

Navdeep Singh & Co.

Chartered Accountants

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Independent Auditor's Report on the Quarterly and Year to Date Audited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,
The Board of Directors of JCT Limited,

Report on the audit of the Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date financial results of **JCT Limited** (the "Company") for the quarter ended 31st March, 2021 and for the year ended 31st March, 2021 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

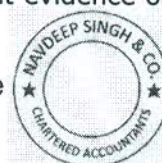
In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended 31st March, 2021 and of the net profit and other comprehensive income and other financial information of the Company for the year ended 31st March, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

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Management's Responsibilities for the Financial Results

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the



company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, whether the Statement represents the underlying transactions and events in a manner that achieves the fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Statement includes the results for the quarter ended 31st March, 2021 and the corresponding quarter ended in the previous year as reported in these financial results, which are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current and previous financial year respectively, which were subject to limited review, as required under the Listing Regulations.

Our opinion on the Statement is not modified in respect of the above matter.



For Navdeep Singh & Co.
Chartered Accountants
Firm Regn. No. 008400N

(Navdeep Singh Choudhary)
Partner

M. No. 034979

UDIN: 21034979AAAAABN7647

Place: Hoshiarpur
Dated: 11th June, 2021

JCT LIMITED

REGD. OFFICE : VILLAGE CHOHAL, DISTT. HOSHIARPUR (PUNJAB) 146024
Phone: 91-11-46290000: Fax:25812222 Website: www.jct.co.in, email:jctsecretarial@jctltd.com
(CIN NO. L17117PB1946PLC004565)

**STATEMENT OF AUDITED FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021**

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter ended			Year Ended	
		March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Income					
	a) Revenue from operations	20,615	18,678	15,199	65,730	69,305
	b) Other Income	129	450	94	806	1,583
	Total Income (a) + (b)	20,744	19,128	15,293	66,536	70,888
2	Expenses					
	a) Cost of materials consumed	11,820	10,673	9,341	33,918	39,456
	b) Other Manufacturing Expenses	3,429	3,275	3,179	12,015	14,607
	c) Change in inventories of finished goods and stock-in-process	(217)	(388)	(1,185)	1,817	863
	d) Employee benefits expense	2,289	2,293	2,468	8,169	10,892
	e) Finance costs	1,490	1,054	815	4,601	4,271
	f) Depreciation and amortisation expense	473	317	355	1,457	1,502
	g) Other expenses	889	855	942	3,089	3,754
	Total Expenses (a+b+c+d+e+f+g)	20,173	18,079	15,915	65,066	75,345
3	Profit/(Loss) before / after tax (1-2)	571	1,049	(622)	1,470	(4,457)
4	Other Comprehensive Income/(Loss)					
a.	Items that will not be reclassified as profit or loss					
	- Re-measurements gain/(loss) on defined benefit plans	253	(26)	(226)	164	(118)
b.	Items that will be reclassified subsequently to profit or loss					
	- Fair value of investments through OCI	(18)	-	2	(18)	2
	- Fair value of Land through OCI	(43)	-	258	(43)	1,679
	Other Comprehensive Income/(Loss) for the period (a+b)	192	(26)	34	103	1,563
5	Total Comprehensive Income/(Loss) for the period (3+4)	763	1,023	(588)	1,573	(2,894)
6	Paid up Equity Share Capital Rs. 2.50/- each	20,961	20,961	20,961	20,961	20,961
7	Earning per share of Rs. 2.50/- each (Not annualised)					
	(1) Basic (in Rs.)	0.07	0.13	(0.07)	0.18	(0.53)
	(2) Diluted (in Rs.)	0.07	0.13	(0.07)	0.17	(0.53)

BY ORDER OF THE BOARD

Place:- Hoshiarpur
Date:- June 11, 2021



SAMIR THAPAR
CHAIRMAN & MANAGING DIRECTOR
DIN00062287

UNAUDITED SEGMENT-WISE REVENUE, RESULTS, ASSETS & LIABILITIES							(Amount Rs. in lakhs)
Sl.No.	PARTICULARS	Quarter ended			Year ended	Year ended 31.03.2020	
		31.03.2021 (Audited)	31.12.2020 (Unaudited)	31.03.2020 (Audited)	31.03.2021 (Audited)	(Audited)	
1	Segment Revenue						
	(a) Textiles	11,487	10,694	8,020	42,009	38,614	
	(b) Nylon Filament Yarn	9,128	7,984	7,179	23,721	30,691	
	(c) Unallocated	-	-	-	-	-	
	Total	20,615	18,678	15,199	65,730	69,305	
	Less : Inter Segment Revenue	-	-	-	-	-	
	Total Income from Operations	20,615	18,678	15,199	65,730	69,305	
2	Segment Results (Profit(+)/ Loss(-) before tax and Finance Costs						
	(a) Textiles	1,112	1,377	(443)	5,522	(2,073)	
	(b) Nylon Filament Yarn	916	719	607	459	902	
	(c) Unallocated	-	-	-	-	-	
	Total	2,028	2,096	164	5,981	(1,171)	
	Less: (i) Finance costs	1491	1,054	815	4,601	4,271	
	(ii) Other Un-allocable (Income)/Expenditure net off	(34)	(7)	(29)	(90)	(985)	
	(iii) Exceptional Item	-	-	-	-	-	
	Profit / (Loss) before Tax	571	1,049	(622)	1,470	(4,457)	
3	Segment Informations						
	Segment Assets						
	(a) Textiles				61,977	61,009	
	(b) Nylon Filament Yarn				20,793	21,935	
	(c) Unallocated				1,778	1,744	
	Total segment assets				84,548	84,688	
	Segment liabilities						
	(a) Textiles				32,145	34,336	
	(b) Nylon Filament Yarn				14,650	14,814	
	(c) Unallocated				3,713	3,818	
	Total segment liabilities				50,508	52,968	
Notes:							
A.1	The above results have been reviewed by the Audit Committee of the Board and subsequently approved by the Board of Directors at their respective meetings held on June 11, 2021.						
A.2	These financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.						
A.3	The Company took secured loans of Rs. 9,945.00 lakhs from Assets Reconstruction Companies (the 'lenders'). In terms of the loan agreements, the Company was required to issue Equity Shares in lieu of additional interest (other than and in addition to the normal interest) of Rs. 759.10 lakhs, computed on Net Present Value basis (NPV) on these loans subject to statutory approvals. Accordingly, the Company had sought in-principle approval for allotment of Equity Shares as per SEBI (ICDR) regulations, under the category of consideration other than cash, from Bombay Stock Exchange (BSE). However, the BSE considering that these shares are to be issued on NPV for the interest of the future period did not agree to the contention of the Company to issue the shares under this category. The Company then approached the Securities and Exchange Board of India (SEBI), and as SEBI also rejected the plea of the Company, the Company filed an appeal before the Hon'ble Securities Tribunal, Mumbai, where the matter was decided in favour of the Company, however, against the said order the appeal was filed by BSE in the Hon'ble Supreme Court of India, which has since been dismissed by the Hon'ble Court on 4th February, 2021, and the matter has been finally decided in favor of the Company. Thereafter the Company filed the application with BSE for the grant of in-principle approval for issue of the Equity Shares and after getting the approval on 27th April, 2021, the Company has since allotted 2,99,06,026 Equity Shares having face value of Rs. 2.50 each, aggregating to Rs. 747.65 lakhs on 5th May, 2021 (after deducting the applicable Tax at Source of Rs. 11.45 lakhs) towards the final settlement of the additional interest of Rs. 759.10 lakhs as per the agreement with the lenders. As the matter was pending with the Hon'ble Judiciary Authorities / Courts, the Company was not able to allot these Equity Shares, and in the presence of the uncertainty in the mode of payment / quantum of interest no provision towards the said interest was made in the accounts till the earlier year, with the understanding that the same will be accounted for in the period the matter is finally decided/resolved. Accordingly, the said interest of Rs. 759.10 lakhs for which the Equity shares have been issued subsequently in May, 2021, has been accounted for during the current year to ensure its charge to the revenue over the initial period of the term loan i.e. amount of Rs. 396.36 lakhs (net of Rs. 118.79 lakhs provided in an earlier year) has been been charged during the year 2020-21 as Interest (for the period from the date of grant of term loan till 31st March, 2021) and the balance amount of Rs. 243.95 lakhs will be charged in future over the remaining period of the term loan to ensure its charging to the revenue over the period of term loan on straight line basis.						
A.4	Accumulated losses have resulted in erosion of substantial net worth of the Company, however, the Company has been able to improve its financial performance by change of its product mix to ensure the increased manufacturing of the high margin products and also by rationalizing its production, man power and other cost /overheads etc., which has resulted in the profit during the current year. Further, to improve its liquidity / cash flow, and to revive its financial position by reducing its debts, the Company is in the process of disposing off some of its non-core property. Considering the above, and the future profitability and cash flow projections and the continued support of its promoters, lenders, business associates and workmen, the management is hopeful of further improvement in its financial position / performance, and accordingly the financial results have been prepared on a going concern basis.						



A.5	The SARS-CoV-2 virus responsible for COVID-19, which has been declared a Global pandemic by the World Health Organization in 2020, had led to nation wide lockdown during the year for a quite considerable time. It contributed to a significant decrease in global and local economic activities, and is presently re-spreading and is on increasing trend across the globe including India, with various mutating variant. In assessing the recoverability of the receivables, and other financial and non-financial assets, the Company has considered internal and external information including economic forecasts available, and based on such information and assessment, the Company expects to recover the carrying amount of these assets. The impact of the pandemic may differ from that estimated as at the date of approval of these financial results, and such changes, if any, will be prospectively recognised. Further, the extent to which the COVID-19 pandemic will impact the Company's future activities and financial results will depend on future developments which are highly uncertain, and as such no impact thereof, if any required, could be taken in these financial results.
A.6	The figures for the quarter ended March 31, 2021 and the corresponding quarter ended in the previous year are the balancing figures between audited figures of the full financial year and published unaudited year to date figures up to the third quarter of the current and previous financial year respectively, which were subjected to limited review.
A.7	The figures of the previous quarter/year have been regrouped/reclassified, wherever necessary, to confirm to current quarter's/year's classification.
Place:- Hoshiarpur Date:- June 11, 2021  BY ORDER OF THE BOARD  SAMIR THAPAR CHAIRMAN & MANAGING DIRECTOR DIN00062287	

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STATEMENT OF AUDITED ASSETS & LIABILITIES

(Rs. In Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020	
ASSETS			
1 Non-Current Assets			
Property, Plant and Equipment	58,018	58,998	
Capital work in progress	130	195	
Intangible Assets	72	110	
Right of use Assets	92	162	
Financial Assets			
- Investments	142	161	
- Loans	363	393	
Non-current tax assets (net)	47	53	
Other non-current assets	178	130	60,202
2 Current assets			
Inventories	15,417	15,914	
Financial Assets			
- Investments	11	11	
- Trade receivables	5,175	2,376	
- Cash and cash equivalents	147	1,372	
- Bank balances other than cash and cash equivalents	969	863	
- Loans	26	19	
- Other current financial assets	543	510	
Other current assets	3,113	3,316	24,381
3 Assets classified as held for sale		105	105
TOTAL ASSETS	84,548	84,688	

EQUITY AND LIABILITIES

Equity			
Equity Share Capital	20,961	20,961	
Equity Shares pending for allotment	748	-	
Other Equity	12,331	34,040	31,720
Liabilities			
1 Non-current liabilities			
Financial Liabilities			
- Borrowings	6,883	8,831	
- Lease Liabilities	54	46	
- Other non-current financial liabilities	4,714	4,650	
Provisions	3,452	15,103	17,759
2 Current liabilities			
Financial Liabilities			
- Borrowings	9,000	6,856	
- Lease Liabilities	40	129	
- Trade Payables			
a. total outstanding dues of micro enterprises and small enterprises	3,660	1,705	
b. total outstanding dues of creditors other than micro enterprises and small enterprises	9,585	10,907	
- Other current financial liabilities	11,503	9,013	
Provisions	712	805	
Other current liabilities	905	35,405	35,209
TOTAL EQUITY AND LIABILITIES	84,548	84,688	

BY ORDER OF THE BOARD

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SAMIR THAPAR
 CHAIRMAN & MANAGING DIRECTOR
 DIN00062287

Place:- Hoshiarpur
 Date:- June 11, 2021

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STATEMENT OF AUDITED CASH FLOWS

(Rs. in Lakhs)

Particulars	Year Ended 31st March, 2021		Year Ended 31st March, 2020	
	Amount	Total	Amount	Total
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Loss before tax as per statement of profit and loss		1,470		(4,456)
Adjustments for:				
Depreciation and amortisation expense	1,457		1,503	
Finance costs (net)	4,601		4,271	
Bad debts written off (net of impairment allowance)	33		12	
Impairment loss for advances etc.	50		5	
Dividend from current investments	-		(1)	
Liabilities/provisions no longer required written back	(14)		(85)	
Interest income	(127)		(189)	
Property, plant and equipment written off	2		18	
Gain on lease termination	(13)		-	
Profit on sale of property, plant and equipment (net)	(399)		(1,136)	
		5,590		4,398
Operating profit/(loss) before working capital changes		7,060		(58)
Adjustment for working capital changes:				
Decrease in Inventories	497		1,690	
(Increase)/Decrease in loans and trade receivables	(2,832)		2,196	
Decrease/(Increase) in other financial and non-financial assets	71		(93)	
Increase/(Decrease) in trade payables	634		(1,252)	
(Decrease)/Increase in other financial liabilities, non-financial liabilities and provisions	(2,264)		4,424	
Cash (Used in)/Generated from Working Capital Changes		(3,894)		6,965
Cash generated from operations		3,166		6,907
Income Tax paid/(refund) (net)		7		(26)
Net Cash Inflow from Operating Activities - A		3,173		6,881
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment including capital work in progress	(490)		(425)	
Sale/disposal of property, plant and equipment	525		1,255	
Deposits matured/made during the year	(105)		(115)	
Dividend income	-		1	
Interest income	149		172	
Net Cash Inflow from Investing Activities - B		79		888
C. CASH FLOW FROM FINANCING ACTIVITIES				
(Repayment) of Secured Borrowings	(1,372)		(2,597)	
(Repayment)/Proceeds of Unsecured Borrowings	(120)		282	
Payments for the interest portion of the lease liabilities	(16)		(36)	
Payments for the principal portion of the lease liabilities	(53)		(126)	
Finance costs	(2,916)		(4,040)	
Net Cash outflow from Financing Activities - C		(4,477)		(6,517)
Net (decrease)/Increase in cash and cash equivalents (A+B+C)		(1,225)		1,252
Cash and cash equivalents (Opening Balance)		1,372		120
Cash and cash equivalents (Closing Balance)		147		1,372
Note to Statement of cash flows :				
- Components of Cash and cash equivalents as under :				
- Balance with Banks - Current Accounts	137		1,344	
- Cheques, draft on hand/ remittance in transit	-		-	
- Cash in Hand	10		28	
		147		1,372
- Figures in brackets indicate cash outflow.				
- The above Statement of cash flows has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flows				

BY ORDER OF THE BOARD


SAMIR THAPAR
CHAIRMAN & MANAGING DIRECTOR
DIN00062287



Place: Hoshiarpur
Dated: 11th June, 2021