtual certainty that they can be realised against future taxable profits.

1.21 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 financial statements. Contingent Assets are neither recognized nor disclosed in the financial statements.

NOTE : 2 SHARE CAPITAL

PARTICULARS			As at 31.03.2015 Rs.in lacs	As at 31.03.2014 Rs.in lacs
Authorised				
1,00,00,00,000	(1,00,00,00,000)	Equity Shares of Rs.10/- each.	100000.00	100000.00
			<u>100000.00</u>	<u>100000.00</u>
Issued, Subscribed and Paid up				
63,86,33,063	(59,86,33,063)	Equity Shares of Rs.10/- each fully paid up.	63863.30	59863.30
		Less : Allotment Money Unpaid (from other than Directors)	0.72	0.72
		TOTAL	<u>63862.58</u>	<u>59862.58</u>

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

PARTICULARS	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Amount Rs. in lacs	No. of Shares	Amount Rs. in lacs
Shares outstanding at the beginning of year	59,86,33,063	59863.30	49,71,83,463	49718.34
Add : Shares issued pursuant to Scheme of Arrangement	-	-	3,26,49,600	3264.96
Add : Shares issued during the year on Preferential Basis (Refer Note No. 2.05)	4,00,00,000	4000.00	6,88,00,000	6880.00
Shares outstanding at the end of year	<u>63,86,33,063</u>	<u>63863.30</u>	<u>59,86,33,063</u>	<u>59863.30</u>

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

Name of Shareholders	As at 31.03.2015		As at 31.03.2014	
	No of Share held	Percentage held	No of Share held	Percentage held
Jayaswal Holdings Private Limited	5,30,98,951	8.31	5,30,98,951	8.87
Karamveer Impex Private Limited	4,72,29,000	7.40	4,42,69,000	7.40
Nine Star Plastic Packaging Services Private Limited	4,42,94,600	6.94	4,15,74,600	6.94
Jayaswal Neco Metallica Private Limited	4,07,10,500	6.37	3,79,10,500	6.33
Avon Sales and Services Private Limited	3,90,95,000	6.12	3,60,95,000	6.03
Jayaswal Neco Energy Private Limited	3,97,32,000	6.22	3,66,32,000	6.12
Anurag Sales and Services Private Limited	3,89,31,000	6.10	3,57,71,000	5.98
Jayaswal Neco Power Private Limited	3,63,54,500	5.69	3,29,54,500	5.50
Apex Spinning Mills Private Limited	3,52,99,600	5.53	3,23,99,600	5.41
Jayaswal Neco Infrastructures Private Limited	3,43,85,500	5.38	3,10,25,500	5.18

2.03 3,26,49,600 (Previous Year 15,64,26,456) 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 25th July 2014, the Board of Directors has allotted 4,00,00,000 equity shares of Rs. 10 each @ Rs. 25 per share. This money has been fully utilised for the upcoming projects of the Company.



NOTE : 3 RESERVES AND SURPLUS

PARTICULARS	As at 31.03.2015 Rs.in lacs	As at 31.03.2015 Rs.in lacs	As at 31.03.2014 Rs.in lacs
Capital Reserve			
Balance as per last Balance Sheet	7762.89		79.02
Add : Pursuant to Scheme of Arrangement	-		7683.87
		7762.89	7762.89
Capital Redemption Reserve			
Balance as per last Balance Sheet		5100.37	5100.37
Securities Premium Reserve			
Balance as per last Balance Sheet	90345.81		80025.81
Add : Received on issue of Equity Shares	6000.00		10320.00
		96345.81	90345.81
Revaluation Reserve			
Balance as per last Balance Sheet	22.23		22.99
Less : Amount of Depreciation attributable on appreciated value transferred to Surplus	0.76		0.76
		21.47	22.23
General Reserve			
Balance as per last Balance Sheet	16700.87		17586.48
Less : Balance written off	-		885.61
		16700.87	16700.87
Surplus			
Balance as per last Balance Sheet	32592.05		28116.11
Add : Profit for the year	196.84		6329.87
Less : Pursuant to Scheme of Arrangement	-		1854.69
Add : Transferred from Revaluation Reserve	0.76		0.76
Less : Adjustment related to Fixed Assets (Refer Note No.12.12)	1180.16		-
Add : Deferred Tax Adjustment related to Fixed Assets (Refer Note No.12.12)	408.43		-
		32017.92	32592.05
TOTAL		157949.33	152524.22

NOTE : 4 LONG TERM BORROWINGS

PARTICULARS	As at 31.03.2015 Rs.in lacs	As at 31.03.2015 Rs.in lacs	As at 31.03.2014 Rs.in lacs
Secured			
Term Loans			
- From Banks	290480.83		240368.60
		290480.83	240368.60
Unsecured			
Sales Tax Deferral (Under Package Scheme of Incentives) (Refer Note No. 4.09)		4350.54	3917.12
Long term maturities of finance lease obligations (Refer Note No. 4.08)		1016.51	1308.63
TOTAL		295847.88	245594.35

- 4.01** The term loans from banks referred to above aggregating to Rs. 290438.69 lacs and Rs. 22374.50 lacs included in Current Maturities of Long Term Debts in Note No. 10 are guaranteed by some of the Directors in their personal capacities. The above loans includes Rs.10249.04 lacs and Rs.2160.75 lacs included in Current Maturities of Long Term Debts are secured by way of pledge of 49857285 equity shares of the Company held by the Promoters.
- 4.02** Term loans from Banks referred to above aggregating to Rs. 275667.74 lacs and Rs. 20994.56 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 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.
 - 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 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. 14770.95 lacs and Rs. 1379.94 lacs included in current maturities of long term debts in Note No. 10 are 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 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 amongst them ranking next to the charge in favour of bankers to secure their working capital loans.
- 4.04** Term Loans of Rs.42.14 lacs and Rs.37.60 lacs included in current maturities of long term debts are secured by way of hypothecation of the specific Equipments/ Vehicles financed.
- 4.05** The term loans referred to above aggregating to Rs.2916.67 lacs and Rs. 2916.67 lacs included in current maturities of long term debts 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.
- 4.06** Term Loans from Banks referred to above and Rs. 20755.61 lacs included in current maturities of long term debt (excluding overdue of principal) in Note No.10 are to be repaid as under :
- Rs.1275.00 lacs is repayable in 24 equal monthly instalments of Rs. 53.13 lacs each, commencing from April 2015 and ending in March 2017.
- Rs.833.37 lacs is repayable in 6 equal monthly instalments of Rs.138.90 lacs each, ending in September 2015.
- Rs.61.76 lacs is repayable in 2 equal quarterly instalments of Rs.30.88 each, ending in September 2015.
- Rs.3500 lacs is repayable in 7 equal quarterly instalments of Rs.500 lacs each, ending in October 2016.
- Rs.6838.40 lacs is repayable in 24 structured monthly instalments, ending in March 2017.
- Rs.730.79 lacs is repayable in 16 equal monthly instalments of Rs.45.83 lacs, ending in July, 2016.
- Rs.5719.98 lacs is repayable in 18 structured quarterly instalments, ending in October 2019.
- Rs.6350.89 lacs is repayable in 48 equal monthly instalments of Rs.132.29 lacs each, commencing from July 2015 and ending in June, 2019.
- Rs. 28118.76 lacs is repayable in 22 quarterly instalments of Rs.1278.13 lacs each, commencing from quarter ending December 2015 and ending in March 2021 quarter.
- Rs.169811.16 lacs is repayable in 78 equal monthly instalments of Rs. 2177.07 lacs each, commencing from September 2016 and ending in February, 2023.
- Rs. 30985.87 lacs is repayable in 22 quarterly instalments of Rs. 1408.45 lacs each, commencing from quarter ending November 2015 and ending in February 2021 quarter.
- Rs. 5416.67 lacs is repayable in 26 equal monthly instalments of Rs.208.33 lacs each, ending in May 2017.
- Rs. 19400.00 lacs is repayable in 84 structured monthly instalments, ending in March 2022.
- Rs.1051.65 lacs is repayable in 9 equal monthly instalments of Rs.116.85 lacs each, ending in December 2015.



Rs.8000.00 lacs is repayable in 48 structured monthly instalments, commencing from January 2016 and ending in December 2019.

Rs.13300.00 lacs is repayable in 72 equal monthly instalments of Rs.184.72 lacs each, commencing from June, 2017 and ending in May, 2023.

Rs.9800.00 lacs is repayable in 108 structured monthly instalments, commencing from December, 2015 and ending in November, 2024.

Vehicle Loans included in Term Loans above are repayable in 36 to 60 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	22412.10	40896.55	46988.63	48160.38	154435.27

4.07 Subsequent to the Balance Sheet date, the Company has proposed its banks for Refinancing of existing outstanding Term loans (including current maturities of long term debt as referred to in Note No.10) as per Reserve Bank of India Circular No. DBOD.BP.BC.No.98/ 21.04.132 / 2013-14 dated February 26, 2014, Circular No. DBOD.BP.BC.No. 31/21.04.132 /2014-15 dated August 7, 2014 and Circular No. DBR.No.BP.BC.53/21.04.132/2014-15 dated December 15, 2014 with a initial moratorium period . The Management is of the view that if the Company's proposal is accepted / approved by its lenders, then the repayment schedule of the above loans including current maturities will be reduced substantially.

4.08 The Minimum Lease Rentals outstanding as on 31st March, 2015 in respect of assets having the Gross Liability of Rs.4574.93 lacs (Previous Year Rs. 4574.93 lacs) taken on financial lease is as follows :

	31.03.2015 (Rs.in lacs)	31.03.2014 (Rs.in lacs)
Minimum Lease Payments		
(i) Payable not later than 1 year	561.71	917.63
(ii) Payable later than 1 year and not later than 5 years	1305.00	1845.00
(iii) Payable later than 5 years	-	-
Total Minimum Lease Payments	1866.71	2762.63
Less : Future Finance Charges	536.36	877.00
Present Value of Minimum Lease Payments	1330.35	1885.63
Present Value of Minimum Lease Payments		
(i) Payable not later than 1 year	313.84	577.00
(ii) Payable later than 1 year and not later than 5 years	1016.51	1308.63
(iii) Payable later than 5 years	-	-
Total Present Value of Minimum Lease Payments	1330.35	1885.63

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.

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, 2015 is Rs.7797.64 lacs (Previous Year : Rs. 7797.64 lacs) which is provided for on the basis of its Net Present Value of Rs.4411.10 lacs (Previous Year : Rs.3942.29 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.

4.10 As on 31st March, 2015, the Company has overdue of principal of Rs.1618.89 lacs (Previous year Nil) and Interest of Rs.6557.07 lacs (Previous year Nil) included in current maturities of Long term debt and interest accrued and due on borrowings respectively in Note No. 10 for a period of less than 60 days.

As on 31st March, 2015, the Company has overdue of Lease Obligations of Rs. 23.29 lacs (Previous year Rs.17.62 lacs) included in current maturities of lease obligations in Note No. 10.

NOTE : 5 DEFERRED TAX LIABILITY (NET)

PARTICULARS	As at 31.03.2015 Rs. in lacs	As at 31.03.2015 Rs. in lacs	As at 31.03.2014 Rs. in lacs
Deferred Tax Liabilities			
Related to Fixed Assets	21259.44		20315.33
Leased Asset	47.85		-
Sales Tax Deferral not debited to Statement of Profit & Loss	1172.01		1310.43
		22479.30	21625.76
Deferred Tax Assets			
Items disallowed under section 43B of Income Tax Act, 1961	478.30		612.92
Provision for Doubtful Trade Receivables & Advances	610.58		568.13
Leased Asset	-		104.83
		1088.88	1285.88
Net Deferred Tax Liability TOTAL		21390.42	20339.88
Net Increase/(Decrease) in Deferred Tax Liability		1050.54	4272.81
Less : Pursuant to Scheme of Arrangement		-	250.61
Add : Deferred Tax Adjustment related to Fixed Assets		408.43	-
Amount Debited/(Credited) to Profit and Loss Account		1458.97	4022.20

NOTE : 6 OTHER LONG TERM LIABILITIES

PARTICULARS	As at 31.03.2015 Rs.in lacs	As at 31.03.2014 Rs.in lacs
Deposits Received	23.42	16.85
TOTAL	23.42	16.85

NOTE : 7 LONG TERM PROVISIONS

PARTICULARS	As at 31.03.2015 Rs. in lacs	As at 31.03.2014 Rs. in lacs
Provision for Site Restoration Expenses	2694.95	2694.95
TOTAL	2694.95	2694.95

7.01 The site restoration costs were calculated in terms of guidelines for preparation of mines closure plan issued by Ministry of Coal, Government of India and will be written back as and when the final consideration in respect of coal mine assets will be determined. (Refer Note No. 12.11)



NOTE : 8 SHORT TERM BORROWINGS

PARTICULARS	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Secured			
Working Capital Rupee Loans from Banks		68044.53	53271.54
Unsecured			
Inter Corporate Deposits taken from:			
i) Related parties (Refer Note No.34 (c))	2775.03		3136.93
ii) Others	11852.79		12032.79
		14627.82	15169.72
Buyer's Credits		355.97	63.81
Suppliers Credits*		1466.09	31551.14
TOTAL		84494.41	100056.21

* Backed by Letter of Credit and includes Rs.2.73 Lacs (Previous Year Rs. 25172.56 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.

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 31.03.2015	As at 31.03.2014
	Rs. in lacs	Rs. in lacs
Trade Payables - Micro, Small and Medium Enterprises @	288.29	72.11
- Others	42922.76	36864.12
TOTAL	43211.05	36936.23

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

Particulars	As at 31.03.2015	As at 31.03.2014
Principal amount remaining unpaid	288.29	72.11
Interest due thereon	28.32	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	28.32	0.53
Interest remaining due and payable even in succeeding years	-	-

NOTE : 10 OTHER CURRENT LIABILITIES

PARTICULARS	As at	As at	As at
	31.03.2015	31.03.2015	31.03.2014
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Current Maturities of Long term debts		22412.10	19227.29
Current Maturities of Sales Tax Deferral		60.56	25.17
Current Maturities of Lease obligations		313.84	577.00
Interest Accrued but not due on borrowings		509.45	485.57
Interest Accrued and due on borrowings		6557.07	-
Advances from Customers		5046.82	5191.56
Creditors for Capital Goods		39.44	92.39
Book Overdraft		28.10	105.95
Other Payables			
Statutory Liabilities	3256.00		1035.80
Deposits Received	15.00		22.75
Others*	6814.53		5332.08
		10085.53	6390.63
TOTAL		45052.91	32095.56

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

NOTE : 11 SHORT TERM PROVISIONS

PARTICULARS	As at	As at
	31.03.2015	31.03.2014
	Rs.in lacs	Rs.in lacs
Provision for Employee Benefits	1382.05	1597.41
Provision for Wealth tax	1.66	1.56
Provision for Excise Duty	4378.44	3614.08
Other Provisions*	396.75	396.75
TOTAL	6158.90	5609.80

* 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, 2014 was of Rs. 3614.08 lacs as per the estimated pattern of dispatches. During the year Rs. 3614.08 lacs was Utilised for clearance of goods. Liability recognised under this clause for the year is Rs. 4378.44 lacs which is outstanding as on 31st March, 2015. 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 01.04.2014	Acquired in terms of Scheme of Arrangement	Additions	Deduction/ Adjustment	As at 31.03.2015	Upto 31.03.2014	Acquired in terms of Scheme of Arrangement #	For the Year	Deduction/ Adjustment	Transfer to Surplus (Refer Note. 12.12)	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible Assets													
Owned :													
Land	6072.98	-	383.31	-	6456.29	-	-	-	-	-	-	6456.29	6072.98
Buildings	24537.04	-	111.19	-	24648.23	6098.70	-	785.02	-	542.90	7426.62	17221.61	18438.34
Railway Siding	3212.86	-	-	-	3212.86	2457.59	-	25.18	-	-	2482.77	730.09	755.27
Plant & Equipments	180083.02	-	1364.31	0.28	181447.05	68432.04	-	6614.26	0.27	516.90	75562.93	105884.12	111650.98
Office Equipments	473.08	-	52.03	0.53	524.58	215.18	-	76.80	0.16	89.38	381.20	143.38	257.90
Furniture & Fixtures	504.41	-	9.85	-	514.26	353.88	-	24.04	-	22.86	400.78	113.48	150.53
Vehicles	866.78	-	16.79	-	883.57	516.92	-	78.84	-	8.12	603.88	279.69	349.86
Sub-Total	215750.17	-	1937.48	0.81	217686.84	78074.31	-	7604.14	0.43	1180.16	86858.18	130828.66	137675.86
Leased :													
Land	1811.47	-	-	-	1811.47	158.09	-	18.46	-	-	176.55	1634.92	1653.38
Plant & Equipments	4574.93	-	-	-	4574.93	2997.73	-	108.61	-	-	3106.34	1468.59	1577.20
Sub-Total	6386.40	-	-	-	6386.40	3155.82	-	127.07	-	-	3282.89	3103.51	3230.58
Total (A)	222136.57	-	1937.48	0.81	224073.24	81230.13	-	7731.21	0.43	1180.16	90141.07	133932.17	140906.44
Intangible Assets :													
Process Development*	3400.28	-	-	-	3400.28	3400.28	-	-	-	-	3400.28	-	-
Softwares**	119.73	-	13.22	-	132.95	56.97	-	28.81	-	-	85.78	47.17	62.76
Technical Know-How**	642.21	-	-	-	642.21	276.85	-	28.15	-	-	305.00	337.21	365.36
Indefeasible Right to Use**	3437.29	-	-	-	3437.29	263.76	-	263.98	-	-	527.74	2909.55	3173.53
Mining Rights	3293.61	-	346.40	-	3640.01	522.95	-	233.25	-	-	756.20	2883.81	2770.66
(Refer Note No.7.01)													
Total (B)	10893.12	-	359.62	-	11252.74	4520.81	-	554.19	-	-	5075.00	6177.74	6372.31
Total (A+B)	233029.69	-	2297.10	0.81	235325.98	85750.94	-	8285.40@	0.43	1180.16	95216.07	140109.91	147278.75
Previous Year	194621.88	32202.50	6299.13	93.82	233029.69	68619.05	5559.23	11573.31	0.65	-	85750.94	147278.75	
Capital Work-in-progress												298442.66	189266.58
Intangible Assets under Development												15303.22	13946.30

* Internally generated

** Other than internally generated

@Rs.1.61 lacs (Previous year Rs.0.87 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. NIL (Previous Year Rs. 378.13 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. NIL (Previous year Rs. 73.47 lacs) regrouped from land.

12.06 Capital Work-in-progress includes :	As at 31.03.2015	As at 31.03.2014
	Rs.in lacs	Rs.in lacs
Materials at site	-	25.11
Building under Construction	2972.12	248.03
Plant & Equipments under installation	214468.55	145926.13
Pre-operative Expenses	81001.99	43067.31
TOTAL :	298442.66	189266.58

12.07 Intangible Assets under Development :	As at 31.03.2015	As at 31.03.2014
	Rs. in lacs	Rs. in lacs
Mining Rights	6752.33	6305.14
Pre-operative Expenses	8550.89	7641.16
TOTAL :	15303.22	13946.30

- 12.08** The Company has undertaken Projects for enhancement of capacities of its 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	31.03.2015 (Rs.in lacs)	31.03.2014 (Rs.in lacs)
Raw Materials Consumed	3112.27	-
Consumables, Stores and Spares Consumed	78.89	-
Power & Fuel	766.57	0.09
Remuneration and Benefits to Employees	2409.13	1395.66
Repairs & Maintenance - Others	111.48	27.25
Rent	0.70	-
Rates, Taxes and Fees	28.62	-
Travelling and Conveyance	20.14	8.34
Loading, Unloading & Freight	94.73	-
Legal & Professional	48.02	37.63
Insurance	0.01	0.25
Miscellaneous Expenses	82.85	60.12
Depreciation	1.61	0.87
Finance Costs	36510.61	21367.72
	43265.63	22897.93



Less : Miscellaneous Income	0.66	0.02
Stock of Trial run production	1357.46	-
Cost of Trial run product transfer to other plant	3001.25	-
Preoperative Expenses for the year	38906.26	22897.91
Add : Preoperative Expenses upto Previous Year	50708.47	28288.62
	89614.73	51186.53
Less : Allocated during the year	61.85	478.06
TOTAL :	89552.88	50708.47

12.09 The Ministry of Coal (MoC) had invoked Bank Guarantee of Rs. 1000 Lacs for delay in start of production of Moitra Coal Block, Jharkhand. The Company has challenged the Bank Guarantee (BG) invocation before the Hon'ble Delhi High Court, wherein vide its order dated 30.10.2014, the Writ Petition was disposed off with direction that BG to be kept alive for 3 months and in the event the MoC decides to invoke Bank Guarantee it should give the affected companies two weeks time before encashment of BG to enable them to take appropriate action in accordance with law. As on 31st March, 2015 the BG was alive. Till date MoC has not communicated its decision to the company. The Company is confident that its case is on merits and doesn't envisage any financial impact of the above matter.

12.10 The Company had filed Mining Lease applications for Rowghat Iron Ore Deposit, Bastar, Chhattisgarh. The Chhattisgarh State Government (SG) had rejected the same by a common order which was challenged by the Company. The SG had filed a complaint before the 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 and subsequently the Delhi High Court also confirmed the order. The Hon'ble Delhi High Court, had specifically observed that the Company had successfully undertaken prospecting operations in the area. Subsequently in 2012, SG filed a fresh complaint containing same allegations before the Chief Vigilance Commission (CVC). The Central Bureau of Investigation (CBI) on the directions of the CVC had registered an FIR against the Company alleging certain irregularities. Post completion of the investigations by CBI the case is subjudiced.

The Company doesn't expect any financial effect of the above matter under litigation.

12.11 The Hon'ble Supreme Court of India by its Order dated 24th September, 2014 had cancelled number of coal blocks allotted to various entities which included three coal blocks consisting of one operational coal block at Gare Palma IV/4 -Raigarh, Chhattisgarh and two under development coal blocks at Gare Palma IV/8- Raigarh, Chhattisgarh and Moitra at North Karanpura, Jharkhand allotted to the Company by the Ministry of Coal, Government of India.

The Government of India, has issued second Ordinance on 26th December, 2014 for implementing the order of the Hon'ble Supreme Court and fixation of Compensation etc.

In the E Auction of the Schedule II (Operational) and Schedule III (Under advanced development stage) coal blocks which included the above three coal mines of the Company conducted by the Nominated Authority, Ministry of Coal got awarded to different bidders.

As on 31st March, 2015 the Company's Net investment in the value of Mining Assets in the three Coal blocks was Rs. 24461.50 lacs. The Company had also made provision for Rs. 2694.95 lacs for site restoration expenses.

The Company had filed a Writ Petition (WP) before the Hon'ble Delhi High Court, challenging the provisions of Ordinance and Tender process. The Hon'ble Delhi High Court was pleased to issue Notice to the Central Government (Union of India) on its WP. Subject to outcome of the WP, no adjustment has been made in the value of the above mentioned mining assets as the value of compensation to be received cannot be determined at this stage. The losses/gains, if any on account of it would be recognised as and when determined.

12.12 Pursuant to the enactment of the Companies Act, 2013, the Company has applied the estimated useful lives as specified in Schedule II of the Act or as determined based on technical evaluation in respect of certain plant and machineries of the Company. Accordingly the unamortised carrying value is being depreciated/amortised over the revised/remaining useful life. The written down value of fixed assets whose life has expired as at 1st April, 2014 amounting to Rs. 1180.16 lacs has been adjusted net of deferred tax of Rs. 408.43 lacs against the retained earnings.

12.13 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 (except mining assets referred to Note no. 12.11 above) 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, 2015.

NOTE : 13 NON CURRENT INVESTMENTS

(Long Term Investments)

PARTICULARS	As at		As at	
	31.03.2015		31.03.2014	
	Rs.	Rs.in lacs	Rs.	Rs.in lacs
	Face		Face	
	Value		Value	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Trade Investments (Unquoted, Fully Paid Up)				
In Equity Shares - Others				
Punjab & Maharashtra Co-operative Bank Ltd.	40	40	25	0.01
The City Co-operative Bank Ltd. (Rs. 250)	10	10	25	0.00
TOTAL				0.01
13.01 Aggregate Amount of Unquoted Investments				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	
	31.03.2015		31.03.2014	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
Capital Advances				
To Related Parties (Refer Note No.34 (c))	-			127292.14
To Others	86644.16			3331.92
		86644.16		130624.06
Loans and advances to Subsidiary (Refer Note No.34 (c))		758.30		758.30
Deposits		1681.57		1429.97
Advance Payment of Income-tax (Net)		1886.99		1160.47
MAT Credit Entitlement		9929.83		9552.47
TOTAL		100900.85		143525.27

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. 377.36 lacs (Previous Year Rs.1780.87 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, 2015 is Rs.9929.83 lacs (Previous Year Rs. 9552.47 lacs).

NOTE : 15 CURRENT INVESTMENTS

PARTICULARS	As at		As at	
	31.03.2015		31.03.2014	
	Rs.	Rs.in lacs	Rs.	Rs.in lacs
	Face		Face	
	Value		Value	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
In Equity Shares of Subsidiary Company (Unquoted, Fully Paid up)				
Jayaswal Neco Urja Limited *	13705500	13705500	10	1370.55
In Equity Shares - Fully Paid Up (Quoted)				
Antarctica Graphics Limited	53000	53000	1	0.53



Datar Switchgears Limited	2200	2200	10	1.05	1.05
Elbee Services Limited	1400	1400	10	1.96	1.96
Jindal Steel & Power Limited	-	3000	5	-	0.55
JSW Steel Limited	-	8	10	-	0.01
Kirloskar Ferrous Industries Limited	-	100	5	-	0.02
Tata Steel Limited	-	135	10	-	0.41
Tourism Finance Limited	-	3000	10	-	0.90
Triveni Sheet Glass Limited	1000	1000	10	1.00	1.00
Usha Martin Limited	-	500	10	-	0.05
In Equity Shares - Fully Paid Up (Unquoted)					
Essar Steel Limited	60	60	10	0.03	0.03
Other Investments - Unquoted					
In Preference Shares - Fully Paid Up					
JSW Ispat Steel Limited (Rs.400)	-	40	10	-	0.00
In Mutual Fund (In Units)					
SBI One India Fund	24273	104300	10	10.43	10.43
SBI Infrastructure Fund	50000	50000	10	5.00	5.00
SBI Dual Advantage Fund	500000	-	10	50.00	-
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	99990	100000	10	10.00	10.00
				1500.55	1452.49
Less : Provision for diminution in the value				4.39	5.69
TOTAL				1496.16	1446.80

* Trade Investments

15.01	Refer Note No. 1.08 for the basis of valuation		
15.02	Aggregate Amount of Quoted Investment	0.15	1.98
15.03	Aggregate Market Value of Quoted Investment	0.17	10.52
15.04	Aggregate Amount of Unquoted Investment	1496.01	1444.82
15.05	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	
	31.03.2015	31.03.2014
	Rs.in lacs	Rs.in lacs
Raw Materials	35296.96	30682.95
Raw Materials-in-transit	10418.16	7754.45
Work-in-progress	5264.34	4399.60
Finished Goods *	30997.16	26822.57
Finished Goods-in-transit	64.45	50.56
Stock In Trade	673.15	191.55
Stores, Spares and Consumables	9745.19	8263.37
TOTAL	92459.41	78165.05

*Includes Rs. 1357.46 lacs (Previous year Nil) 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 31.03.2015	As at 31.03.2014
	Rs.in lacs	Rs.in lacs
Iron & Steel Castings	5103.17	4226.07
Coke	89.47	103.08
Sponge Iron	71.70	70.45
TOTAL	5264.34	4399.60

16.03 Broad Heads of Finished Goods:

Particulars	As at 31.03.2015	As at 31.03.2014
	Rs. in lacs	Rs. in lacs
Iron & Steel Castings	1143.11	1390.90
Pig Iron/Skull	750.47	2542.50
Billets/Rolled Products	24373.01	20170.58
Sponge Iron	187.58	264.87
Pellet	1491.91	-
Others	3115.53	2504.28
TOTAL	31061.61	26873.13

NOTE : 17 TRADE RECEIVABLES (Unsecured)

PARTICULARS	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Outstanding for a period exceeding six months from the date they were due for payment.			
Considered good	2930.75		1652.11
Considered doubtful	949.73		575.65
	3880.48		2227.76
Less : Provision for Doubtful Receivables	949.73		575.65
		2930.75	1652.11
Other trade receivables - considered good		28515.33	39410.82
TOTAL		31446.08	41062.93

NOTE : 18 CASH AND BANK BALANCES

PARTICULARS	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Cash and Cash Equivalents			
Balances with Banks			
In Current Accounts	1191.94		19558.95
Cheques in hand	826.70		1656.46
Cash on hand	110.45		72.42
		2129.09	21287.83
Other Bank Balances			
In Current Account**		77.19	77.19
Fixed Deposits with Banks			
Pledged as Margin Money *		3811.73	4091.99
TOTAL		6018.01	25457.01

* Includes Rs.480.90 lacs (Previous Year Rs. 585.10 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 31.03.2015 Rs.in lacs	As at 31.03.2015 Rs.in lacs	As at 31.03.2014 Rs.in lacs
Loans and advances to Related Parties (Refer Note No.34 (c))		188.05	407.42
Advances to Suppliers	3540.90		4980.27
Prepaid expenses	137.65		163.84
Balances with Central Excise Authorities	3173.03		675.83
Others*	27353.92		9205.84
	34205.50		15025.78
Considered doubtful	805.10		1086.39
	35010.60		16112.17
Less : Provision for Doubtful Advances	805.10		1086.39
		34205.50	15025.78
Deposits			
Considered good	115.99		148.73
Doubtful	9.44		9.44
	125.43		158.17
Less : Provision for Doubtful Deposits	9.44		9.44
		115.99	148.73
TOTAL		34509.54	15581.93

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

NOTE : 20 REVENUE FROM OPERATIONS

PARTICULARS	Year ended 31.03.2015 Rs.in lacs	Year ended 31.03.2014 Rs.in lacs
Sale of Products	333066.44	350616.70
Sale of Services/ Job Work Income	2546.51	2792.88
Other Operating Revenues - Export Incentives	15.58	25.57
TOTAL	335628.53	353435.15

20.01 Broad Heads of Sale of Products

Particulars	Year ended 31.03.2015 Rs.in lacs	Year ended 31.03.2014 Rs.in lacs
Iron & Steel Castings	42128.98	43780.81
Pig Iron / Skull	77682.53	75559.17
Billets/Rolled Products	160839.09	180398.40
Sponge Iron	37083.86	44060.14
Power	2139.82	1995.82
Cotton Yarn	7327.58	-
Others	5864.58	4822.36
TOTAL	333066.44	350616.70

20.02 Broad Heads of Sale of Services

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
Job Work	978.05	1021.84
Management Consultancy	1179.78	1685.40
Others	388.68	85.64
TOTAL	2546.51	2792.88

NOTE: 21 OTHER INCOME

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
Interest Income	1435.53	675.37
Dividend on Current Investments	-	0.09
Profit on Sale of Current Investments (Net)	10.09	0.43
Other Miscellaneous Receipts	291.18	355.75
TOTAL	1736.80	1031.64

NOTE : 22

COST OF MATERIALS CONSUMED

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
Materials Consumed		
Iron and Steel Scrap	16683.85	14620.67
Iron Ore	61558.76	64092.74
Metallurgical Coke	47589.64	56720.10
Coal and Coke	12467.80	17367.89
Billets/ Rolled Products	19663.01	26630.20
Others	8221.66	8401.30
TOTAL	166184.72	187832.90

22.01 Materials Consumed includes:

Particulars	Year ended 31.03.2015		Year ended 31.03.2014	
	Percentage	Value	Percentage	Value
Imported	11.09%	18422.23	11.63%	21845.56
Indigenous	88.91%	147762.49	88.37%	165987.34
	100.00%	166184.72	100.00%	187832.90


NOTE : 23 PURCHASE OF STOCK IN TRADE

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
Purchase of Stock in Trade		
Iron & Steel Castings	1585.76	1345.81
Pig Iron / Skull	715.17	1006.06
Rolled Products	18575.48	13912.31
Cotton Yarn	6957.67	-
Coal	1480.22	-
Others	1144.80	641.61
TOTAL	30459.10	16905.79

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

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Closing Inventories			
Finished Goods	31061.61		26873.13
Less: Stock of trial run product	1357.46		-
	29704.15		26873.13
Work-in-progress	5264.34		4399.60
Stock in Trade	673.15		191.55
		35641.64	31464.28
Opening Inventories			
Finished Goods	26873.13		24530.05
Work-in-progress	4399.60		3557.00
Stock in Trade	191.55		145.20
	31464.28		28,232.25
Add : Acquired Pursuant to Scheme of Arrangement	-		138.61
		31464.28	28370.86
(Increase)/Decrease in Inventories		(4177.36)	(3093.42)

NOTE : 25 EMPLOYEE BENEFITS EXPENSE

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
Salaries, Wages and Allowances	13146.53	12297.02
Contribution to P.F. and Other Funds	1332.70	1373.23
Welfare and Other Amenities	1282.98	1246.68
TOTAL	15762.21	14916.93

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 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
Defined Contribution Plan		
Employer's Contribution to Provident Fund, ESIC and Other Funds	1112.21	1039.94

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 31.03.2015 (Funded) Rs. in lacs	As at 31.03.2014 (Funded) Rs. in lacs
Reconciliation of Opening and Closing balance of Defined Benefit Obligation.		
Defined Benefit Obligation at the beginning of the year	2726.34	2280.80
Current Service Cost	375.55	348.36
Interest Cost	214.26	179.58
Past Service Benefit	-	29.09
Benefit Paid	(96.19)	(72.07)
Transfer In	43.17	34.85
Actuarial Loss / (Gain)	(166.74)	(74.27)
Defined Benefit Obligation at year end.	3096.39	2726.34
Reconciliation of Opening and Closing balance of Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	2131.25	1387.80
Expected Return on Plan Assets	212.94	160.71
Employer Contribution	608.47	662.08
Benefit paid	(96.19)	(72.07)
Actuarial Gain /(Loss) on Plan Assets	(1.34)	(7.27)
Fair Value of Plan Assets at year end.	2855.13	2131.25
Reconciliation of Fair Value of assets and obligations		
Fair Value of Plan Assets	2855.13	2131.25
Present Value of Funded Obligations	3096.39	2726.34
Amount recognised in the Balance Sheet	241.26	595.09
Expense recognized in Statement of Profit & Loss Account		
Current Service Cost	375.55	348.36
Interest on Defined Benefit Obligation	214.26	179.58
Expected return on Plan Assets	(212.94)	(160.71)
Net Actuarial Loss / (Gain) Recognised in the year	(165.40)	(67.00)
Past Service Cost	-	29.09
Total included in "Remuneration and benefits to Employees"	211.47	329.32

Amounts for the current and previous periods are as follows :

	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Defined Benefit Obligation	3096.39	2726.34	2280.80	1798.59	1329.95
Plan Assets	2855.13	2131.25	1387.80	801.40	555.67
Surplus/(Deficit)	(241.26)	(595.09)	(893.00)	(997.19)	(774.28)
Experience adjustment on Plan Assets (Gain)/Loss	16.98	9.31	*	*	*
Experience adjustment on Plan Liabilities Gain/ (Loss)	166.74	19.52	*	*	*

Actuarial Assumptions

	31.03.2015	31.03.2014
Mortality Table (LIC)	2006-08 (Ultimate)	2006-08 (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)	8.50% & 8.75%	9.25% & 8.75%

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



NOTE : 26 FINANCE COSTS

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
Interest Paid	16319.06	15456.75
Lease Finance Charges	340.63	445.80
Other Borrowing Costs	1825.03	1435.59
TOTAL	18484.72	17338.14

NOTE : 27 OTHER EXPENSES

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs	Rs.in lacs
MANUFACTURING EXPENSES			
Consumables, Stores and Spares Consumed	19931.75		23351.73
Power and Fuel	8292.82		10338.35
Excise Duty	702.93		608.23
Repairs and Maintenance -			
Building	62.65		69.76
Plant and Equipment	7227.76		6813.68
Others	3.25		3.62
Royalty and Cess	4247.84		976.63
Internal Material Movement	3532.87		2900.46
Lease Rent	72.00		-
Other Manufacturing Expenses	1607.78		1491.19
		45681.65	46553.65
SELLING AND DISTRIBUTION EXPENSES			
Advertisement & Publicity	43.31		58.64
Discount and Commission	453.38		385.51
Sales Promotion Expenses	72.86		87.34
Freight and Forwarding	6795.97		7063.56
Sales Tax	9.53		-
Provision for Sales Tax Deferral	493.98		556.53
		7869.03	8151.58
ADMINISTRATIVE EXPENSES			
Rent	214.92		213.51
Rates and Taxes	99.75		72.92
Insurance	216.20		155.00
Foreign Currency Fluctuation (Net)	58.71		1233.51
Printing and Stationery	67.45		56.09
Communication	143.39		123.06
Travelling and Conveyance	1257.22		1290.56
Vehicle Maintenance	141.27		275.09
Legal and Professional Charges	781.01		839.48
Payments to Auditors	72.22		60.07
Security Expenses	434.94		368.51
Miscellaneous	678.92		734.80
		4166.00	5422.60
OTHER EXPENSES			
Bank Charges & Commission	113.44		176.74
Bad Debts / Advances written off	317.40		7.67
Less : Provision written back	303.88		-
	13.52		7.67

Provision for Doubtful Debts/Advances	396.67	127.70
Provision for Wealth Tax	1.66	1.56
Loss on Sale of Assets	0.24	0.75
Donations	29.31	6.52
	554.84	320.94
TOTAL	58271.52	60448.77

27.01 Break-up of Payments to Auditors

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
Audit Fees	49.85	44.84
Tax Audit Fees	7.05	3.50
Certification Charges	7.50	6.00
Out of Pocket Expenses	7.82	5.73
TOTAL	72.22	60.07
Cost Audit Fees	1.25	1.25

27.02 Consumables, Stores and Spares Consumed includes :

Particulars	Year ended 31.03.2015		Year ended 31.03.2014	
	Percentage	Value	Percentage	Value
Imported	14.09%	2807.59	5.65%	1319.76
Indigenous	85.91%	17124.16	94.35%	22031.97
TOTAL	100.00%	19931.75	100.00%	23351.73

NOTE : 28 EARNINGS PER SHARE

PARTICULARS		Year ended 31.03.2015	Year ended 31.03.2014
		Rs.in lacs	Rs.in lacs
Basic Earnings Per Share			
Net Profit for the year	(A)	196.84	6329.87
Weighted average number of equity shares (Nos.)	(B)	626030323	530398542
Basic Earnings Per Share of Rs.10/- each	(A) / (B)	0.03	1.19
Diluted Earnings Per Share			
Amount available for calculation of diluted EPS	(A)	196.84	6329.87
Weighted average number of equity shares (Nos.)		626030323	530398542
Add : Potential number of Equity Shares		-	8859179
No. of shares used for calculation of Diluted EPS	(B)	626030323	539257721
Diluted Earnings Per Share of Rs.10/- each	(A) / (B)	0.03	1.17



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

NOTE: 30 CONTINGENT LIABILITIES AND COMMITMENTS **31.03.2015** 31.03.2014
(to the extent not provided for) (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)	3603.91	3900.87
b. Corporate Guarantee (Given to Banks against the borrowing taken by one of the associate Company)	1181.00	1181.00
c. Demands not acknowledged as debts		
i) Disputed Excise Duty and Service Tax	2803.14	2728.54
ii) Disputed Sales Tax	2480.80	4065.75
iii) Disputed Customs Duty (Relating to cess on Metallurgical Coke)	865.10	833.11
iv) Other Disputed Demands (Mainly related to demand of Cess on Power, Electricity Duty and Stamp Duty)	6571.77	7155.59
v) Third Party Claims (Matters are pending before various forums)	243.00	420.68
d. Liability in respect of Bills Discounted	19709.59	18412.84
e. Letters of credit opened in favour of suppliers (Cash flow is expected on receipt of material from suppliers)	10304.53	45156.49

B Management is of the view that above litigations will not impact significantly on the financial position of the Company.

C Capital Commitments :

Estimated amount of contracts remaining to be executed on

Capital Accounts and not provided for (net of advances) **21237.49** 52203.52

NOTE: 31 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: 32 i) Derivative Contracts entered into by the Company and outstanding **31.03.2015** 31.03.2014
ii) Foreign Currency exposures that are not hedged by derivatives (Rs.in lacs) (Rs.in lacs)

i) Derivative Contracts entered into by the Company and outstanding	1862.35	351.04
ii) Foreign Currency exposures that are not hedged by derivatives instruments are as under :		
a) Receivable :	486.57	193.01
b) Payable :	321.76	29008.77
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.37.69 lacs (Previous year Rs. 0.24 lacs).		

NOTE: 33 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 2015 and in respect of assets / liabilities as at 31st March, 2015.

Information about Primary (Product wise) segments :

(Rs.in lacs)

	Particulars	Steel	Iron & Steel Castings	Others	Unallocated	Eliminations	Total
1. REVENUE							
	External Sales	283194.37 (309585.73)	43317.62 (43849.42)	9116.54 (-)	- (-)		335628.53 (353435.15)
	Inter-segment sales	876.69 (2772.03)	299.92 (346.53)	- (-)	- (-)	(1176.61) (-3118.56)	- (-)
	Total Revenue	284071.06 (312357.76)	43617.54 (44195.95)	9116.54 (-)	- (-)	(1176.61) (-3118.56)	335628.53 (353435.15)
2. RESULTS							
	Segment Results	27212.43 (26346.73)	629.06 (1812.96)	522.44 (-)	- (-)		28363.93 (28159.69)
	Unallocated Corporate Expenses	- (-)	- (-)	- (-)	431.55 (283.82)		431.55 (283.82)
	Operating Profit / (Loss)	27212.43 (26346.73)	629.06 (1812.96)	522.44 (-)	(431.55) (-283.82)		27932.38 (27875.87)
	Less : Finance Cost	- (-)	- (-)	- (-)	18484.72 (17338.14)		18484.72 (17338.14)
	Add : Unallocated Income	- (-)	- (-)	- (-)	1447.45 (677.48)		1447.45 (677.48)
	Less : Exceptional Item	9161.53 (-)	- (-)	- (-)	- (-)		9161.53 (-)
	Less : Tax Expenses (Including Deferred Tax)	- (-)	- (-)	- (-)	1536.74 (4885.34)		1536.74 (4885.34)
	Net Profit / (-) Loss	18050.90 (26346.73)	629.06 (1812.96)	522.44 (-)	(19005.56) (-21829.82)		196.84 (6329.87)
3. OTHER INFORMATION							
	Segment Assets	662361.82 (596468.95)	37119.11 (38602.14)	2712.83 (-)	- (-)		702193.76 (635071.09)
	Unallocated Corporate Assets	- (-)	- (-)	- (-)	18492.09 (20659.54)		18492.09 (20659.54)
	Total Assets	662361.82 (596468.95)	37119.11 (38602.14)	2712.83 (-)	18492.09 (20659.54)		720685.85 (655730.63)
	Segment Liabilities	60274.36 (53605.23)	9180.25 (9769.99)	1961.34 (-)	- (-)		71415.95 (63375.22)
	Unallocated Corporate Liabilities	- (-)	- (-)	- (-)	427457.99 (379968.61)		427457.99 (379968.61)
	Total Liabilities	60274.36 (53605.23)	9180.25 (9769.99)	1961.34 (-)	427457.99 (379968.61)		498873.94 (443343.83)
	Capital Expenditure	68320.08 (118388.82)	486.20 (1167.48)	- (-)	43.92 (-)		68850.20 (119556.30)
	Depreciation	6899.10 (10319.55)	1382.16 (1249.53)	- (-)	4.14 (4.23)		8285.40 (11573.31)

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 Segment comprise of trading of cotton yarn, coal & PVC pipes.

NOTE: 34 RELATED PARTY DISCLOSURES :

A. List of related parties :

(As certified by the Management)

I. Subsidiary

Jayaswal Neco Urja Limited

II. Associate Company

Maa Usha Urja Limited

III. Key Management Personnel and their Relatives

Shri B.L. Shaw

Shri P.K. Bhardwaj

Shri Arbind Jayaswal

Shri M.P. Singh (wef 13/11/2014)

Shri Ramesh Jayaswal

Shri. Avneesh Jayaswal (wef 01/09/2014)

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)

Neco Heavy Engineering & Castings Limited

AMR Iron & Steel Private Limited

Neco Ceramics Limited

Neco Mining Company Limited

NSSL Private Limited

Steel & Tube Exports Limited

Jayaswal Neco Metallica Private Limited

Jayaswal Holdings Private Limited

Apex Spinning Mills Private Limited

Anurag Sales & Services Private Limited

Avon Sales & Services Private Limited

Karamveer Impex Private Limited

Jyotikant Investments Private Limited

Nine Star Plastic Packaging Services Private Limited

Jayaswal Neco Infrastructures Private Limited

Vibrant Electronics Limited

Jayaswal Neco Steel & Mining Limited

Jayaswal Neco Energy Private Limited

Parivar Food Industries Private Limited

Jayaswal Neco Power Private Limited

JLD Yavatmal Energy Limited

Nagpur Scrap Suppliers Private Limited

Neco Valves and Pumps Private Limited

Neco Defence Systems Limited

Deify Infrastructures Limited (upto 31.03.2014)

B. Transactions with Related Parties :

(Rs. In lacs)

Nature of Transactions	Subsidiary	Associate	Other Related Parties	Key Management Personnel & Relatives	Total
Shares Allotted during the year	-	-	6850.00	-	6850.00
	(-)	(-)	(12691.15)	(2241.81)	(14932.96)
Investment - as at 31st March, 2015	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	-	352.20	371.82	-	724.02
	(-)	(-)	(1568.92)	(-)	(1568.92)
Repaid during the year	-	469.06	616.87	-	1085.93
	(-)	(167.83)	(10807.14)	(-)	(10974.97)
Balance as on 31 st March 2015	-	2415.32	359.71	-	2775.03
	(-)	(2532.17)	(604.76)	(-)	(3136.93)
Fixed Assets					
Purchase of Fixed Assets	-	-	10.16	-	10.16
	(-)	(-)	(77358.52)	(-)	(77358.52)
Purchase of Goods & Services					
Purchase of Goods & services	-	-	7382.09	-	7382.09
	(-)	(-)	(12832.82)	(-)	(12832.82)
Other Manufacturing Expenses	-	1095.51	1032.61	-	2128.12
	(-)	(1779.40)	(1515.56)	(-)	(3294.96)
Sale of Goods & Services					
Sale of Goods & Services	-	39.13	11705.65	-	11744.78
	(-)	(-)	(11909.92)	(-)	(11909.92)
Trade Payables					
Balance as on 31 st March 2015	-	-	297.48	-	297.48
	(-)	(114.90)	(26.16)	(-)	(141.06)
Other Current Liabilities					
Balance as on 31 st March 2015	-	-	16.47	-	16.47
	(-)	(-)	(20.17)	(-)	(20.17)
Interest Accrued but not due on borrowings					
Balance as on 31 st March 2015	-	-	25.58	-	25.58
	(-)	(-)	(76.66)	(-)	(76.66)
Deposit Received as on 31st March 2015	-	-	15.00	-	15.00
	(-)	(-)	(15.00)	(-)	(15.00)
Loans and Advances					
Balance as on 31 st March 2015	758.30	16.94	171.11	-	946.35
	(758.30)	(-)	(407.42)	(-)	(1165.72)
Capital Advances					
Balance as on 31 st March 2015	-	-	-	-	-
	(-)	(-)	(127292.14)	(-)	(127292.14)
Trade Receivables					
Balance as on 31 st March 2015	-	-	4183.03	-	4183.03
	(-)	(-)	(4224.84)	(-)	(4224.84)
Interest Receivables					
Balance as on 31 st March 2015	79.01	-	-	-	79.01
	(-)	(-)	(-)	(-)	(-)
Income					
Rent Received	-	-	0.90	-	0.90
	(-)	(-)	(0.90)	(-)	(0.90)



(Rs. In lacs)

Nature of Transactions	Subsidiary	Associate	Other Related Parties	Key Management Personnel & Relatives	Total
Interest Income	87.79 (96.66)	- (-)	- (-)	- (-)	87.79 (96.66)
Commission Income	- (-)	6.63 (5.91)	- (-)	- (-)	6.63 (5.91)
Reimbursement of Expenses to the Company	- (10.21)	25.80 (2.03)	194.32 (199.76)	- (-)	220.12 (212.00)
Expenditure					
Payment of Salaries / Perquisites	- (-)	- (-)	- (-)	315.44 (221.01)	315.44 (221.01)
Sitting Fees	- (-)	- (-)	- (-)	0.65 (0.20)	0.65 (0.20)
Service Charges	- (-)	- (-)	0.96 (4.57)	- (-)	0.96 (4.57)
Rent Paid	- (-)	72.00 (-)	- (-)	13.20 (13.20)	85.20 (13.20)
Interest Paid	- (-)	352.20 (378.17)	65.83 (85.18)	- (-)	418.03 (463.35)
Reimbursement of Expenses by the Company	- (0.08)	35.70 (0.12)	12.44 (77.44)	- (-)	48.14 (77.64)

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

C. Details of major transactions with Related Parties :

		31.03.2015 (Rs.in lacs)	31.03.2014 (Rs.in lacs)
Shares Allotted during the year	Avon Sales & Services Private Limited	750.00	1320.00
	Anurag Sales & Services Private Limited	790.00	1420.00
	Apex Spinning Mills Private Limited	725.00	1460.00
	Nine Star Plastic Packaging Services Private Limited	680.00	1150.00
	Karamveer Impex Private Limited	740.00	1300.00
	Jayaswal Neco Metallica Private Limited	700.00	1280.00
	Jayaswal Neco Energy Private Limited	775.00	1330.00
	Jayaswal Neco Power Private Limited	850.00	808.00
	Jayaswal Neco Infrastructures Private Limited	840.00	1600.00
Investment - Closing Balance	Jayaswal Neco Urja Limited	1370.55	1370.55
Corporate Guarantee Given			
Balance as on 31 st March, 2015	Maa Usha Urja Limited	1181.00	1181.00
Unsecured Loans taken	AMR Iron & Steel Private Limited	371.82	1556.35
	Maa Usha Urja Limited	352.20	-
Unsecured Loans repaid	AMR Iron & Steel Private Limited	591.26	1094.88
	Maa Usha Urja Limited	469.06	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 31 st March, 2015	Maa Usha Urja Limited	2415.32	2532.17
	AMR Iron & Steel Private Limited	359.71	579.15

	Jyotikant Investments Private Limited	-	4.10
	Nagpur Scrap Suppliers Private Limited	-	7.17
	Vibrant Electronics Limited	-	7.17
	Parivar Food Industries Private Limited	-	7.17
Purchase of Fixed Assets	Neco Defence Systems Limited	10.16	-
	Deify Infrastructures Limited	-	76812.27
Purchase of Goods & Services	NSSL Private Limited	5952.06	3188.52
	Neco Heavy Engineering & Castings Limited	1393.06	1034.84
	Deify Infrastructures Limited	-	8561.90
Other Manufacturing Expenses	NSSL Private Limited	207.27	120.52
	Neco Ceramics Limited	702.50	1185.02
	Maa Usha Urja Limited	1095.51	1779.40
Sale of Goods & Services	NSSL Private Limited	10159.80	8922.25
	Neco Heavy Engineering & Castings Limited	1507.97	2677.13
Trade Payables	Maa Usha Urja Limited	-	114.90
	NSSL Private Limited	287.84	20.14
Other Current Liabilities	Steel & Tube Exports Limited	16.47	20.07
Interest Accrued but not due on borrowings	AMR Iron & Steel Private Limited	25.58	73.15
Deposits Received	Neco Heavy Engineering & Castings Limited	15.00	15.00
Loans and Advances	Neco Ceramics Limited	168.81	385.80
- Closing Balance	Jayaswal Neco Urja Limited	758.30	758.30
	Maa Usha Urja Limited	16.94	-
	Neco Defence Systems Limited	2.30	6.89
	JLD Yavatmal Energy Limited	-	0.56
Capital Advances	Deify Infrastructures Limited	-	127292.14
Trade Receivables	NSSL Private Limited	3249.83	3641.37
	Neco Heavy Engineering & Castings Limited	933.20	583.45
Interest Receivable	Jayaswal Neco Urja Limited	79.01	-
Rent Received	Neco Heavy Engineering & Castings Limited	0.90	0.90
Interest Received	Jayaswal Neco Urja Limited	87.79	96.66
Commission Received	Maa Usha Urja Limited	6.63	5.91
Payment of Salaries/Perquisites	Arbind Jayaswal	118.62	91.53
	Ramesh Jayaswal	118.62	91.53
	P.K.Bhardwaj	43.64	37.95
	M.P. Singh	20.17	-
Sitting Fees	B. L. Shaw	0.65	0.20
Service Charges	Steel & Tube Exports Limited	0.96	4.57
Rent Paid	Arbind Jayaswal	6.60	6.60
	Ramesh Jayaswal	6.60	6.60
	Maa Usha Urja Limited	72.00	-
Interest Paid	AMR Iron & Steel Private Limited	65.50	81.28
	Maa Usha Urja Limited	352.20	378.17
Reimbursement of Expenses to the Company	Maa Usha Urja Limited	25.80	2.03
	Neco Heavy Engineering & Castings Limited	174.14	82.59
Reimbursement of Expenses by the Company	Maa Usha Urja Limited	35.70	0.12
	Steel & Tube Exports Limited	11.66	58.87



NOTE : 35 DIVIDEND ACCRUED ON REDEEMABLE PREFERENCE SHARES NOT PROVIDED FOR :

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	(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 : 36 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, 2015 is Rs.758.30 lacs (Previous year Rs. 758.30 lacs). Maximum balance outstanding during the year was Rs.758.30 lacs (Previous year Rs. 758.30 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 : 37 DETAILS OF PRIOR PERIOD EXPENDITURES:

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
Rent	-	1.19
Rates and Taxes	6.69	0.81
Travelling and Conveyance	0.38	-
Legal and Professional Charges	0.68	-
Commission on Sales	1.17	-
Interest Paid	0.02	-
TOTAL	8.94	2.00

NOTE : 38 DETAILS OF CIF VALUE OF IMPORTS:

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
C.I.F. Value of Imports		
i. Raw Materials	8103.27	21681.35
ii. Stores & Components	2286.96	1064.13
iii. Capital Goods	509.75	2.78

NOTE : 39 DETAILS OF EXPENDITURE IN FOREIGN CURRENCY:

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
i. Travelling	11.35	4.89
ii. Salary	35.71	35.20
iii. Rent	6.77	6.75
iv. Others	21.67	4.42

NOTE : 40 DETAILS OF INCOME IN FOREIGN CURRENCY:

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
F.O.B. Value of Exports	807.54	1285.16
Recovery of Freight	23.08	31.66

NOTE : 41 DETAILS OF EXCISE DUTY/ SERVICE TAX RECOVERED :

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
a) Shown as reduction from turnover	33201.52	37330.03
b) Charged to Statement of Profit and Loss on account of difference in stock	702.93	608.23

NOTE: 42 The Exceptional item represents additional levy @ Rs. 295 per MT amounting to Rs.9161.53 lacs on the coal extracted till 31st March, 2014, in pursuance of the order dated 24th September, 2014 of Hon'ble Supreme Court .

NOTE: 43 Expenditure related to Corporate Social Responsibility as per Sec 135 of the Companies Act, 2013 read with Schedule VII.

- a) Gross amount Rs. 161.84 lacs required to be spent by the Company during the year.
- b) Amount spent during the year Rs. 101.12 lacs and Rs. 60.72 lacs short spend.

NOTE: 44 Details of Loan given, Investment made and Corporate Guarantee given covered u/s 186(4) of the Companies Act, 2013.

Sr. No.	Particulars	Year ended 31.03.2015	Year ended 31.03.2014
		Rs.in lacs	Rs.in lacs
I	Loan Given		
	Jayaswal Neco Urja Limited.	758.30	758.30
II	Investment Made		
	Jayaswal Neco Urja Limited.	1370.55	1370.55
III	Corporate Guarantee Given		
	Maa Usha Urja Limited	1181.00	1181.00

The above Loan/Investment have been given/made for business purpose.

Corporate Guarantee given by the Company for the purpose of loans.

As per our Report of even date
For CHATURVEDI & SHAH
Chartered Accountants
(Registration No. : 101720W)

R. KORIA
Partner
Membership No.:35629

For AGRAWAL CHHALLANI & CO.
Chartered Accountants
(Registration No. : 100125W)

S. R. CHHALLANI
Partner
Membership No.:30154

ASHUTOSH MISHRA
Company Secretary
Membership No.:A23011

For and on behalf of Board of Directors

ARBIND JAYASWAL
Managing Director
DIN : 00249864

P.K.BHARDWAJ
Executive Director &
Chief Financial Officer
DIN : 03451077

Nagpur, 29th May, 2015



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JAYASWAL NECO URJA LIMITED

(Subsidiary Company)



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REPORT OF BOARD OF DIRECTORS

To,

The Members,

JAYASWAL NECO URJA LIMITED

Your Directors are pleased to present the **8TH (EIGHTH) ANNUAL REPORT** together with the Company's Audited Financial Statement for the financial year ended 31st March, 2015.

FINANCIAL SUMMARY:

The Company's financial performance for the year ended 31st March, 2015 is summarised below:

Particulars	(Amount in Rs.)	
	Year ended 31.03.2015	Year ended 31.03.2014
Other Income	18,739	5,84,854
TOTAL REVENUE	18,739	5,84,854
Expenses :		
Employee Benefits Expenses	-	6,89,083
Finance Costs	87,79,281	97,03,111
Depreciation and Amortization Expenses	37,274	7,593
Other Expenses	80,43,943	17,98,432
TOTAL EXPENSES	1,68,60,498	1,21,98,219
Profit / (Loss) before tax	(1,68,41,759)	(1,16,13,365)
Tax Expense	-	-
Profit / (Loss) for the year	(1,68,41,759)	(1,16,13,365)

DIVIDEND:

In view of loss during the year under review, Directors do not recommend any dividend.

STATUS OF THE PROJECTS:

The Company is in process of setting up power plant projects at Raigarh, Chhattisgarh and in Jharkhand State. The execution of the project has been affected due to cancellation of coal blocks allotted to M/s Jayaswal Neco Industries Limited (Holding Company), 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. The Company intends to restore the project development activities as soon as the conditions are improved for the power industry. Further, the proposal of Holding Company to dilute its stake in the Company is still kept on hold.

The Company has not yet started any commercial activity and as such there was no income from operations. During the year under review, the Company has earned interest income of Rs. 18,739/- as compared to Rs. 5,84,854/- for previous year. The expenditure for the year under review is Rs. 1,68,60,498/- as compared to Rs. 1,21,98,219/- for previous year.

TRANSFER TO RESERVES:

The Company does not propose to transfer any amount to the general reserve for the financial year ended 31st March, 2015.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

During the year under review, Shri Anand Jayaswal and Shri Avneesh Jayaswal resigned from the directorship of the Company with effect from 15th December, 2014 and 17th December, 2014, respectively.



In order to comply with the provisions of Section 149 of the Companies Act, 2013 and Rules made thereunder, the Board of Directors at its meeting held on 16th May, 2015, had appointed Shri Brajkishore Agrawal and Shri Arvind Iyer as Additional Director in Independent capacity.

In order to comply with the provisions of Section 203 of the Companies Act, 2013 and Rules made thereunder, the Board of Directors at its meeting held on 16th May, 2015, had appointed following Key Managerial Personnel (KMP):

1. Shri Arvind Jayaswal, Managing Director (DIN 00249864);
2. Shri Pramod Kumar Bhardwaj, Chief Financial Officer (PANAAAPB1143K); and
3. Shri Murli Lahoti, Company Secretary (ICSI Membership No. A18206).

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and Rules made there under and Articles of Association of the Company, Shri Ramesh Jayaswal, Director, retires at the ensuing Annual General Meeting and being eligible offered himself for re-appointment.

As per the provisions of Section 196(4) of the Companies Act, 2013 and Rules made thereunder, the Board recommends appointment of Shri Arvind Jayaswal as Managing Director of the Company.

Based on the notices in writing received from members under Section 160 of the Companies Act, 2013, and other applicable provisions, your Board recommends the appointment of Shri Brajkishore Agrawal and Shri Arvind Iyer as Independent Director in the Company for a period of 5(five) consecutive years effective from 16th May, 2015.

The present Directors of the Company are as follows:

- 1) Shri Basant Lal Shaw, Director (DIN 00249729);
- 2) Shri Arvind Jayaswal, Managing Director (DIN 00249864);
- 3) Shri Ramesh Jayaswal, Director (DIN 00249947);
- 4) Shri Brajkishore Agrawal, Director (Independent) (DIN 01223894);
- 5) Shri Arvind Iyer, Director (Independent) (DIN 01375173);

NUMBER OF MEETINGS OF BOARD:

During the year under review, 4 (Four) meetings were held. The dates of the meetings are 30th April, 2014, 11th August, 2014, 13th November, 2014 and 12th February, 2015.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

Shri Brajkishore Agrawal and Shri Arvind Iyer, both Independent Directors of the Company have submitted their declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Rules made thereunder, at the time of their appointment, as required under Section 149(7) of the Companies Act, 2013.

COMMITTEES OF BOARD OF DIRECTORS:

The Board of Directors has duly constituted Audit Committee and Nomination & Remuneration Committee, in accordance with the applicable provisions of Companies Act, 2013 and Rules made thereunder.

RISK MANAGEMENT POLICY:

In compliance with the provisions of Section 134(3)(n) of the Companies Act, 2013, the Board of Directors has formulated and adopted the Risk Management Policy. The Board of Directors has delegated the Audit Committee authority to monitor the Risk Management Policy including (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. We affirm that, all risk managements are monitored and resolved as per the process laid out in the policy.

NOMINATION AND REMUNERATION POLICY :

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes

and independence of directors and recommends to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees. The brief terms of the policy framed by the Nomination and Remuneration Committee, in pursuant to the provisions of Section 178(4) of the Companies Act, 2013 and Rules made thereunder are as follows:

- (a) The committee shall ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- (b) The committee shall also ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) The committee shall also ensure that the remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The Key Objectives of the Committee are:

- (i) To guide the Board in relation to appointment and removal of directors, key managerial personnel and senior management.
- (ii) To recommend to the Board on remuneration payable to the directors, key managerial personnel and senior management.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors state that :

- (a) in the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) 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 at the end of the financial year and of the loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis; and
- (e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDITORS & AUDITORS' REPORT :

At the Annual General Meeting held on 22nd September, 2014, M/s. Agrawal Chhallani & Co., Chartered Accountants, Nagpur were appointed as the Joint Statutory Auditors of the Company to hold office till the conclusion of 10th Annual General Meeting and M/s. Chaturvedi & Shah, Chartered Accountants, Mumbai, were appointed as the Joint Statutory Auditors of the Company to hold office till the conclusion of 12th Annual General Meeting of the Company.

In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the Joint Statutory Auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s Agrawal Chhallani & Co., Chartered Accountants, Nagpur and M/s Chaturvedi & Shah, Chartered Accountants, Mumbai, as Joint Statutory Auditors of the Company, is placed before the members for ratification.

The Company has received the consent letters / certificate from both the Joint Statutory Auditors to the effect that their ratification of 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 ratification of appointment. The Board recommends the ratification of appointment of Joint Statutory Auditors to the members.

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. The Auditors' Report does not contain any qualification, reservation or adverse remark, however there are matter of emphasis mentioned by the Auditors.

EXTRACT OF THE ANNUAL RETURN:

In pursuant to the provisions of Section 92 of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, Extract of Annual Return in form MGT-9 is annexed herewith as "Annexure I" which forms part of this Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

During the year under review, the Company has not provided any loan, extended any guarantee or made investments as covered under Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the year under review, the Company has not entered into any contracts or arrangements with related parties as referred under Section 188(1) of the Companies Act, 2013 and Rules made thereunder.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

The disclosures relating to conservation of energy and technology absorption are nil. There were no foreign exchange earnings or outgo for the year under review.

HOLDING, SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANY:

The Company does not have any Subsidiary, Joint Venture or Associate Company. However, the Company is subsidiary of M/s Jayaswal Neco Industries Limited (CIN L28920MH1972PLC016154), which holds 1,37,05,500 equity shares of Rs. 10/- each having shareholding of 99.82% in the Company.

PARTICULARS OF EMPLOYEES:

During the year under review, there were no employees in the Company who are drawing prescribed salary pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

GENERAL DISCLOSURE:

Your Directors state that, no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- 1) Details relating to deposits covered under Chapter V of the Act.
- 2) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- 3) No cases have been filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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.

**For and on behalf of the Board of Directors
JAYASWAL NECO URJA LIMITED**

Date : 12th August, 2015

Place : Nagpur

**BASANT LALL SHAW
CHAIRMAN
(DIN 00249729)**

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Annexure I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN	U40102MH2007PLC169762
ii)	Registration Date	9th April, 2007
iii)	Name of the Company	JAYASWAL NECO URJA LIMITED
iv)	Category / Sub-Category of the Company	Public Company / Limited by Shares
v)	Address of the Registered office and contact details	F-8, MIDC Industrial Area, Hingna Road, Nagpur 440016, Maharashtra, India.
vi)	Whether listed company	No
vii)	Name, Address and Contact details of RTA, if any	-

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the products / services	% of total turnover of the Company
		NIL	

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Jayaswal Neco Industries Limited, F-8, MIDC Industrial Area, Hingna Road, Nagpur 440016, Maharashtra, India.	L28920MH1972PLC016154	Holding	99.82	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2014)				No. of Shares held at the end of the year (As on 31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTER									
(1) Indian									
(a) Individual / HUF	-	5000	5000	0.04	-	5000	5000	0.04	-
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt.	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	-	13722500	13722500	99.95	-	13722500	13722500	99.95	-
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	-	13727500	13727500	99.99	-	13727500	13727500	99.99	-

(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoters (A)	-	13727500	13727500	99.99	-	13727500	13727500	99.99	-
[(A) = (A)(1) + (A)(2)]									
B. PUBLIC SHAREHOLDING									
(1) Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks / FI	-	-	-	-	-	-	-	-	-
(c) Central Govt.	-	-	-	-	-	-	-	-	-
(d) State Govt.	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
(a) Bodies Corporate									
(i) Indian	-	2500	2500	0.01	-	2500	2500	0.01	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 Lakhs	-	-	-	-	-	-	-	-	-
(ii) Individual shareholders holding nominal share capital excess Rs. 1 Lakhs	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	-	2500	2500	0.01	-	2500	2500	0.01	-
Total public shareholding (B) [(B)=(B)(1)+(B)(2)]	-	2500	2500	0.01	-	2500	2500	0.01	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL [A+B+C]	-	13730000	13730000	100.00	-	13730000	13730000	100.00	-



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2014)			Shareholding at the end of the year (As on 31.03.2015)			% Change in Shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares pledged/encumbered to total Shares	No. of Shares	% of total Shares of the company	% of Shares pledged/encumbered to total Shares	
1	Shri Basant Lall Shaw	1000	0.01	-	1000	0.01	-	-
2	Shri Arvind Jayaswal	1000	0.01	-	1000	0.01	-	-
3	Shri Ramesh Jayaswal	1000	0.01	-	1000	0.01	-	-
4	Smt. Nisha Jayaswal	1000	0.01	-	1000	0.01	-	-
5	Smt. Rita Jayaswal	1000	0.01	-	1000	0.01	-	-
6	Jayaswal Holdings P. Ltd.	3000	0.02	-	3000	0.02	-	-
7	Neco Valves & Pumps P. Ltd.	1000	0.01	-	1000	0.01	-	-
8	Jayaswal Neco Industries Ltd.	13705500	99.82	-	13705500	99.82	-	-
9	Jayaswal Neco Energy P. Ltd.	13000	0.09	-	13000	0.09	-	-
	TOTAL	13727500	99.99	-	13727500	99.99	-	-

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

iii) Change in Promoters' Shareholding

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Shri Basant Lall Shaw				
	At the beginning of the year	1000	0.01	1000	0.01
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	--	--	--	--
	At the end of the year	1000	0.01	1000	0.01
2	Shri Arvind Jayaswal				
	At the beginning of the year	1000	0.01	1000	0.01
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	--	--	--	--
	At the end of the year	1000	0.01	1000	0.01

3	Shri Ramesh Jayaswal				
	At the beginning of the year	1000	0.01	1000	0.01
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	--	--	--	--
	At the end of the year	1000	0.01	1000	0.01
4	Smt. Nisha Jayaswal				
	At the beginning of the year	1000	0.01	1000	0.01
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	--	--	--	--
	At the end of the year	1000	0.01	1000	0.01
5	Smt. Rita Jayaswal				
	At the beginning of the year	1000	0.01	1000	0.01
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	--	--	--	--
	At the end of the year	1000	0.01	1000	0.01
6	Jayaswal Holdings Private Limited				
	At the beginning of the year	3000	0.02	3000	0.02
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	--	--	--	--
	At the end of the year	3000	0.02	3000	0.02
7	Neco Valves & Pumps Private Limited				
	At the beginning of the year	1000	0.01	1000	0.01
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	--	--	--	--
	At the end of the year	1000	0.01	1000	0.01
8	Jayaswal Neco Industries Limited				
	At the beginning of the year	13705500	99.82	13705500	99.82
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	--	--	--	--
	At the end of the year	13705500	99.82	13705500	99.82
9	Jayaswal Neco Energy Private Limited				
	At the beginning of the year	13000	0.09	13000	0.09
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	--	--	--	--
	At the end of the year	13000	0.09	13000	0.09



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs & ADRs)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Deify Infrastructures Limited				
	At the beginning of the year	2500	0.02	2500	0.02
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	--	--	--	--
	At the end of the year	2500	0.02	2500	0.02

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Shri Basant Lall Shaw				
	At the beginning of the year	1000	0.01	1000	0.01
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
	At the end of the year	1000	0.01	1000	0.01
2	Shri Arvind Jayaswal				
	At the beginning of the year	1000	0.01	1000	0.01
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
	At the end of the year	1000	0.01	1000	0.01
3	Shri Ramesh Jayaswal				
	At the beginning of the year	1000	0.01	1000	0.01
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) :	--	--	--	--
	At the end of the year	1000	0.01	1000	0.01

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
1 Principal Amount	-	30,49,95,789	-	30,49,95,789
2 Interest due but not paid	-	-	-	-
3 Interest accrued but not due	-	86,99,045	-	86,99,045
Total (1 + 2 + 3)	-	31,36,94,834	-	31,36,94,834
Change in Indebtedness during the financial year				
* Addition	-	23,00,000	-	23,00,000
* Reduction	-	-	-	-
Net Change	-	23,00,000	-	23,00,000
Indebtedness at the end of the financial year				
1 Principal Amount	-	31,59,94,834	-	31,59,94,834
2 Interest due but not paid	-	-	-	-
3 Interest accrued but not due	-	79,01,353	-	79,01,353
TOTAL (1 + 2 + 3)	-	32,38,96,187	-	32,38,96,187

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount (Rs.)
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	--
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--
2.	Stock Option	--	--
3.	Sweat Equity	--	--
4.	Commission		
	- as % of profit	--	--
	- others, specify	--	--
5.	Others, please specify	--	--
	Total (A)	--	--
	Ceiling as per the Act	--	--

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Director			Total Amount (Rs.)
		Shri Basant Lall Shaw	Shri Arvind Jayaswal	Shri Ramesh Jayaswal	
1.	Independent Directors				
	- Fee for attending Board / Committee meetings	--	--	--	--



	- Commission	--	--	--	--
	- Others, please specify	--	--	--	--
	Total (1)	--	--	--	--
2.	Other Non-Executive Directors				
	- Fee for attending Board / Committee meetings	--	--	--	--
	- Commission	--	--	--	--
	- Others, please specify	--	--	--	--
	Total (2)	--	--	--	--
	Total (B) = (1+2)	--	--	--	--
	Total Managerial Remuneration	--	--	--	--
	Overall Ceiling as per the Act	--	--	--	--

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

C. Remuneration to Key Managerial Personnel other than Managing Director / Manager / Whole Time Director

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (Rs.)
		CEO	Company Secretary	CFO	
1.	Gross salary				
	(a) Salary as per provisions contained u/s 17(1) of the Income-tax Act, 1961	--	--	--	--
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--
2.	Stock Option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission				
	- as % of profit	--	--	--	--
	- others, specify...	--	--	--	--
5.	Others, please specify	--	--	--	--
	Total (C)	--	--	--	--

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. Company					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
B. Directors					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
C. Other Officers in default					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

INDEPENDENT AUDITORS' REPORT

To
The Members of
Jayaswal Neco Urja Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Jayaswal Neco Urja Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the 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 whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, 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 on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements 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, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

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 / modified in respect of this matter.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) The going concern matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - (f) On the basis of the written representations received from the directors as on 31st March, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long -term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

S. R. Chhallani
Membership No. – 30154
Nagpur

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

R. Koria
Membership No. – 35629
Mumbai

Date : 29th May, 2015

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, 2015)

- 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 all the fixed assets and no material discrepancies were noticed on such physical verification.
- 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 3 of the Companies (Auditor's Report) Order, 2015 are not applicable.

- iii. 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 189 of the Act, hence the provisions of the clause (iii) of paragraph 3 of the Companies (Auditor's Report) Order, 2015 are not applicable.
- 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 explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- vi. The Company is in the project stage and hence the maintenance of cost records under section 148 (1) of the Act is not applicable for the year under audit.
- vii. 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. No undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.
 - b. There are no dues of Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Value Added Tax and Cess which have not been deposited on account of any dispute.
 - c. There was no such amount which was required to be transferred to Investor Education and Protection Fund in accordance with the relevant provision of the Companies Act, 1956 and rule made thereunder.
- viii. 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.*
- ix. The company has not borrowed any money from financial institutions or banks and has not issued any debentures. Therefore, the provisions of clause (ix) of paragraph 3 of the Companies (Auditor's Report) Order, 2015 are not applicable to the company.
- x. 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.
- xi. According to the information and explanations given to us, the Company has not taken any term loans during the year.
- xii. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been 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 : 29th May, 2015

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

R. Koria
Membership No. – 35629
Mumbai



BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note	As at 31.03.2015	As at 31.03.2014
		Rs.	Rs.
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	2	137,300,000	137,300,000
Reserves and Surplus	3	(34,217,254) 103,082,746	(17,375,495) 119,924,505
Non-current liabilities			
Long Term Borrowings	4	315,994,834	304,995,789
Other Long Term Liabilities	5	7,901,353 323,896,187	8,699,045 313,694,834
Current liabilities			
Other Current Liabilities	6	7,533,714 7,533,714	7,678,484 7,678,484
TOTAL		434,512,647	441,297,823
ASSETS			
Non-current assets			
Fixed Assets	7		
Tangible Assets		82,050,033	82,087,307
Capital Work-in-Progress		264,333,180	264,333,180
Long Term Loans and Advances	8	87,117,890 433,501,103	87,258,012 433,678,499
Current assets			
Cash and Bank Balances	9	1,008,134	7,235,913
Short Term Loans and Advances	10	3,410 1,011,544	383,411 7,619,324
TOTAL		434,512,647	441,297,823
Significant Accounting Policies	1		
Notes to the Financial Statements	2 to 23		

As per our Report of even date
For AGRAWAL CHHALLANI & CO.
Chartered Accountants
(Registration No. : 100125W)

For and on behalf of Board of Directors

S. R. CHHALLANI
Partner
Membership No.:30154

RAMESH JAYASWAL
Director
DIN : 00249947

ARBIND JAYASWAL
Managing Director
DIN : 00249864

For CHATURVEDI & SHAH
Chartered Accountants
(Registration No. : 101720W)

MURLI LAHOTI
Company Secretary
Membership No. : 18206

P.K.BHARDWAJ
Chief Financial Officer

R. KORIA
Partner
Membership No.:35629

Nagpur, 29th May, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note	Year ended 31.03.2015	Year ended 31.03.2014
		Rs.	Rs.
Other Income	11	18,739	584,854
Total Revenue		18,739	584,854
Expenses:			
Employee Benefits Expense	12	-	689,083
Finance Costs	13	8,779,281	9,703,111
Depreciation and Amortization Expense	7	37,274	7,593
Other Expenses	14	8,043,943	1,798,432
Total Expenses		16,860,498	12,198,219
Loss before tax		(16,841,759)	(11,613,365)
Tax Expense		-	-
Loss for the year		(16,841,759)	(11,613,365)
Earnings per equity share of Rs. 10/- each	15		
Basic and Diluted (Rs.)		(1.23)	(0.85)
Significant Accounting Policies	1		
Notes to the Financial Statements	2 to 23		

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

Chartered Accountants

(Registration No. : 100125W)

For and on behalf of Board of Directors

S. R. CHHALLANI

Partner

Membership No.:30154

RAMESH JAYASWAL

Director

DIN : 00249947

ARBIND JAYASWAL

Managing Director

DIN : 00249864

For CHATURVEDI & SHAH

Chartered Accountants

(Registration No. : 101720W)

MURLI LAHOTI

Company Secretary

Membership No. : 18206

P.K.BHARDWAJ

Chief Financial Officer

R. KORIA

Partner

Membership No.:35629

Nagpur, 29th May, 2015



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	31.03.2015 Rs.	31.03.2014 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss Before Tax as per Statement of Profit and Loss	(16,841,759)	(11,613,365)
ADJUSTED FOR		
Depreciation and Amortization Expense	37,274	7,593
Interest Income	(18,739)	(584,854)
Finance Costs	8,779,281	9,703,111
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES	(8,043,943)	(2,487,515)
ADJUSTMENTS FOR		
Trade and Other Receivables	-	137,879
Other Payables	(101,906)	(5,989,598)
CASH USED IN OPERATIONS	(8,145,849)	(8,339,234)
Direct Taxes (paid) / refunded	97,258	(51,270)
NET CASH FLOW USED IN OPERATING ACTIVITIES	(8,048,591)	(8,390,504)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Income	398,740	510,568
Purchase of Fixed Assets/ Capital Work-in-Progress (Net)	-	(1,010,201)
NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES	398,740	(499,633)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	2,300,000	9,670,136
Finance Costs paid	(877,928)	(1,004,066)
Margin Money (Net)	6,553,662	(451,698)
NET CASH FLOW FROM FINANCING ACTIVITIES	7,975,734	8,214,372
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	325,883	(675,765)
Cash and Cash Equivalents (Opening Balance)	672,251	1,348,016
Cash and Cash Equivalents (Closing Balance)	998,134	672,251

- 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
For AGRAWAL CHHALLANI & CO.
Chartered Accountants
(Registration No. : 100125W)

For and on behalf of Board of Directors

S. R. CHHALLANI
Partner
Membership No.:30154

RAMESH JAYASWAL
Director
DIN : 00249947

ARBIND JAYASWAL
Managing Director
DIN : 00249864

For CHATURVEDI & SHAH
Chartered Accountants
(Registration No. : 101720W)

MURLI LAHOTI
Company Secretary
Membership No. : 18206

P.K.BHARDWAJ
Chief Financial Officer

R. KORIA
Partner
Membership No.:35629

Nagpur, 29th May, 2015

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

NOTE : 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1.01 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013 as adopted consistently by the Company. The financial statements have been prepared on a going concern basis under the historical cost convention.

1.02 USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent 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

- (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 is provided to the extent of depreciable amount on Straight line method over the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

1.05 REVENUE RECOGNITION

Interest income is recognised on a time proportion basis taking into account the amount outstanding and rate applicable

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 in the statement of profit and loss 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 identified as 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 financial statements. Contingent Assets are neither recognized nor disclosed in the financial statements.

NOTE : 2 SHARE CAPITAL

Particulars	As at	
	31.03.2015	As at 31.03.2014
	Rs.	Rs.
Authorised		
50,000,000 (50,000,000) Equity Shares of Rs.10/- each	500,000,000	500,000,000
	500,000,000	500,000,000
Issued, Subscribed and Paid Up		
13,730,000 (13,730,000) 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 31 st March 2015		As at 31 st March 2014	
	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 31 st March 2015		As at 31 st March 2014	
	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 31.03.2015 Rs.	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Surplus/ (Deficit)			
Balance as per last Balance Sheet	(17,375,495)		(5,762,130)
Add: Loss for the year	(16,841,759)		(11,613,365)
		(34,217,254)	(17,375,495)
TOTAL		(34,217,254)	(17,375,495)

NOTE : 4 LONG TERM BORROWINGS

Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Unsecured		
Loans from Related Parties		
Inter Corporate Deposits*	315,994,834	304,995,789
(Refer Note No. 19 (c))		
TOTAL	315,994,834	304,995,789

*Includes Rs.75,830,103/- (Previous Year Rs.67,131,058/-) due to holding Company.

4.01 The above loans include

- (a) Rs. 240,164,731 zero coupon loan which is repayable on demand at anytime on or after 31st March, 2016.
- (b) Rs. 75,830,103 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 31.03.2015 Rs.	As at 31.03.2014 Rs.
Interest Accrued but not due on borrowings	7,901,353	8,699,045
TOTAL	7,901,353	8,699,045

NOTE : 6 OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2015 Rs.	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Creditors for Capital Goods		5,777,385	5,777,385
Other Payables			
Due to Related Parties (Refer Note No.- 19 (c))	35,618		709,811
Statutory Dues	898,485		989,040
Others *	822,226		202,248
		1,756,329	1,901,099
TOTAL		7,533,714	7,678,484

* Mainly includes Provision for Expenses.

(Amount in Rs.)

7.01 Capital Work in Progress:

The company is in the process of setting up power plant projects at Raigarh, Chhattisgarh and at Jharkhand. The execution of the project has been affected due to cancellation of coal blocks allotted to Holding Company, 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 intend 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.

7.02 Pursuant to the enactment of the Companies Act, 2013, the Company has applied the estimated useful lives as specified in Schedule II of the Act. Accordingly the unamortised carrying value is being depreciated/amortised over the revised/remaining useful life.

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

Particulars	As at 31.03.2015	As at 31.03.2014
	Rs.	Rs.
Capital Advances	87,116,841	87,159,705
Advance Income Tax (Net)	1,049	98,307
TOTAL	87,117,890	87,258,012

NOTE : 9 CASH AND BANK BALANCES

Particulars	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
	Rs.	Rs.	Rs.
Cash and Cash Equivalents			
Balances with banks :			
- In Current Accounts	979,551		664,718
Cash on hand	18,583		7,533
		998,134	672,251
Other Bank Balance			
Fixed Deposits with Banks pledged as Margin Money/ Govt. Authority *	10,000		6,563,662
TOTAL	1,008,134		7,235,913

*Includes Rs. 10,000/- (Previous Year Rs.7,11,964/-) having maturity period of more than 12 months.

NOTE : 10 SHORT TERM LOANS AND ADVANCE (Unsecured and Considered Good)

Particulars	As at 31.03.2015	As at 31.03.2014
	Rs.	Rs.
Interest Receivable	3,410	383,411
TOTAL	3,410	383,411

NOTE : 11 OTHER INCOME

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.	Rs.
Interest Income	18,739	584,854
TOTAL	18,739	584,854

NOTE : 12 EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.	Rs.
Salaries, Wages and Allowances	-	653,580
Contribution to P.F.	-	35,503
TOTAL	-	689,083

NOTE : 13 FINANCE COST

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.	Rs.
Interest Expenses	8,779,281	9,671,536
Other Finance Charges	-	31,575
TOTAL	8,779,281	9,703,111



NOTE : 14 OTHER EXPENSES

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.	Rs.
Administrative Expenses		
Rates and Taxes	574,690	1,875
Bank Guarantee Invoked	6,000,000	-
Printing and Stationery	-	26,393
Communication	-	95,542
Travelling and Conveyance	2,560	854,611
Legal and Professional Charges	201,900	504,310
Payment to Auditors		
- Audit Fees	224,720	224,720
Consultancy Charges	956,050	-
Office Expenses	4,200	81,569
Miscellaneous	184	3,862
Other Expenses		
Bank Charges & Commission	79,639	550
Donations	-	5,000
TOTAL	8,043,943	1,798,432

NOTE : 15 EARNING PER SHARE

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.	Rs.
Net Profit / (Loss) after tax	(A) (16,841,759)	(11,613,365)
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) (1.23)	(0.85)

NOTE : 16 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31.03.2015	As at 31.03.2014
	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
(B) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) (Cash flow is expected on execution of such capital contracts on progressive basis)	-	27,072

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 is in the process of setting up power plant projects. The construction and development activities have been temporarily suspended as detailed in Note no. 7.01 and accordingly there is no separate 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 and their Relatives

Shri B.L. Shaw

Shri Arbind Jayaswal

Shri Ramesh 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)

Jayaswal Neco Steel & Mining Limited

Maa Usha Urja Limited

JLD Yavatmal Energy Limited

Jayaswal Neco Infrastructures Private Limited

(b) Transactions with Related Parties

Rs.

Nature of Transaction	Holding Company	Key Managerial Personnel	Other Related Parties	Total
Long Term Borrowings				
Loan - Received / Converted during the year	8,699,045	-	2,300,000	10,999,045
	(6,751,886)	(-)	(2,918,250)	(9,670,136)
Closing Balance as at 31 st March, 2015	75,830,103	-	240,164,731	315,994,834
	(67,131,058)	(-)	(237,864,731)	(304,995,789)
Interest Accrued but not due on borrowings	7,901,353	-	-	7,901,353
	(8,699,045)	(-)	(-)	(8,699,045)
Other Payables				
Closing balance as at 31 st March, 2015	-	-	35,618	35,618
	(-)	(-)	(709,811)	(709,811)
Reimbursement of Expenses to the company	-	-	699,193	699,193
	(8,437)	(-)	(91,968)	(100,405)
Reimbursement of Expenses by the company	-	-	-	-
	(1,021,124)	(-)	(-)	(1,021,124)
Interest Expenses	8,779,281	-	-	8,779,281
	(9,665,606)	(-)	(-)	(9,665,606)
Remuneration paid to Director	-	-	-	-
	(-)	(665,064)	(-)	(665,064)

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

(c) Details of major transactions with Related Parties

Nature of Transaction		As at 31.03.2015	As at 31.03.2014
		Rs.	Rs.
Long Term Borrowings			
- Received/Converted during the year	Jayaswal Neco Steel & Mining Ltd.	2,300,000	2,918,250
	Jayaswal Neco Industries Limited	8,699,045	6,751,886
- Balance as at 31st March, 2015	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.	96,778,250	94,478,250
	Jayaswal Neco Industries Limited	75,830,103	67,131,058
Interest Accrued but not due on borrowing	Jayaswal Neco Industries Limited	7,901,353	8,699,045
Other Payable			
- Balance as at 31st March, 2015	JLD Yavatmal Energy Limited	35,618	709,811



Reimbursement of Expenses to the company	Jayaswal Neco Industries Limited	-	8,437
	JLD Yavatmal Energy Limited	699,193	91,968
Reimbursement of Expenses by the company	Jayaswal Neco Industries Limited	-	1,021,124
Interest paid	Jayaswal Neco Industries Limited	8,779,281	9,665,606
Remuneration paid to Director	Avneesh Jayaswal	-	665,064

NOTE : 20 DEFERRED TAX ASSETS/ LIABILITIES (NET)

Particulars	As at 31.03.2015	As at 31.03.2014
	Rs.	Rs.
(a) Deferred Tax Liabilities		
(i) Related to Fixed Assets	1,902	8,706
TOTAL	1,902	8,706
(b) Deferred Tax Assets		
Unabsorbed Depreciation	17,831	13,118
TOTAL	17,831	13,118
Net Deferred Tax Liability / (Assets)	(15,929)	(4,412)

20.01 As at 31st March, 2015, the Company has Net Deferred Tax Assets of Rs. 15,929/- (Previous Year Rs. 4,412/-). 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 31.03.2015	For the Year ended 31.03.2014
	Rs.	Rs.
Travelling Expenses	-	696,014
TOTAL	-	696,014

NOTE : 22 The Company has not entered into any derivative contract and hence there is no outstanding derivative as on 31st March, 2015.

NOTE: 23 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
For AGRAWAL CHHALLANI & CO.
Chartered Accountants
 (Registration No. : 100125W)

For and on behalf of Board of Directors

S. R. CHHALLANI
Partner
 Membership No.:30154

RAMESH JAYASWAL
Director
 DIN : 00249947

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Managing Director
 DIN : 00249864

For CHATURVEDI & SHAH
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MURLI LAHOTI
Company Secretary
 Membership No. : 18206

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Chief Financial Officer

R. KORIA
Partner
 Membership No.:35629

Nagpur, 29th May, 2015

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



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INDEPENDENT AUDITORS' REPORT

To
The Members of
Jayaswal Neco Industries Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of 'Jayaswal Neco Industries Limited' (hereinafter referred to as "the Holding Company") and its subsidiary (collectively referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") 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 the accounting principles generally accepted in India, including Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Holding Company's preparation 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 whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

As mentioned in Note No. 12.11 to the consolidated financial statements, during the year Hon'ble Supreme Court of India cancelled 3 coal blocks of the Holding Company and subsequently these blocks have been allotted to different bidders in the E-auction by the Ministry of Coal, Government of India. The Holding Company has filed a writ petition before the Hon'ble Delhi High Court challenging the provision of ordinance & tendering process and no adjustments have been made in the value of these 3 coal mining assets for the reasons mentioned therein. We were unable to determine whether any adjustments to these amounts were necessary.



Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the "Basis for Qualified Opinion" paragraph above, the aforesaid consolidated financial statements 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, of the consolidated state of affairs of the Group as at 31st March, 2015, of their consolidated profit and their consolidated 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, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company and the subsidiary company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on the comments in the auditors' reports of the Holding Company and the subsidiary company incorporated in India, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
 - (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the audit report of its subsidiary company, none of the directors of the Holding Company and its subsidiary company incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 12.09, 12.10 and 30 (A) to the consolidated financial statements except for the possible effect of the matters described in the Basis for Qualified Opinion.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts except for the possible effect of the matters described in the Basis for Qualified Opinion.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

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

R Koria
Partner
Membership No. – 35629

Place: Mumbai
Date : 29th May, 2015

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

S. R. Chhallani
Partner
Membership No. – 30154

Place: Nagpur

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Annexure 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 Consolidated Financial Statements for the year ended 31st March, 2015)

Our reporting on the Order includes one subsidiary company incorporated in India, to which the Order is applicable, which have been audited by us.

- (i) In respect of the fixed assets of the Holding Company and the subsidiary company :
 - a. The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - b. The fixed assets were physically verified during the year by the management of the respective entities in accordance with a phased program of verification, which in our opinion is reasonable, having regard to the size of the entities and nature of their assets. No material discrepancies were noticed on such verification as compared with the available records.
- (ii) In respect of inventories of :
 - 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.

The subsidiary company is at project stage and hence has no inventories during the year; therefore the provisions of clause (ii) of paragraph 3 of the Order are not applicable to the subsidiary company.
- (iii) The Holding Company and the subsidiary company have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of clause (iii) of paragraph 3 of the Order are not applicable to the respective entities.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems in the Holding Company and subsidiary company, commensurate with the size of the respective entities and the nature of their business with regard to purchases of inventory, fixed assets and for the sale of goods and services. During the course of our audit no continuing failure to correct major weaknesses in such internal control system has been observed.
- (v) According to the information and explanations given to us, the Holding Company and the subsidiary company have not accepted any deposit during the year from the public. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the respective entities.
- (vi) We have broadly reviewed the cost records maintained by the Holding Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) (d) of the Act and are of the opinion that, prima facie, the prescribed accounts and 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. Further, the subsidiary company is in the project stage and hence the maintenance of cost records is not applicable for the year under audit.



(vii) According to the records and the information and explanations given to us, in respect of statutory dues of the Holding Company and the subsidiary company:

- (a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues applicable to the respective entities with the appropriate authorities except in certain cases of Holding Company. There were no undisputed amounts payable by the respective entities in respect of such statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
- (b) According to the records of the Holding Company the disputed statutory dues of Income-Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess aggregating to **Rs. 8,353.87 Lacs**, that have not been deposited on account of Disputed matters pending before appropriate authorities are as under:

Nature of Dues	Name of the Statute	Period Involved	Amount (Rs. in lacs) (*)	Forum where dispute is pending
Custom Duty	Custom Act, 1962	1998-99	765.10	Supreme Court
		2004-05	100.00	CESTAT
Excise Duty/Service Tax	Central Excise Act, 1944	2000-01	5.52	Supreme Court
		2008-10	5.03	Appellate Tribunal
		2001-12	2088.28	CESTAT
		2005-08	1.98	Additional Commissioner
		2005-10	82.32	Commissioner (Appeal)
Sales Tax / VAT and Entry Tax	Central Sales Tax Act, 1956 and Sales Tax Acts of various states	1993-94, 1995-97, 2002-03 & 2004-05	1128.62	Joint Commissioner
		1996-97, 2002-03 & 2006-09	1281.77	Deputy Commissioner
Electricity Cess / Duty	Electricity Act, 2003 and Chhattisgarh State Electricity Regulatory Commission	2004-05 to 2010-11	2680.49	Supreme Court
		2011-12	200.00	High Court
		2006-08	14.76	Chief Engineer (Electrical) department
Total			8353.87	

(*) Net of amount deposited under protest

In respect of subsidiary company there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise and Cess which have not been deposited on account of any dispute.

- (c) There was no such amount which was required by the Holding Company and Subsidiary Company to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder.
- (viii) The Holding Company and the subsidiary company do not have consolidated accumulated losses at the end of the financial year and they have not incurred cash losses, on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us the Holding Company has not defaulted in repayment of dues to the banks, financial institutions and debenture holders except the repayment of principal

amount to the banks of Rs. 1618.89 lacs and interest of Rs. 6,557.07 lacs for a period less than 60 days. Further the subsidiary company has not borrowed any money from banks or financial institutions and has not issued any debentures; therefore, the provisions of clause (ix) of paragraph 3 of the Order are not applicable to the subsidiary company.

- (x) According to the information and explanations given to us, the Holding Company has given corporate guarantees aggregating to Rs. 1,181 lacs for loan taken by an associate company from a bank, the terms and conditions thereof, in our opinion, are not prima facie prejudicial to the interest of the Holding Company. The subsidiary company has not given any guarantee for loans taken by others.
- (xi) The Holding 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 applied for the purpose for which they were raised. The Subsidiary Company has not taken any term loans during the year.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Holding Company and the subsidiary company and no material fraud on the Holding Company and the subsidiary company has been noticed or reported during the year.

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

R Koria
Partner
Membership No. – 35629

Place: Mumbai
Date : 29th May, 2015

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

S. R. Chhallani
Partner
Membership No. – 30154

Place: Nagpur



CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2015

PARTICULARS	Note No.	As at 31.03.2015 Rs.in lacs	As at 31.03.2014 Rs.in lacs
I. EQUITY AND LIABILITIES			
1) Shareholders' Funds			
Share Capital	2	63862.58	59862.58
Reserves and Surplus	3	157574.46	152317.76
		221437.04	212180.34
2) Non Current Liabilities			
Long Term Borrowings	4	298249.54	247973.00
Deferred Tax Liability (Net)	5	21390.42	20339.88
Other Long Term Liabilities	6	23.42	16.85
Long Term Provisions	7	2694.95	2694.95
		322358.33	271024.68
3) Current Liabilities			
Short Term Borrowings	8	84494.41	100056.21
Trade Payables	9	43211.05	36936.23
Other Current Liabilities	10	45128.25	32172.35
Short Term Provisions	11	6158.90	5609.80
		178992.61	174774.59
TOTAL		722787.98	657979.61
II. ASSETS			
1) Non Current Assets			
Fixed Assets	12		
Tangible Assets		134752.69	141727.33
Intangible Assets		6215.77	6410.34
Capital Work in Progress		301012.82	191836.74
Intangible Assets under Development		15303.22	13946.30
		457284.50	353920.71
Non Current Investments	13	0.01	0.01
Long Term Loans & Advances	14	101013.72	143639.53
		558298.23	497560.25
2) Current Assets			
Current Investments	15	125.61	76.25
Inventories	16	92459.41	78165.05
Trade Receivables	17	31446.08	41062.93
Cash and Bank Balances	18	6028.10	25529.37
Short Term Loans and Advances	19	34430.55	15585.76
		164489.75	160419.36
TOTAL		722787.98	657979.61
Significant Accounting Policies	1		
Notes to the Consolidated Financial Statements	2 to 42		

As per our Report of even date
For CHATURVEDI & SHAH
Chartered Accountants
(Registration No. : 101720W)

For and on behalf of Board of Directors

R. KORIA
Partner
Membership No.:35629

ARBIND JAYASWAL
Managing Director
DIN : 00249864

For AGRAWAL CHHALLANI & CO.
Chartered Accountants
(Registration No. : 100125W)

ASHUTOSH MISHRA
Company Secretary
Membership No.:A23011

P.K.BHARDWAJ
Executive Director
& Chief Financial Officer
DIN : 03451077

S. R. CHHALLANI
Partner
Membership No.:30154

Nagpur, 29th May, 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015

PARTICULARS	Note No.	Year ended 31.03.2015	Year ended 31.03.2014
		Rs.in lacs	Rs.in lacs
1 Revenue from Operations (Gross)	20	335628.53	353435.15
Less: Excise Duty / Service Tax Recovered		33201.52	37330.03
Revenue from Operations (Net)		302427.01	316105.12
2 Other Income	21	1649.20	940.83
3 Total Revenue (1+2)		304076.21	317045.95
4 Expenses			
Cost of Materials Consumed	22	166184.72	187832.90
Purchase of Stock in Trade	23	30459.10	16905.79
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	24	(4177.36)	(3093.42)
Employee Benefits Expense	25	15762.21	14923.82
Finance Costs	26	18484.72	17338.52
Depreciation and Amortization Expenses	12	8284.16	11572.52
Other Expenses	27	58351.96	60466.76
Total Expenses		293349.51	305946.89
5 Profit before Exceptional item and tax (3-4)		10726.70	11099.06
6 Exceptional item	39	9161.53	-
7 Profit before tax (5-6)		1565.17	11099.06
8 Tax Expenses :			
Current Tax		446.51	2390.12
MAT Credit Entitlement		(377.36)	(1780.87)
Deferred Tax Liability (Net)	5	1458.97	4022.20
Income Tax for Earlier Years		8.62	253.89
		1536.74	4885.34
9 Profit for the year (7-8)		28.43	6213.72
10 Earnings per Equity share of Rs.10/- each	28		
Basic (Rs.)		0.00	1.17
Diluted (Rs.)		0.00	1.15
Significant Accounting Policies	1		
Notes to the Consolidated Financial Statements	2 to 42		

As per our Report of even date
For CHATURVEDI & SHAH
Chartered Accountants
(Registration No. : 101720W)

R. KORIA
Partner
Membership No.:35629

For AGRAWAL CHHALLANI & CO.
Chartered Accountants
(Registration No. : 100125W)

S. R. CHHALLANI
Partner
Membership No.:30154

For and on behalf of Board of Directors

ARBIND JAYASWAL
Managing Director
DIN : 00249864

ASHUTOSH MISHRA
Company Secretary
Membership No.:A23011

P.K.BHARDWAJ
Executive Director
& Chief Financial Officer
DIN : 03451077

Nagpur, 29th May, 2015



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	31.03.2015	31.03.2014
	(Rs.in lacs)	(Rs.in lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Statement of Profit and Loss	1565.17	11099.06
ADJUSTED FOR		
Depreciation and Amortization Expenses	8284.16	11572.52
Loss on sale of Fixed Asset (Net)	0.24	0.75
Profit on sale of Investments (Net)	(10.09)	(0.43)
Dividend on Current Investments	-	(0.09)
Interest Income	(1347.93)	(584.56)
Finance Costs	18484.72	17338.52
Unrealised Foreign Exchange differences	(51.05)	(486.31)
Provision for Sales Tax Deferral	493.98	556.53
Bad Debts / Advances written off (Net of reversal)	13.52	7.67
Provision for Doubtful Debts / Advances	396.67	127.70
Provision for diminution in value of Investment	(1.30)	(1.20)
Provision for Wealth tax	1.66	1.56
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	27829.75	39631.72
ADJUSTMENTS FOR		
Trade and Other Receivables	10460.83	(16853.10)
Inventories	(14294.36)	3045.96
Trade and Other Payables	10411.01	(5366.78)
CASH GENERATED FROM OPERATIONS	34407.23	20457.80
Direct Taxes (Paid) / Refund	(1180.69)	(2103.59)
Wealth Tax	(1.56)	(1.67)
NET CASH FLOW FROM OPERATING ACTIVITIES	33224.98	18352.54
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets and Capital Work-in-progress	(52216.08)	(98243.41)
Sale of Fixed Assets	0.14	18.95
Sale of Investments	12.04	0.44
Purchase of Investments	(50.00)	(10.43)
Dividend Income	-	0.09
Movement in Inter Corporate Deposits (Net)	-	19.61
Interest Income	764.24	565.97
NET CASH USED IN INVESTING ACTIVITIES	(51489.66)	(97648.78)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed against issue of Equity Shares	10000.00	17200.00
Repayment of Lease Liability	(895.91)	(896.68)
Proceed from Long Term Borrowings	71126.24	116379.30
Repayment of Long Term Borrowings	(17831.37)	(20578.42)
Short Term Loans (Net)	(15561.80)	16084.20
Finance Costs	(48073.75)	(38567.94)
Margin Money and Current Account not included in Cash and Cash Equivalents	345.80	(674.35)
NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES	(890.79)	88946.11
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(19155.47)	9649.87

Cash and Cash Equivalents (Opening Balance)	21294.55	11644.43
Add : Pursuant to Scheme of Arrangement	-	0.25
Cash and Cash Equivalents (Opening Balance)	21294.55	11644.68
Effect of exchange rate on Cash and Cash Equivalent	0.04	-
Balance of Cash and Cash Equivalent	2139.04	21294.55
Cash and Cash Equivalents (Closing Balance)	2139.08	21294.55

- (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
For CHATURVEDI & SHAH
Chartered Accountants
(Registration No. : 101720W)

For and on behalf of Board of Directors

R. KORIA
Partner
Membership No.:35629

ARBIND JAYASWAL
Managing Director
DIN : 00249864

For AGRAWAL CHHALLANI & CO.
Chartered Accountants
(Registration No. : 100125W)

ASHUTOSH MISHRA
Company Secretary
Membership No.:A23011

P.K.BHARDWAJ
Executive Director
& Chief Financial Officer
DIN : 03451077

S. R. CHHALLANI
Partner
Membership No.:30154

Nagpur, 29th May, 2015

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

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:

- 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".
- 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.
- 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.
- 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.
- 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 31.03.2015	As at 31.03.2014
			Rs.in lacs	Rs.in lacs
Authorised				
1,00,00,00,000	(1,00,00,00,000)	Equity Shares of Rs.10/- each.	100000.00	100000.00
			<u>100000.00</u>	<u>100000.00</u>
Issued, Subscribed and Paid up				
63,86,33,063	(59,86,33,063)	Equity Shares of Rs.10/- each fully paid up.	63863.30	59863.30
		Less : Allotment Money Unpaid	0.72	0.72
		(from other than Directors)		
		TOTAL	<u>63862.58</u>	<u>59862.58</u>

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

Particulars	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Amount Rs.in lacs	No. of Shares	Amount Rs.in lacs
Shares outstanding at the beginning of year	59,86,33,063	59863.30	49,71,83,463	49718.34
Add : Shares issued pursuant to Scheme of Arrangement	-	-	3,26,49,600	3264.96
Add : Shares issued during the year on Preferential Basis (Refer Note No. 2.05)	4,00,00,000	4000.00	6,88,00,000	6880.00
Shares outstanding at the end of year	<u>63,86,33,063</u>	<u>63863.30</u>	<u>59,86,33,063</u>	<u>59863.30</u>

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

Name of Shareholders	As at 31.03.2015		As at 31.03.2014	
	No of Share held	Percentage held	No of Share held	Percentage held
Jayaswal Holdings Private Limited	5,30,98,951	8.31	5,30,98,951	8.87
Karamveer Impex Private Limited	4,72,29,000	7.40	4,42,69,000	7.40
Nine Star Plastic Packaging Services Private Limited	4,42,94,600	6.94	4,15,74,600	6.94
Jayaswal Neco Metallica Private Limited	4,07,10,500	6.37	3,79,10,500	6.33
Avon Sales and Services Private Limited	3,90,95,000	6.12	3,60,95,000	6.03

Jayaswal Neco Energy Private Limited	3,97,32,000	6.22	3,66,32,000	6.12
Anurag Sales and Services Private Limited	3,89,31,000	6.10	3,57,71,000	5.98
Jayaswal Neco Power Private Limited	3,63,54,500	5.69	3,29,54,500	5.50
Apex Spinning Mills Private Limited	3,52,99,600	5.53	3,23,99,600	5.41
Jayaswal Neco Infrastructures Private Limited	3,43,85,500	5.38	3,10,25,500	5.18

2.03 3,26,49,600 (Previous Year 15,64,26,456) 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 25th July 2014, the Board of Directors has allotted 4,00,00,000 equity shares of Rs. 10 each @ Rs. 25 per share. This money has been fully utilised for the upcoming projects of the Company.

NOTE : 3 RESERVES AND SURPLUS

PARTICULARS	As at 31.03.2015 Rs.in lacs	As at 31.03.2015 Rs.in lacs	As at 31.03.2014 Rs.in lacs
Capital Reserve			
Balance as per last Balance Sheet	7762.89		79.02
Add : Pursuant to Scheme of Arrangement	-		7683.87
		7762.89	7762.89
Capital Redemption Reserve			
Balance as per last Balance Sheet		5100.37	5100.37
Securities Premium Account			
Balance as per last Balance Sheet	90345.81		80025.81
Add : Received on issue of Equity Shares	6000.00		10320.00
		96345.81	90345.81
Revaluation Reserve			
Balance as per last Balance Sheet	22.23		22.99
Less : Amount of Depreciation attributable on appreciated value transferred to Surplus	0.76		0.76
		21.47	22.23
General Reserve			
Balance as per last Balance Sheet	16700.87		17586.48
Less : Balance written off	-		885.61
		16700.87	16700.87
Surplus			
Balance as per last Balance Sheet	32385.59		28025.80
Add : Profit for the year	28.43		6213.72
Less : Pursuant to Scheme of Arrangement	-		1854.69
Add : Transferred from Revaluation Reserve	0.76		0.76
Less : Adjustment related to Fixed Assets (Refer Note No.12.12)	1180.16		-
Add : Deferred Tax Adjustment related to Fixed Assets (Refer Note No.12.12)	408.43		-
		31643.05	32385.59
TOTAL		157574.46	152317.76



NOTE : 4 LONG TERM BORROWINGS

PARTICULARS	As at 31.03.2015 Rs.in lacs	As at 31.03.2015 Rs.in lacs	As at 31.03.2014 Rs.in lacs
Secured			
Term Loans			
- From Banks	<u>290480.83</u>		240368.60
		290480.83	240368.60
Unsecured			
Sales Tax Deferral (Under Package Scheme of Incentives) (Refer Note No. 4.10)		4350.54	3917.12
Inter Corporate Deposits (From related parties)*		2401.66	2378.65
Long term maturities of finance lease obligations (Refer Note No. 4.09)		1016.51	1308.63
TOTAL		<u>298249.54</u>	<u>247973.00</u>

* Refer Note No.35 (c) for details of related parties.

- 4.01** Inter Corporate Deposits which are repayable on demand at anytime on or after 31st March, 2016. The said loan carry 0% interest rate.
- 4.02** The term loans from banks referred to above aggregating to Rs. 290438.69 lacs and Rs. 22374.50 lacs included in Current Maturities of Long Term Debts in Note No. 10 are guaranteed by some of the Directors in their personal capacities. The above loans includes Rs.10249.04 lacs and Rs.2160.75 lacs included in Current Maturities of Long Term Debts are secured by way of pledge of 49857285 equity shares of the Company held by the Promoters.
- 4.03** Term loans from Banks referred to above aggregating to Rs. 275667.74 lacs and Rs. 20994.56 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 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.
 - 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 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. 14770.95 lacs and Rs. 1379.94 lacs included in current maturities of long term debts in Note No. 10 are 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 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 amongst them ranking next to the charge in favour of bankers to secure their working capital loans.
- 4.05** Term Loans of Rs.42.14 lacs and Rs.37.60 lacs included in current maturities of long term debts are secured by way of hypothecation of the specific Equipments/ Vehicles financed.
- 4.06** The term loans referred to above aggregating to Rs.2916.67 lacs and Rs. 2916.67 lacs included in current maturities of long term debts 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 referred to above and Rs. 20755.61 lacs included in current maturities of long term debt (excluding overdue of principal) in Note No.10 are to be repaid as under :
- Rs.1275.00 lacs is repayable in 24 equal monthly instalments of Rs.53.13 lacs each, commencing from April 2015 and ending in March 2017.
- Rs.833.37 lacs is repayable in 6 equal monthly instalments of Rs.138.90 lacs each, ending in September 2015.
- Rs.61.76 lacs is repayable in 2 equal quarterly instalments of Rs.30.88 each, ending in September 2015.
- Rs.3500 lacs is repayable in 7 equal quarterly instalments of Rs.500 lacs each, ending in October 2016.
- Rs.6838.40 lacs is repayable in 24 structured monthly instalments, ending in March 2017.
- Rs.730.79 lacs is repayable in 16 equal monthly instalments of Rs.45.83 lacs, ending in July, 2016.
- Rs.5719.98 lacs is repayable in 18 structured quarterly instalments, ending in October 2019.
- Rs.6350.89 lacs is repayable in 48 equal monthly instalments of Rs.132.29 lacs each, commencing from July 2015 and ending in June, 2019.
- Rs. 28118.76 lacs is repayable in 22 quarterly instalments of Rs.1278.13 lacs each, commencing from quarter ending December 2015 and ending in March 2021 quarter.
- Rs.169811.16 lacs is repayable in 78 equal monthly instalments of Rs. 2177.07 lacs each, commencing from September 2016 and ending in February, 2023.
- Rs. 30985.87 lacs is repayable in 22 quarterly instalments of Rs. 1408.45 lacs each, commencing from quarter ending November 2015 and ending in February 2021 quarter.
- Rs. 5416.67 lacs is repayable in 26 equal monthly instalments of Rs.208.33 lacs each, ending in May 2017.
- Rs. 19400.00 lacs is repayable in 84 structured monthly instalments, ending in March 2022.
- Rs.1051.65 lacs is repayable in 9 equal monthly instalments of Rs.116.85 lacs each, ending in December 2015.
- Rs.8000.00 lacs is repayable in 48 structured monthly instalments, commencing from January 2016 and ending in December 2019.
- Rs.13300.00 lacs is repayable in 72 equal monthly instalments of Rs.184.72 lacs each, commencing from June, 2017 and ending in May, 2023.
- Rs.9800.00 lacs is repayable in 108 structured monthly instalments, commencing from December, 2015 and ending in November, 2024.
- Vehicle Loans included in Term Loans above are repayable in 36 to 60 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	22412.10	40896.55	46988.63	48160.38	154435.27

- 4.08** Subsequent to the Balance Sheet date, the Company has proposed its banks for Refinancing of existing outstanding Term loans (including current maturities of long term debt as referred to in Note No.10) as per Reserve Bank of India Circular No. DBOD.BP.BC.No.98/21.04.132/2013-14 dated February 26, 2014, Circular No. DBOD.BP.BC.No.31/21.04.132/2014-15 dated August 7, 2014 and Circular No. DBR.No.BP.BC.53/21.04.132/2014-15 dated December 15, 2014 with a initial moratorium period . The Management is of the view that if the Company's proposal is accepted / approved by its lenders, then the repayment schedule of the above loans including current maturities will be reduced substantially.
- 4.09** The Minimum Lease Rentals outstanding as on 31st March, 2015 in respect of assets having the Gross Liability of Rs.4574.93 lacs (Previous Year Rs. 4574.93 lacs) taken on financial lease is as follows :



	31.03.2015 (Rs.in lacs)	31.03.2014 (Rs.in lacs)
Minimum Lease Payments		
(i) Payable not later than 1 year	561.71	917.63
(ii) Payable later than 1 year and not later than 5 years	1305.00	1845.00
(iii) Payable later than 5 years	-	-
Total Minimum Lease Payments	1866.71	2762.63
Less : Future Finance Charges	536.36	877.00
Present Value of Minimum Lease Payments	1330.35	1885.63
Present Value of Minimum Lease Payments		
(i) Payable not later than 1 year	313.84	577.00
(ii) Payable later than 1 year and not later than 5 years	1016.51	1308.63
(iii) Payable later than 5 years	-	-
Total Present Value of Minimum Lease Payments	1330.35	1885.63

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.

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, 2015 is Rs.7797.64 lacs (Previous Year : Rs. 7797.64 lacs) which is provided for on the basis of its Net Present Value of Rs.4411.10 lacs (Previous Year : Rs.3942.29 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.

4.11 As on 31st March, 2015, the Company has overdue of principal of Rs.1618.89 lacs (Previous year Nil) and Interest of Rs.6557.07 lacs (Previous year Nil) included in current maturities of Long term debt and interest accrued and due on borrowings respectively in Note No. 10 for a period of less than 60 days.

As on 31st March, 2015, the Company has overdue of Lease Obligations of Rs. 23.29 lacs (previous year Rs.17.62 lacs) included in current maturities of lease obligations in Note No. 10.

NOTE : 5 DEFERRED TAX LIABILITIES (NET)

PARTICULARS	As at 31.03.2015 Rs.in lacs	As at 31.03.2015 Rs.in lacs	As at 31.03.2014 Rs.in lacs
Deferred Tax Liabilities			
Related to Fixed Assets	21259.44		20315.33
Leased Asset	47.85		-
Sales Tax Deferral not debited to Statement of Profit & Loss	1172.01		1310.43
		22479.30	21625.76
Deferred Tax Assets			
Items disallowed under section 43B of Income Tax Act, 1961	478.30		612.92
Provision for Doubtful Trade Receivables & Advances	610.58		568.13
Leased Asset	-		104.83
		1088.88	1285.88
Net Deferred Tax Liability		21390.42	20339.88
Net Increase / (Decrease) in Deferred Tax Liability		1050.54	4272.81
Less : Pursuant to Scheme of Arrangement		-	250.61
Add : Deferred Tax Adjustment related to Fixed Assets		408.43	-
Amount Debited / (Credited) to Profit and Loss Account		1458.97	4022.20

5.01 The above does not include Net Deferred Tax Assets of Rs. 0.16 lacs (Previous Year Rs 0.04 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, the same 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. 0.16 lacs in the subsidiary can not be set off with the above Deferred Tax Liability.

NOTE : 6 OTHER LONG TERM LIABILITIES

PARTICULARS	As at 31.03.2015	As at 31.03.2014
	Rs.in lacs	Rs. in lacs
Deposits Received	23.42	16.85
TOTAL	23.42	16.85

NOTE : 7 LONG TERM PROVISIONS

PARTICULARS	As at 31.03.2015	As at 31.03.2014
	Rs.in lacs	Rs.in lacs
Provision for Site Restoration Expenses	2694.95	2694.95
TOTAL	2694.95	2694.95

7.01 The site restoration costs were calculated in terms of guidelines for preparation of mines closure plan issued by Ministry of Coal, Government of India and will be written back as and when the final consideration in respect of coal mine assets will be determined. (Refer Note No. 12.11)

NOTE : 8 SHORT TERM BORROWINGS

PARTICULARS	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Secured			
Working Capital Rupee Loans from Banks		68044.53	53271.54
Unsecured			
Inter Corporate Deposits taken from:			
i) Related parties (Refer Note No.35 (c))	2775.03		3136.93
ii) Others	11852.79		12032.79
		14627.82	15169.72
Buyer's Credits		355.97	63.81
Suppliers Credits*		1466.09	31551.14
(Backed by Letter of Credit)			
TOTAL		84494.41	100056.21

* Backed by Letter of Credit and includes Rs.2.73 Lacs (Previous Year Rs. 25172.56 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 movable and immovable fixed assets at Moitra Coking Coal Block including Washery at North Karanpura Coalfields near Hazaribagh in Jharkhand.

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	As at
	31.03.2015	31.03.2014
	Rs.in lacs	Rs.in lacs
Trade Payables - Micro, Small and Medium Enterprises @	288.29	72.11
- Others	42922.76	36864.12
TOTAL	43211.05	36936.23

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

Particulars	As at	As at
	31.03.2015	31.03.2014
	Rs.in lacs	Rs.in lacs
Principal amount remaining unpaid	288.29	72.11
Interest due thereon	28.32	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	28.32	0.53
Interest remaining due and payable even in succeeding years	-	-

NOTE : 10 OTHER CURRENT LIABILITIES

PARTICULARS	As at	As at	As at
	31.03.2015	31.03.2015	31.03.2014
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Current Maturities of Long term debts		22412.10	19227.29
Current Maturities of Sales Tax Deferral		60.56	25.17
Current Maturities of Lease obligations		313.84	577.00
Interest Accrued but not due on borrowings		509.45	485.57
Interest Accrued and due on borrowings		6557.07	-
Advances from Customers		5046.82	5191.56
Creditors for Capital Goods		97.21	150.16
Book Overdraft		28.10	105.95
Other Payables			
Statutory Liabilities	3264.99		1045.69
Deposits Received	15.00		22.75
Others*	6823.11		5341.21
		10103.10	6409.65
TOTAL		45128.25	32172.35

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

NOTE : 11 SHORT TERM PROVISIONS

PARTICULARS	As at	As at
	31.03.2015	31.03.2014
	Rs.in lacs	Rs.in lacs
Provision for Employee Benefits	1382.05	1597.41
Provision for Wealth tax	1.66	1.56
Provision for Excise Duty	4378.44	3614.08
Other Provisions*	396.75	396.75
TOTAL	6158.90	5609.80

* 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, 2014 was of Rs. 3614.08 lacs as per the estimated pattern of dispatches. During the year Rs.3614.08 lacs was utilised for clearance of goods. Liability recognised under this clause for the year is Rs. 4378.44 lacs which is outstanding as on 31st March, 2015. 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.

(Rs.in lacs)

Capital Work-in-progress
Intangible Assets under Development

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. NIL (Previous Year Rs. 378.13 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. NIL (Previous year Rs. 73.47 lacs) regrouped from land.

12.06 Capital Work-in-progress includes :

	As at 31.03.2015	As at 31.03.2014
	Rs.in lacs	Rs.in lacs
Material at site	-	25.11
Building under Construction	2972.12	248.03
Plant & Equipments under installation	214468.55	145926.13
Pre-operative Expenses	83572.15	45637.47
TOTAL :	301012.82	191836.74

12.07 Intangible Assets under Development :

	As at 31.03.2015	As at 31.03.2014
	Rs.in lacs	Rs.in lacs
Mining Rights	6752.33	6305.14
Pre-operative Expenses	8550.89	7641.16
TOTAL :	15303.22	13946.30

- 12.08** The Company has undertaken Projects for enhancement of Capacities of its 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	31.03.2015 (Rs.in lacs)	31.03.2014 (Rs.in lacs)
Raw Materials Consumed	3112.27	-
Consumables, Stores and Spares Consumed	78.89	-
Power & Fuel	766.57	0.09
Remuneration and Benefits to Employees	2409.13	1395.66
Repairs & Maintenance - Others	111.48	27.25
Rent	0.70	-
Rates, Taxes and Fees	28.62	-
Travelling and Conveyance	20.14	8.34
Loading, Unloading & Freight	94.73	-
Legal & Professional	48.02	37.63
Insurance	0.01	0.25
Miscellaneous Expenses	82.85	60.12
Depreciation	1.61	0.87
Finance Costs	36510.61	21367.72
	43265.63	22897.93
Less : Miscellaneous Income	0.66	0.02



Stock of Trial run production	1357.46	-
Cost of Trial run product transfer to other plant	3001.25	-
Preoperative Expenses for the year	38906.26	22897.91
Add : Preoperative Expenses upto Previous Year	53278.63	30858.78
	92184.89	53756.69
Less : Allocated during the year	61.85	478.06
TOTAL :	92123.04	53278.63

Further, the subsidiary company is in the process of setting up power plant projects at Raigarh, Chhattisgarh and at Jharkhand. The execution of the project has been affected due to cancellation of coal blocks allotted to Holding Company, delay in acquisition of requisite land and adverse market conditions for the Power Industry as a whole. In view of it the subsidiary 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.

12.09 The Ministry of Coal (MoC) had invoked Bank Guarantee of Rs. 1000 Lacs for delay in start of production of Moitra Coal Block, Jharkhand. The Company has challenged the Bank Guarantee (BG) invocation before the Hon'ble Delhi High Court, wherein vide its order dated 30.10.2014, the Writ Petition was disposed off with direction that BG to be kept alive for 3 months and in the event the MoC decides to invoke Bank Guarantee it should give the affected companies two weeks time before encashment of BG to enable them to take appropriate action in accordance with law. As on 31st March, 2015 the BG was alive. Till date MoC has not communicated its decision to the company. The Company is confident that its case is on merits and doesn't envisage any financial impact of the above matter.

12.10 The Company had filed Mining Lease applications for Rowghat Iron Ore Deposit, Bastar, Chhattisgarh. The Chhattisgarh State Government (SG) had rejected the same by a common order which was challenged by the Company. The SG had filed a complaint before the 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 and subsequently the Delhi High Court also confirmed the order. The Hon'ble Delhi High Court, had specifically observed that the Company had successfully undertaken prospecting operations in the area. Subsequently in 2012, SG filed a fresh complaint containing same allegations before the Chief Vigilance Commission (CVC). The Central Bureau of Investigation (CBI) on the directions of the CVC had registered a FIR against the Company alleging certain irregularities. Post completion of the investigations by CBI the case is subjudiced.

The Company doesn't expect any financial effect of the above matter under litigation.

12.11 The Hon'ble Supreme Court of India by its Order dated 24th September, 2014 had cancelled number of coal blocks allotted to various entities which included three coal blocks consisting of one operational coal block at Gare Palma IV/4 –Raigarh, Chhattisgarh and two under development coal blocks at Gare Palma IV/8- Raigarh, Chhattisgarh and Moitra at North Karanpura, Jharkhand allotted to the Company by the Ministry of Coal, Government of India.

The Government of India, has issued second Ordinance on 26th December, 2014 for implementing the order of the Hon'ble Supreme Court and fixation of Compensation etc.

In the E Auction of the Schedule II (Operational) and Schedule III (Under advanced development stage) coal blocks which included the above three coal mines of the Company conducted by the Nominated Authority, Ministry of Coal got awarded to different bidders.

As on 31st March, 2015 the Company's Net investment in the value of Mining Assets in the three Coal blocks was Rs. 24461.50 lacs. The Company had also made provision for Rs. 2694.95 lacs for site restoration expenses.

The Company had filed a Writ Petition (WP) before the Hon'ble Delhi High Court, challenging the provisions of Ordinance and Tender process. The Hon'ble Delhi High Court was pleased to issue Notice to the Central Government (Union of India) on its WP. Subject to outcome of the WP, no adjustment has been made in the value of the above mentioned mining assets as the value of compensation to be received cannot be determined at this stage. The losses/gains, if any on account of it would be recognised as and when determined.

12.12 Pursuant to the enactment of the Companies Act, 2013, the Company has applied the estimated useful lives as specified in Schedule II of the Act or as determined based on technical evaluation in respect of certain plant and machineries of the Company. Accordingly the unamortised carrying value is being depreciated/amortised over the revised/remaining useful life. The written down value of fixed assets whose life has expired as at 1st April, 2014 amounting to Rs. 1180.16 lacs has been adjusted net of deferred tax of Rs. 408.43 lacs against the retained earnings.

12.13 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 (except mining assets referred to Note no. 12.11 above) 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, 2015.

NOTE : 13 NON CURRENT INVESTMENTS

(Long Term Investments)

PARTICULARS				As at 31.03.2015	As at 31.03.2014
		Rs. Face Value	Rs.in lacs	Rs.in lacs	
Number of Shares					
31.03.2015	31.03.2014				
Trade Investments (Unquoted, Fully Paid Up)					
In Equity Shares - Others					
Punjab & Maharashtra Co-operative Bank Ltd.	40	40	25	0.01	
The City Co-operative Bank Ltd. (Rs. 250)	10	10	25	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 31.03.2015	As at 31.03.2015	As at 31.03.2014
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Capital Advances			
To Related Parties (Refer Note No.35 (c))	-		127292.14
To Others	87515.32		4203.51
		87515.32	131495.65
Deposits		1681.57	1429.97
Advance Payment of Income-tax (Net)		1887.00	1161.44
MAT Credit Entitlement		9929.83	9552.47
TOTAL		101013.72	143639.53

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. 377.36 lacs (Previous Year Rs.1780.87 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, 2015 is Rs.9929.83 lacs (Previous Year Rs. 9552.47 lacs).

NOTE : 15 CURRENT INVESTMENTS

PARTICULARS			As at 31.03.2015	As at 31.03.2014
		Rs. Face Value	Rs.in lacs	Rs.in lacs
	Number of Shares 31.03.2015	31.03.2014		
In Equity Shares - Fully Paid Up (Quoted)				
Antarctica Graphics Limited	53000	53000	1	0.53
Datar Switchgears Limited	2200	2200	10	1.05
Elbee Services Limited	1400	1400	10	1.96
Jindal Steel & Power Limited	-	3000	5	0.55



JSW Steel Limited	-	8	10	-	0.01
Kirloskar Ferrous Industries Limited	-	100	5	-	0.02
Tata Steel Limited	-	135	10	-	0.41
Tourism Finance Limited	-	3000	10	-	0.90
Triveni Sheet Glass Limited	1000	1000	10	1.00	1.00
Usha Martin Limited	-	500	10	-	0.05
In Equity Shares - Fully Paid Up (Unquoted)					
Essar Steel Limited	60	60	10	0.03	0.03
Other Investments - Unquoted					
In Preference Shares - Fully Paid Up					
JSW Ispat Steel Limited (Rs.400)	-	40	10	-	0.00
In Mutual Funds (In Units)					
SBI One India Fund	24273	104300	10	10.43	10.43
SBI Infrastructure Fund	50000	50000	10	5.00	5.00
SBI Dual Advantage Fund	500000	-	10	50.00	-
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	99990	100000	10	10.00	10.00
				130.00	81.94
Less : Provision for diminution in the value				4.39	5.69
TOTAL				125.61	76.25

15.01	Aggregate Amount of Quoted Investment	0.15	1.98
15.02	Aggregate Market Value of Quoted Investment	0.17	10.52
15.03	Aggregate Amount of Unquoted Investment	125.46	74.27

NOTE : 16 INVENTORIES

PARTICULARS	As at	As at
	31.03.2015	31.03.2014
	Rs.in lacs	Rs.in lacs
Raw Materials	35296.96	30682.95
Raw Materials-in-transit	10418.16	7754.45
Work-in-progress	5264.34	4399.60
Finished Goods *	30997.16	26822.57
Finished Goods-in-transit	64.45	50.56
Stock In Trade	673.15	191.55
Stores, Spares and Consumables	9745.19	8263.37
TOTAL	92459.41	78165.05

*Includes Rs. 1357.46 lacs (Previous year Nil) being stock of trial run products

16.01 Broad Heads of Work-in-Progress

Particulars	As at	As at
	31.03.2015	31.03.2014
	Rs.in lacs	Rs.in lacs
Iron & Steel Castings	5103.17	4226.07
Coke	89.47	103.08
Sponge Iron	71.70	70.45
TOTAL	5264.34	4399.60

16.02 Broad Heads of Finished Goods

Particulars	As at 31.03.2015 Rs.in lacs	As at 31.03.2014 Rs.in lacs
Iron & Steel Castings	1143.11	1390.90
Pig Iron/Skull	750.47	2542.50
Billets/Rolled Products	24373.01	20170.58
Sponge Iron	187.58	264.87
Pellet	1491.91	-
Others	3115.53	2504.28
TOTAL	31061.61	26873.13

NOTE : 17 TRADE RECEIVABLES

(Unsecured)

PARTICULARS	As at 31.03.2015 Rs.in lacs	As at 31.03.2015 Rs.in lacs	As at 31.03.2014 Rs.in lacs
Outstanding for a period exceeding six months from the date they were due for payment.			
Considered good	2930.75		1652.11
Considered doubtful	949.73		575.65
	3880.48		2227.76
Less : Provision for Doubtful Receivables	949.73		575.65
		2930.75	1652.11
Other trade receivables - considered good		28515.33	39410.82
TOTAL		31446.08	41062.93

NOTE : 18 CASH AND BANK BALANCES

PARTICULARS	As at 31.03.2015 Rs.in lacs	As at 31.03.2015 Rs.in lacs	As at 31.03.2014 Rs.in lacs
Cash and Cash Equivalents			
Balances with Banks			
In Current Accounts	1201.74		19565.60
Cheques on hand	826.70		1656.46
Cash on hand	110.64		72.49
		2139.08	21294.55
Other Bank Balances			
In Current Account**		77.19	77.19
Fixed Deposits with Banks			
Pledged as Margin Money / Govt. Authority *		3811.83	4157.63
TOTAL		6028.10	25529.37

* Includes Rs.481.00 lacs (Previous Year Rs. 592.22 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	As at	As at
	31.03.2015	31.03.2015	31.03.2014
	Rs.in lacs	Rs.in lacs	Rs.in lacs
Loans and advances to Related Parties (Refer Note No.35 (c))		188.05	407.42
Advance to Suppliers	3540.90		4980.27
Prepaid expenses	137.65		163.84
Balances with Central Excise Authorities	3173.03		675.83
Others *	27274.93		9209.67
	34126.51		15029.61
Considered doubtful	805.10		1086.39
	34931.61		16116.00
Less : Provision for Doubtful Advances	805.10		1086.39
		34126.51	15029.61
Deposits			
Considered good	115.99		148.73
Doubtful	9.44		9.44
	125.43		158.17
Less: Provision for Doubtful Deposits	9.44		9.44
		115.99	148.73
TOTAL		34430.55	15585.76

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

NOTE : 20 REVENUE FROM OPERATIONS

PARTICULARS	Year ended	Year ended
	31.03.2015	31.03.2014
	Rs.in lacs	Rs.in lacs
Sale of Products	333066.44	350616.70
Sale of Services/ Job Work Income	2546.51	2792.88
Other Operating Revenues - Export Incentives	15.58	25.57
TOTAL	335628.53	353435.15

20.01 Broad Heads of Sale of Products

Particulars	Year ended	Year ended
	31.03.2015	31.03.2014
	Rs.in lacs	Rs.in lacs
Iron & Steel Castings	42128.98	43780.81
Pig Iron / Skull	77682.53	75559.17
Billets/ Rolled Products	160839.09	180398.40
Sponge Iron	37083.86	44060.14
Power	2139.82	1995.82
Cotton Yarn	7327.58	-
Others	5864.58	4822.36
TOTAL	333066.44	350616.70

20.02 Broad Heads of Sale of Services

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
Job Work	978.05	1021.84
Management Consultancy	1179.78	1685.40
Others	388.68	85.64
TOTAL	2546.51	2792.88

NOTE : 21 OTHER INCOME

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
Interest Income	1347.93	584.56
Dividend on Current Investments	-	0.09
Profit on Sale of Current Investments (Net)	10.09	0.43
Other Miscellaneous Receipts	291.18	355.75
TOTAL	1649.20	940.83

NOTE : 22 COST OF MATERIALS CONSUMED

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
Materials Consumed		
Iron and Steel Scrap	16683.85	14620.67
Iron Ore	61558.76	64092.74
Metallurgical Coke	47589.64	56720.10
Coal and Coke	12467.80	17367.89
Billets/ Rolled Products	19663.01	26630.20
Others	8221.66	8401.30
TOTAL	166184.72	187832.90

NOTE : 23 PURCHASE OF STOCK IN TRADE

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
Purchase of Stock in Trade		
Iron & Steel Castings	1585.76	1345.81
Pig Iron / Skull	715.17	1006.06
Rolled products	18575.48	13912.31
Cotton Yarn	6957.67	-
Coal	1480.22	-
Others	1144.80	641.61
TOTAL	30459.10	16905.79



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

PARTICULARS	Year ended 31.03.2015 Rs.in lacs	Year ended 31.03.2015 Rs.in lacs	Year ended 31.03.2014 Rs.in lacs
Closing Inventories			
Finished Goods	31061.61		26873.13
Less: Stock of trial run product	1357.46		-
	29704.15		26873.13
Work-in-progress	5264.34		4399.60
Stock in Trade	673.15		191.55
		35641.64	31464.28
Opening Inventories			
Finished Goods	26873.13		24530.05
Work-in-progress	4399.60		3557.00
Stock in Trade	191.55		145.20
	31464.28		28232.25
Add : Acquired Pursuant to Scheme of Arrangement	-		138.61
		31464.28	28370.86
(Increase) / Decrease in Inventories		(4177.36)	(3093.42)

NOTE : 25 EMPLOYEE BENEFITS EXPENSE

PARTICULARS	Year ended 31.03.2015 Rs.in lacs	Year ended 31.03.2014 Rs.in lacs
Salaries, Wages and Allowances	13146.53	12303.56
Contribution to P.F. and Other Funds	1332.70	1373.58
Welfare and Other Amenities	1282.98	1246.68
TOTAL	15762.21	14923.82

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 31.03.2015 Rs.in lacs	Year ended 31.03.2014 Rs.in lacs
Defined Contribution Plan		
Employer's Contribution to Provident Fund, ESIC and Other Funds	1112.21	1039.94

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 31.03.2015 (Funded)	As at 31.03.2014 (Funded)
Reconciliation of Opening and Closing balance of Defined Benefit Obligation.		
Defined Benefit Obligation at the beginning of the year	2726.34	2280.80
Current Service Cost	375.55	348.36
Interest Cost	214.26	179.58

Past Service Benefit	-	29.09
Benefit Paid	(96.19)	(72.07)
Transfer In	43.17	34.85
Actuarial Loss / (Gain)	(166.74)	(74.27)
Defined Benefit Obligation at year end.	3096.39	2726.34
Reconciliation of Opening and Closing balance of Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	2131.25	1387.80
Expected Return on Plan Assets	212.94	160.71
Employer Contribution	608.47	662.08
Benefit paid	(96.19)	(72.07)
Actuarial Gain /(Loss) on Plan Assets	(1.34)	(7.27)
Fair Value of Plan Assets at year end.	2855.13	2131.25
Reconciliation of Fair Value of assets and obligations		
Fair Value of Plan Assets	2855.13	2131.25
Present Value of Funded Obligations	3096.39	2726.34
Amount recognised in the Balance Sheet	241.26	595.09
Expense recognized in Statement of Profit & Loss Account		
Current Service Cost	375.55	348.36
Interest on Defined Benefit Obligation	214.26	179.58
Expected return on Plan Assets	(212.94)	(160.71)
Net Actuarial Loss / (Gain) Recognised in the year	(165.40)	(67.00)
Past Service Cost	-	29.09
Total included in "Remuneration and benefits to Employees "	211.47	329.32

Amounts for the current and previous periods are as follows :

	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Defined Benefit Obligation	3096.39	2726.34	2280.80	1798.59	1329.95
Plan Assets	2855.13	2131.25	1387.80	801.40	555.67
Surplus / (Deficit)	(241.26)	(595.09)	(893.00)	(997.19)	(774.28)
Experience adjustment on Plan Assets (Gain) / Loss	16.98	9.31	*	*	*
Experience adjustment on Plan Liabilities Gain / (Loss)	166.74	19.52	*	*	*

Actuarial Assumptions	31.03.2015	31.03.2014
Mortality Table (LIC)	2006-08 (Ultimate)	2006-08 (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)	8.50% & 8.75%	9.25% & 8.75%

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

NOTE : 26 FINANCE COSTS

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
Interest Paid	16319.06	15456.81
Lease Finance Charges	340.63	445.80
Other Borrowing Costs	1825.03	1435.91
TOTAL	18484.72	17338.52



NOTE : 27 OTHER EXPENSES

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs	Rs.in lacs
MANUFACTURING EXPENSES			
Consumables, Stores and Spares Consumed	19931.75		23351.73
Power and Fuel	8292.82		10338.35
Excise Duty	702.93		608.23
Repairs and Maintenance -			
Buildings	62.65		69.76
Plant and Equipments	7227.76		6813.68
Others	3.25		3.62
Royalty and Cess	4247.84		976.63
Internal Material Movement	3532.87		2900.46
Lease Rent	72.00		-
Other Manufacturing Expenses	1607.78		1491.19
		45681.65	46553.65
SELLING AND DISTRIBUTION EXPENSES			
Advertisement & Publicity	43.31		58.64
Discount and Commission	453.38		385.51
Sales Promotion Expenses	72.86		87.34
Freight and Forwarding	6795.97		7063.56
Sales Tax	9.53		-
Provision for Sales Tax Deferral	493.98		556.53
		7869.03	8151.58
ADMINISTRATIVE EXPENSES			
Rent	214.92		213.52
Rates and Taxes	105.50		72.94
Bank Guarantee invoke	60.00		-
Insurance	216.20		155.00
Foreign Currency Fluctuation (Net)	58.71		1233.51
Printing and Stationery	67.45		56.35
Communication	143.39		124.01
Travelling and Conveyance	1257.25		1299.11
Vehicle Maintenance	141.27		275.09
Legal and Professional Charges	792.59		844.52
Payments to Auditors	74.47		62.32
Security Expenses	434.94		368.51
Miscellaneous	678.96		735.65
		4245.65	5440.53
OTHER EXPENSES			
Bank Charges & Commission	114.23		176.75
Bad Debts / Advances written off	317.40		
Less : Provision written back	303.88	13.52	7.67
Provision for Doubtful Debts / Advances	396.67		127.70
Provision for Wealth Tax	1.66		1.56
Loss on Sale of Assets	0.24		0.75
Donations	29.31		6.57
		555.63	321.00
TOTAL		58351.96	60466.76

NOTE : 28 EARNINGS PER SHARE

PARTICULARS		Year ended 31.03.2015	Year ended 31.03.2014
		Rs. in lacs	Rs. in lacs
Basic Earnings Per Share			
Net Profit for the year	(A)	28.43	6213.72
Weighted average number of equity shares (Nos.)	(B)	626030323	530398542
Basic Earnings Per Share of Rs.10/- each	Rs. (A) / (B)	0.00	1.17
Diluted Earnings Per Share			
Amount available for calculation of diluted EPS	(A)	28.43	6213.72
Weighted average number of equity shares (Nos.)		626030323	530398542
Add : Potential number of Equity Shares		-	8859179
No. of shares used for calculation of Diluted EPS	(B)	626030323	539257721
Diluted Earnings Per Share of Rs.10/- each	Rs. (A) / (B)	0.00	1.15

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

NOTE : 30 CONTINGENT LIABILITIES AND COMMITMENTS

	31.03.2015 (Rs.in lacs)	31.03.2014 (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.)	3603.91	3960.87
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	2803.14	2728.54
ii) Disputed Sales Tax	2480.80	4065.75
iii) Disputed Customs Duty (Relating to cess on Metallurgical Coke)	865.10	833.11
iv) Other Disputed Demands (Mainly related to demand of Cess on Power, Electricity Duty and Stamp Duty.)	6571.77	7155.59
v) Third Party Claims (Matters are pending before various forum.)	243.00	420.68
d. Liability in respect of Bills Discounted	19709.59	18412.84
e. Letters of credit opened in favour of suppliers (Cash flow is expected on receipt of material from suppliers)	10304.53	45156.49
B Management is of the view that above litigations will not impact significantly on the financial position of the Company.		
C Capital Commitments :		
Estimated amount of contracts remaining to be executed on Capital Accounts and not provided for (net of advances)	21237.49	52203.79

NOTE : 31 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 : 32 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.

	31.03.2015 (Rs.in lacs)	31.03.2014 (Rs.in lacs)
NOTE : 33 i) Derivative Contracts entered into by the Company and outstanding	1862.35	351.04
ii) Foreign Currency exposures that are not hedged by derivatives instruments are as under :		
a) Receivable :	486.57	193.01
b) Payable :	321.76	29008.77
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.37.69 lacs (Previous year Rs.0.24 lacs).		



NOTE : 34 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, 2015 and in respect of assets / liabilities as at 31st March, 2015.

Information about Primary (Product wise) segments :

	(Rs. In lacs)					
PARTICULARS	Steel	Iron & Steel Castings	Others	Unallocated	Eliminations	Total
1. REVENUE						
External Sales	283194.37 (309585.73)	43317.62 (43849.42)	9116.54 (-)	- (-)		335628.53 (353435.15)
Inter-segment sales	876.69 (2772.03)	299.92 (346.53)	- (-)	- (-)	(1176.61) (-3118.56)	- (-)
Total Revenue	284071.06 (312357.76)	43617.54 (44195.95)	9116.54 (-)	- (-)	(1176.61) (-3118.56)	335628.53 (353435.15)
2. RESULTS						
Segment Results	27212.43 (26346.73)	629.06 (1812.96)	443.91 (-15.78)	- (-)		28285.40 (28143.91)
Unallocated Corporate Expenses	- (-)	- (-)	2.27 (9.19)	431.55 (283.82)		433.82 (293.01)
Operating Profit / (Loss)	27212.43 (26346.73)	629.06 (1812.96)	441.64 (-24.97)	(431.55) (-283.82)		27851.58 (27850.90)
Less : Finance Cost	- (-)	- (-)	- (0.37)	18484.72 (17338.15)		18484.72 (17338.52)
Add : Unallocated Income	- (-)	- (-)	0.18 (5.85)	1359.66 (580.83)		1359.84 (586.68)
Less : Exceptional Item	9161.53 (-)	- (-)	- (-)	- (-)		9161.53 (-)
Less : Tax Expenses (Including Deferred Tax)	- (-)	- (-)	- (-)	1536.74 (4885.34)		1536.74 (4885.34)
Net Profit / (-) Loss	18050.90 (26346.73)	629.06 (1812.96)	441.82 (-19.49)	(19093.35) (-21926.48)		28.43 (6213.72)
3. OTHER INFORMATION						
Segment Assets	662361.82 (596468.95)	37119.11 (38602.14)	7057.84 (4342.52)	- (-)		706538.77 (639413.61)
Unallocated Corporate Assets	- (-)	- (-)	- (-)	16249.21 (18566.00)		16249.21 (18566.00)
Total Assets	662361.82 (596468.95)	37119.11 (38602.14)	7057.84 (4342.52)	16249.21 (18566.00)		722787.98 (657979.61)
Segment Liabilities	60274.36 (53605.23)	9180.25 (9769.99)	2036.68 (76.79)	- (-)		71491.29 (63452.01)
Unallocated Corporate Liabilities	- (-)	- (-)	- (-)	429859.65 (382347.26)		429859.65 (382347.26)
Total Liabilities	60274.36 (53605.23)	9180.25 (9769.99)	2036.68 (76.79)	429859.65 (382347.26)		501350.94 (445799.27)
Capital Expenditure	68320.08 (118388.82)	486.20 (1167.48)	(0.44) (13.17)	43.93 (-)		68849.77 (119569.47)
Depreciation	6899.10 (10319.55)	1382.16 (1249.53)	0.37 (0.08)	4.14 (4.23)		8285.77 (11573.39)

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 Segment represents the upcoming power projects at Raigarh, Chhattisgarh and at Hazaribagh, Jharkhand and trading of cotton yarn, coal & PVC pipes.

NOTE : 35 RELATED PARTY DISCLOSURES :

A. List of related parties :

(As certified by the Management)

I. Associate Company

Maa Usha Urja Limited

II. Key Management Personnel and their Relatives

Shri B.L. Shaw

Shri P.K.Bhardwaj

Shri Arbind Jayaswal

Shri M.P. Singh (wef 13/11/2014)

Shri Ramesh Jayaswal

Shri Avneesh 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)

AMR Iron & Steel Private Limited

Anurag Sales & Services Private Limited

Apex Spinning Mills Private Limited

Avon Sales & Services Private Limited

Jayaswal Holdings Private Limited

Jayaswal Neco Energy Private Limited

Jayaswal Neco Infrastructures Private Limited

Jayaswal Neco Metallica Private Limited

Jayaswal Neco Power Private Limited

Jayaswal Neco Steel & Mining Limited

JLD Yavatmal Energy Limited

Jyotikant Investments Private Limited

Karamveer Impex Private Limited

Nagpur Scrap Suppliers Private Limited

Neco Defence Systems Limited

Neco Ceramics Limited

Neco Mining Company Limited

Neco Heavy Engineering & Castings Limited

Neco Valves and Pumps Private Limited

Nine Star Plastic Packaging Services Private Limited

NSSL Private Limited

Parivar Food Industries Private Limited

Steel & Tube Exports Limited

Vibrant Electronics Limited

Deify Infrastructures Limited (up to 31.03.2014)



B. Transactions with Related Parties :

(Rs. In lacs)

Nature of Transactions	Associate	Other Related Parties	Key Management Personnel & Relatives	Total
Shares Allotted during the year	-	6850.00	-	6850.00
	(-)	(12691.15)	(2241.81)	(14932.96)
Corporate Guarantees Given	1181.00	-	-	1181.00
	(1181.00)	(-)	(-)	(1181.00)
Unsecured Loans				
Taken during the year	352.20	394.82	-	747.02
	(-)	(1598.10)	(-)	(1598.10)
Repaid during the year	469.06	616.87	-	1085.93
	(167.83)	(10807.14)	(-)	(10974.97)
Balance as on 31 st March 2015	3149.19	2027.50	-	5176.69
	(3266.03)	(2249.54)	(-)	(5515.57)
Fixed Assets				
Purchase of Fixed Assets	-	10.16	-	10.16
	(-)	(77358.52)	(-)	(77358.52)
Purchase of Goods & Services				
Purchase of Goods & Services	-	7382.09	-	7382.09
	(-)	(12832.82)	(-)	(12832.82)
Other Manufacturing Expenses	1095.51	1032.61	-	2128.12
	(1779.40)	(1515.56)	(-)	(3294.96)
Sale of Goods & Services				
Sale of Goods & Services	39.13	11705.65	-	11744.78
	(-)	(11909.92)	(-)	(11909.92)
Trade Payables				
Balance as on 31 st March 2015	-	297.48	-	297.48
	(114.90)	(26.16)	(-)	(141.06)
Other Current Liabilities				
Balance as on 31 st March 2015	-	16.83	-	16.83
	(-)	(27.27)	(-)	(27.27)
Interest Accrued but not due on borrowing				
Balance as on 31 st March 2015	-	25.58	-	25.58
	(-)	(76.66)	(-)	(76.66)
Deposit Received as on 31st March 2015	-	15.00	-	15.00
	(-)	(15.00)	(-)	(15.00)
Loans and Advances				
Balance as on 31 st March 2015	16.94	171.11	-	188.05
	(-)	(407.42)	(-)	(407.42)
Capital Advances				
Balance as on 31 st March 2015	-	-	-	-
	(-)	(127292.14)	(-)	(127292.14)
Trade Receivables				
Balance as on 31 st March 2015	-	4183.03	-	4183.03
	(-)	(4225.00)	(-)	(4225.00)
Income				
Rent Received	-	0.90	-	0.90
	(-)	(0.90)	(-)	(0.90)
Commission Income	6.63	-	-	6.63
	(5.91)	(-)	(-)	(5.91)

(Rs. In lacs)

Nature of Transaction	Associate	Other Related Parties	Key Management Personnel & Relatives	Total
Reimbursement of Expenses to the Company	25.80 (2.03)	201.31 (199.76)	- (-)	227.11 (201.79)
Expenditure				
Payment of Salaries / Perquisites	- (-)	- (-)	315.44 (227.66)	315.44 (227.66)
Sitting Fees	- (-)	- (-)	0.65 (0.20)	0.65 (0.20)
Service Charges	- (-)	0.96 (4.57)	- (-)	0.96 (4.57)
Rent Paid	72.00 (-)	- (-)	13.20 (13.20)	85.20 (13.20)
Interest Paid	352.20 (378.17)	65.83 (85.18)	- (-)	418.03 (463.35)
Reimbursement of Expenses by the Company	35.70 (0.12)	12.44 (78.36)	- (-)	48.14 (78.48)

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

C. Details of major transactions with Related Parties :

		31.03.2015 (Rs.in lacs)	31.03.2014 (Rs.in lacs)
Shares Allotted during the year	Avon Sales & Services Private Limited	750.00	1320.00
	Anurag Sales & Services Private Limited	790.00	1420.00
	Apex Spinning Mills Private Limited	725.00	1460.00
	Nine Star Plastic Packaging Service Private Limited	680.00	1150.00
	Karamveer Impex Private Limited	740.00	1300.00
	Jayaswal Neco Metallica Private Limited	700.00	1280.00
	Jayaswal Neco Energy Private Limited	775.00	1330.00
	Jayaswal Neco Power Private Limited	850.00	808.00
	Jayaswal Neco Infrastructures Private Limited	840.00	1600.00
Corporate Guarantee Given			
Balance as on 31 st March 2015	Maa Usha Urja Limited	1181.00	1181.00
Unsecured Loans taken	AMR Iron & Steel Private Limited	371.82	1556.35
	Maa Usha Urja Limited	352.20	-
	Jayaswal Neco Steel and Mining Limited	23.00	29.18
Unsecured Loans repaid	AMR Iron & Steel Private Limited	591.26	1094.88
	Maa Usha Urja Limited	469.06	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 31 st March 2015	Maa Usha Urja Limited	3149.18	3266.03
	AMR Iron & Steel Private Limited	359.71	579.15
	Jyotikant Investments Private Limited	-	4.10
	Nagpur Scrap Suppliers Private Limited	-	7.17
	Vibrant Electronics Limited	-	7.17
	Parivar Food Industries Private Limited	-	7.17



	Jayaswal Neco Infrastructures Private Limited	700.00	700.00
	Jayaswal Neco Steel & Mining Limited	967.78	944.78
Purchase of Fixed Assets	Neco Defence Systems Limited	10.16	-
	Deify Infrastructures Limited	-	76812.27
Purchase of Goods & Services	NSSL Private Limited	5952.06	3188.52
	Neco Heavy Engineering & Castings Limited	1393.06	1034.84
	Deify Infrastructures Limited	-	8561.90
Other Manufacturing Expenses	NSSL Private Limited	207.27	120.52
	Neco Ceramics Limited	702.50	1185.02
	Maa Usha Urja Limited	1095.51	1779.40
Sale of Goods & Services	NSSL Private Limited	10159.80	8922.25
	Neco Heavy Engineering & Castings Limited	1507.97	2677.13
Trade Payables	Maa Usha Urja Limited	-	114.90
	NSSL Private Limited	287.84	20.14
Other Current Liabilities	Steel & Tube Exports Limited	16.47	20.07
	JLD Yavatmal Energy Limited	0.36	7.10
Interest Accrued but not due on borrowings	AMR Iron & Steel Private Limited	25.58	73.15
Deposits Received	Neco Heavy Engineering & Castings Limited	15.00	15.00
Loans and Advances			
Balance as on 31 st March 2015	Neco Ceramics Limited	168.81	385.80
	Maa Usha Urja Limited	16.94	-
	Neco Defence Systems Limited	2.30	6.89
	JLD Yavatmal Energy Limited	-	0.56
Capital Advances	Deify Infrastructures Limited	-	127292.14
Trade Receivables	NSSL Private Limited	3249.83	3641.37
	Neco Heavy Engineering & Castings Limited	933.20	583.45
Rent Received	Neco Heavy Engineering & Castings Limited	0.90	0.90
Commission Received	Maa Usha Urja Limited	6.63	5.91
Payment of Salaries/Perquisites	Arbind Jayaswal	118.62	91.53
	Ramesh Jayaswal	118.62	91.53
	P. K. Bhardwaj	43.64	37.95
	M.P. Singh	20.17	-
	Avneesh Jayaswal	14.39	6.65
Sitting Fees	B. L. Shaw	0.65	0.20
Service Charges	Steel & Tube Exports Limited	0.96	4.57
Rent Paid	Arbind Jayaswal	6.60	6.60
	Ramesh Jayaswal	6.60	6.60
	Maa Usha Urja Limited	72.00	-
Interest Paid	AMR Iron & Steel Private Limited	65.50	81.28
	Maa Usha Urja Limited	352.20	378.17
Reimbursement of Expenses to the Company	Maa Usha Urja Limited	25.80	2.03
	Neco Heavy Engineering & Castings Limited	174.14	82.59
Reimbursement of Expenses by the Company	Maa Usha Urja Limited	35.70	0.12
	Steel & Tube Exports Limited	11.66	58.87

NOTE : 36 DIVIDEND ACCRUED ON REDEEMABLE PREFERENCE SHARES NOT PROVIDED FOR :

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	(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 : 37 DETAILS OF PRIOR PERIOD EXPENDITURES :

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	Rs. in lacs	Rs. in lacs
Rent	-	1.19
Rates and Taxes	6.69	0.81
Travelling and Conveyance	0.38	
Legal and Professional Charges	0.68	
Commission on Sales	1.17	
Interest Paid	0.02	-
TOTAL	8.94	2.00

NOTE : 38 DETAILS OF EXCISE DUTY/ SERVICE TAX RECOVERED :

PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
	Rs.in lacs	Rs.in lacs
a) Shown as reduction from turnover	33201.52	37330.03
b) Charged to Statement of Profit and Loss on account of difference in stock	702.93	608.23

NOTE : 39 The Exceptional item represents additional levy @ Rs. 295 per MT amounting to Rs. 9161.53 lacs on the coal extracted till 31st March, 2014, in pursuance of the order dated 24th September, 2014 of Hon'ble Supreme Court.

NOTE : 40 Expenditure related to Corporate Social Responsibility as per Sec 135 of the Companies Act, 2013 read with Schedule VII.

- a) Gross amount Rs. 161.84 lacs required to be spent by the Company during the year.
- b) Amount spent during the year Rs. 101.12 lacs and Rs. 60.72 lacs short spend.



NOTE: 41 Details of Loan given, Investment made and Corporate Guarantee given covered u/s 186(4) of the Companies Act, 2013.

Sr. PARTICULARS	Year ended	Year ended
No.	31.03.2015	31.03.2014
	Rs.in lacs	Rs.in lacs
I Corporate Guarantee Given		
Maa Usha Urja Limited	1181.00	1181.00

Corporate Guarantee given by the Company for the purpose of loans.

NOTE: 42 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprise consolidated as Subsidiary.

Name of the Enterprise	Net Assets, i.e., Total Assets less Total Liabilities		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount
		Rs. In lacs		Rs. In lacs
Parent				
Jayaswal Neco Industries Limited	100.17	221811.91	692.37	196.84
Subsidiary				
Jayaswal Neco Urja Limited	0.47	1030.83	(592.37)	(168.41)
Minority Interest	-	-	-	-
Total Eliminations	(0.64)	(1405.70)	-	-
	100.00	221437.04	100.00	28.43

As per our Report of even date

For CHATURVEDI & SHAH

Chartered Accountants

(Registration No. : 101720W)

R. KORIA

Partner

Membership No.:35629

For AGRAWAL CHHALLANI & CO.

Chartered Accountants

(Registration No. : 100125W)

S. R. CHHALLANI

Partner

Membership No.:30154

For and on behalf of Board of Directors

ARBIND JAYASWAL

Managing Director

DIN : 00249864

ASHUTOSH MISHRA

Company Secretary

Membership No.:A23011

P.K.BHARDWAJ

Executive Director

& Chief Financial Officer

DIN : 03451077

Nagpur, 29th May, 2015

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]

Name of the Member(s) :	E-mail :
Registered Address :	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 42nd Annual General Meeting of the Company, to be held on the 29th day of September, 2015 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.	Brief details of the Resolution	Optional (Refer Note No. 2)		
		For	Against	Abstain
1(a)	Adoption of the Audited Financial Statement of the Company for the Financial Year ended 31 st March, 2015 and the reports of Board of Directors and Auditors thereon.			
1(b)	Adoption of the Audited Consolidated Financial Statement of the Company for the Financial Year ended 31 st March, 2015 and the report of the Auditors thereon.			
2(a)	Appointment of Shri Arbind Jayaswal, who retires by rotation and, being eligible, offers himself for re- appointment.			
2(b)	Appointment of Shri Ramesh Jayaswal, who retires by rotation and, being eligible, offers himself for re- appointment.			
3(a)	Ratification of the appointment of M/s Chaturvedi & Shah , Chartered Accountants as the auditors of the Company and fixation of their remuneration.			
3(b)	Ratification of the appointment of M/s Agrawal Chhallani & Co., Chartered Accountants as the auditors of the Company and fixation of their remuneration.			
4	Appointment of Shri Arvind Iyer as an Independent Director for a term of 2 (Two) years from 13 th November, 2014 to 12 th November, 2016.			
5	Appointment of Shri M.M. Vyas as an Independent Director for a term of 2 (Two) years from 12 th February, 2015 to 11 th February, 2017.			
6	Revision in terms of remuneration of Shri Avneesh Jayaswal, Group Director.			
7	Appointment of Shri Megh Pal Singh as Executive Director (Steel) for a period of 3 (Three) years w.e.f. 13 th November, 2014.			
8	Ratification of the Cost Auditor's remuneration for the financial year ending 31 st March, 2016			

(P.T.O.)



Signed thisday of2015.

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix
Re. 1/-
Revenue
Stamp

Note :

1. 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.
2. Optional. Please put a 'Ö' in the appropriate column against the resolutions indicated in the box.

BE

NECO

FRIENDLY

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

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