

**UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER ENDED 30TH SEPTEMBER, 2008**

**(Rs. in lacs)**

PARTICULARS	Quarter ended 30.09.2008 UNAUDITED (3 months)	Corresponding quarter ended in the previous year 30.09.2007 UNAUDITED (3 months)	Year to date figures for the current period ended 30.09.2008 UNAUDITED (6 months)	Year to date figures for the previous period ended 30.09.2007 UNAUDITED (6 months)	Previous Accounting year ended 31.03.2008 AUDITED (12 months)
1.(a) Sales / Income from Operations	44802	41704	90725	80823	170480
Less: Excise Duty Recovered on Sales	5262	6088	10780	11811	23118
Net Sales/Income from Operations	39540	35616	79945	69012	147362
(b) Other Operating Income	13	162	32	247	106
<b>Total Income</b>	<b>39553</b>	<b>35778</b>	<b>79977</b>	<b>69259</b>	<b>147468</b>
2. Expenditure					
a) (Increase)/Decrease in stock-in-trade and work in progress	(3806)	167	(3425)	(1215)	(991)
b) Consumption of raw materials	23559	22172	43105	44230	89610
c) Purchase of traded goods	457	241	727	445	1995
d) Employees Cost	1759	1232	3095	2396	5219
e) Depreciation	1031	944	1977	1875	3756
f) Exchange Difference (Net)	2247	(568)	3376	(1908)	(1865)
g) Other Expenditure	9137	8478	18166	16845	35163
h) <b>Total Expenditure</b>	<b>34384</b>	<b>32666</b>	<b>67021</b>	<b>62668</b>	<b>132887</b>
3. <b>Profit from Operations before Other Income, Interest &amp; Exceptional Items (1-2)</b>	<b>5169</b>	<b>3112</b>	<b>12956</b>	<b>6591</b>	<b>14581</b>
4. Other Income	588	161	730	215	680
5. <b>Profit before Interest &amp; Exceptional Items (3+4)</b>	<b>5757</b>	<b>3273</b>	<b>13686</b>	<b>6806</b>	<b>15261</b>
6. Interest & Financial Charges	2340	1678	5512	3282	6558
7. <b>Profit after Interest but before Exceptional Items (5-6)</b>	<b>3417</b>	<b>1595</b>	<b>8174</b>	<b>3524</b>	<b>8703</b>
8. Exceptional Items	2,001	-	2,001	-	-
9. <b>Profit from Ordinary Activities before tax (7-8)</b>	<b>1,416</b>	<b>1,595</b>	<b>6,173</b>	<b>3,524</b>	<b>8,703</b>
10. Tax Expense					
Current Tax	356	-	702	45	621
MAT Credit Entitlement	(340)	-	(680)	-	(593)
Deferred Tax Liability	1,317	-	2,631	-	-
Fringe Benefit Tax	21	8	35	27	56
11. <b>Net Profit from Ordinary Activities after tax (9-10)</b>	<b>62</b>	<b>1587</b>	<b>3485</b>	<b>3452</b>	<b>8619</b>
12. Extraordinary Items (Net of tax expenses)	-	-	-	-	-
13. <b>Net Profit for the period (11-12)</b>	<b>62</b>	<b>1587</b>	<b>3485</b>	<b>3452</b>	<b>8619</b>
14. Paid-up Equity Share Capital (Face Value per share : Rs. 10/-)	11288	11288	11288	11288	11288
15. Reserves excluding Revaluation Reserves					4430
16. Earning Per Share (Rs.)(not annualised)					
a) Basic	(0.01)	1.34	2.96	2.93	7.33
b) Diluted	(0.01)	1.34	2.96	2.93	7.33
17. Public Shareholding					
a) Number of shares	57607247	57607247	57607247	57607247	57607247
b) Percentage	51.03	51.03	51.03	51.03	51.03

**Notes :**

- The above results have been reviewed by Audit Committee and approved and taken on record by the Board of Directors at its Meeting held on 27th October, 2008.
- The statutory auditors of the Company have carried out a Limited Review of the results for the quarter ended 30th September, 2008 in accordance with clause 41 of the listing agreement.

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- 3 The Blast Furnace at Company's Steel Plant at Siltara Growth Centre, Raipur which was under Capital repairs and Technological upgradation from 22nd May, 2008 to 3rd August, 2008, has started functioning from 4th August, 2008. The sales and profit for the quarter and half year ended 30th September, 2008 have been affected due to the above shutdown.
  - 4 The Corporate Debt Restructuring (CDR) Cell approved the Company's proposal for Exit from CDR System with effect from 1st April 2008 by repaying all term debts and other dues along with the Recompense through refinancing of the CDR Term Debts. The recompense amount is being accounted as and when finally determined by the respective lenders.
  - 5 In respect of the observation of the Auditors on the accounts for the year ended 31st March, 2008 regarding Non-provision of Overdue interest in terms of CDR Scheme amounting to Rs. 1965.16 lacs, during the quarter, the Company has charged Rs. 1275 lacs, based on the final settlement with one of the lenders. The balance amount will be accounted for as and when the matter is finally settled with the other lenders.
  - 6 Exceptional items for the half year and quarter ended 30th September, 2008 represents Rs. 726 lacs on account of loss on discarding of fixed assets and Rs. 1275 lacs being the Compound Interest which was not provided in earlier years as the matter was not crystallised.
  - 7 The diluted Earning Per Share has been calculated without taking into account the effect of Equity Shares if any, to be issued on exercise of option by Optionally Convertible Cumulative Redeemable Preference Share holders, since the total number of Equity Shares to be issued at the fair market value on the date of conversion is not certain.
  - 8 The Accounts have been prepared using the same Accounting Policies and Standards as those followed in previous years. The previous years figures have been regrouped and recast wherever necessary.
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| 9.a. Number of Investor complaints outstanding at the beginning of the quarter | Nil |
| b. Number of Investor complaints received during the quarter                   | 8   |
| c. Number of Investor complaints disposed off during the quarter               | 8   |
| d. Number of Investor complaints lying unresolved                              | Nil |

for JAYASWAL NECO INDUSTRIES LIMITED

**NAGPUR**  
27th October, 2008

**ARBIND JAYASWAL**  
MANAGING DIRECTOR