

Navdeep Singh & Co.

Chartered Accountants

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Independent Auditor's Review Report on Quarterly Unaudited 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,

1. We have reviewed the accompanying Statement of **Unaudited Financial Results** (the 'Statement') of **JCT Limited** (the 'Company') for the quarter ended June 30, 2021. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Financial Results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Place: Patiala
Dated: August 13, 2021

For Navdeep Singh & Co.

Chartered Accountants

Firm Regn. No. 008400N

(Navdeep Singh Choudhary)

Partner

M. No. 034979

UDIN: 21034979AAAACL5137

JCT LIMITED

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(CIN NO. L17117PB1946PLC004565)

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021




Sr. No.	Particulars	Quarter ended			Year Ended
		June 30, 2021	March 31, 2021	June 30, 2020	March 31, 2021
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Income				
	a) Revenue from operations	15,185	20,615	13,304	65,730
	b) Other Income	94	129	171	806
	Total Income (a) + (b)	15,279	20,744	13,475	66,536
2	Expenses				
	a) Cost of materials consumed	10,912	11,820	5,102	33,918
	b) Other manufacturing expenses	3,247	3,429	2,899	12,015
	c) Change in inventories of finished goods and stock-in-process	(2,782)	(217)	1,430	1,817
	d) Employee benefits expense	2,241	2,289	1,653	8,169
	e) Finance costs	1,259	1,490	977	4,601
	f) Depreciation and amortisation expense	350	473	349	1,457
	g) Other expenses	756	889	624	3,089
	Total Expenses (a+b+c+d+e+f+g)	15,983	20,173	13,034	65,066
3	(Loss)/Profit before / after tax (1-2)	(704)	571	441	1,470
4	Other Comprehensive Income/(Loss)				
a.	Items that will not be reclassified as profit or loss				
	- Re-measurements gain/(loss) on defined benefit plans	41	253	(31)	164
b.	Items that will be reclassified subsequently to profit or loss				
	- Fair value of investments through OCI	-	(18)	-	(18)
	- Fair value of land through OCI	-	(43)	-	(43)
	Other Comprehensive Income/(Loss) for the period/ year (a+b)	41	192	(31)	103
5	Total Comprehensive (Loss)/Income for the period/ year (3+4)	(663)	763	410	1,573
6	Paid up Equity Share Capital Rs. 2.50/- each	21,708	20,961	20,961	20,961
7	Earning per share of Rs. 2.50/- each (Not annualised)				
	(1) Basic (in Rs.)	(0.08)	0.07	0.05	0.18
	(2) Diluted (in Rs.)	(0.08)	0.07	0.05	0.17



BY ORDER OF THE BOARD

SAMIR THAPAR
CHAIRMAN & MANAGING DIRECTOR
DIN00062287

Place: New Delhi
Date : August 13, 2021

(Amount Rs. in lakhs)					
UNAUDITED SEGMENT-WISE REVENUE, RESULTS, ASSETS & LIABILITIES					
Sl.No.	PARTICULARS	Quarter ended		Year Ended	
		June 30, 2021 (Unaudited)	March 31, 2021 (Audited)	June 30, 2020 (Unaudited)	March 31, 2021 (Audited)
1	Segment Revenue				
(a)	Textiles	9,311	11,487	11,659	42,009
(b)	Nylon Filament Yarn	5,874	9,128	1,644	23,721
(c)	Unallocated	-	-	-	-
	Total	15,185	20,615	13,304	65,730
	Less: Inter Segment Revenue	-	-	-	-
	Total Income from Operations for the period/year	15,185	20,615	13,304	65,730
2	Segment Results (Profit+/-) / Loss(-) before tax and Finance Costs				
(a)	Textiles	253	1,112	2,530	5,522
(b)	Nylon Filament Yarn	281	916	(1,140)	459
(c)	Unallocated	-	-	-	-
	Total	534	2,028	1,391	5,981
	Less: (i) Finance costs	1,259	1,491	977	4,601
	(ii) Other Un-allocable (Income) net off	(21)	(34)	(27)	(90)
	(iii) Exceptional Item	-	-	-	-
	Profit/(Loss) before tax for the period/year	(704)	571	441	1,470
3	Segment Assets				
(a)	Textiles	61,738	61,977	60,197	61,977
(b)	Nylon Filament Yarn	21,848	20,793	21,257	20,793
(c)	Unallocated	1,856	1,778	2,079	1,778
	Total segment assets	85,442	84,548	83,533	84,548
	Segment liabilities				
(a)	Textiles	32,365	32,145	33,685	32,145
(b)	Nylon Filament Yarn	15,914	14,650	13,896	14,650
(c)	Unallocated	3,786	3,713	3,822	3,713
	Total segment liabilities	52,065	50,508	51,403	50,508
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 August 13, 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 was dismissed by the Hon'ble Court on February 4, 2021, and the matter was 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 April 27, 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 May 5, 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, with the understanding that the same will be accounted for in the period the matter is finally decided / resolved. Accordingly, the Company had started the charging of the said interest of Rs. 759.10 lakhs from previous quarter/ year onwards i.e. after final decision of the matter, and to ensure its charge to the revenue over the initial period of the term loan, amount of Rs. 396.36 lakhs (net of Rs. 118.79 lakhs provided in an earlier year) was charged in the previous quarter/ year as interest for the period from the date of grant of term loan till March 31, 2021 and the amount of Rs. 21.53 lakhs has been charged during the current quarter and balance amount of Rs. 222.42 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 is trying 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. 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 same, 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 previous year and current quarter for a quite considerable time. It contributed to a significant decrease in global and local economic activities. The Company has considered all possible effects of the Covid-19 pandemic relevant to its business. Based on current estimates, the Company expects that the carrying amount of its assets will not deteriorate, and will be recoverable in full. Management believes that it has taken into account the known impact, if any, arising from Covid-19 in the preparation of its Financial Results. However, the assessment of the impact of Covid-19 is a continuing process, given the uncertainties associated with its nature and duration. The eventual outcome and impact of Covid-19 pandemic on the Company's business in the subsequent periods is dependent on overall economic conditions as they evolve. Management will continue to monitor any material changes to future economic conditions and the impact thereof on the Company, if any.				
A.6	The figures for the previous quarter ended March 31, 2021 are the balancing figures between audited figures of the full financial year upto 31 March, 2021 and published unaudited year to date figures up to the third quarter ended December 31, 2020, 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 classification.				
Place: New Delhi Date : August 13, 2021		<div style="display: flex; justify-content: space-between; align-items: center;"> <div>   </div> <div style="text-align: right;"> BY ORDER OF THE BOARD  SAMIR THAPAR CHAIRMAN & MANAGING DIRECTOR DIN00062287 </div> </div>			