

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, 2022 and for the year ended 31st March, 2022 ("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, 2022 and of the net profit and other comprehensive income and other financial information of the Company for the year ended 31st March, 2022.

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 Standalone 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.



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, 2022 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

Handwritten signature

(Navdeep Singh Choudhary)
Partner
M. No. 034979
UDIN: 22034979AJURJB4889

Place: Hoshiarpur
Dated: 28th May, 2022

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, 2022**

(Rs. in lakhs)

| Sr. No. | Particulars | Quarter Ended | | Year Ended | |
|---------|---|----------------|-------------------|----------------|----------------|
| | | March 31, 2022 | December 31, 2021 | March 31, 2021 | March 31, 2022 |
| | | (Audited) | (Unaudited) | (Audited) | (Audited) |
| 1 | Income | | | | |
| | a) Revenue from operations | 23,675 | 21,887 | 20,615 | 80,412 |
| | b) Other Income (refer note A.5) | 3,153 | 886 | 129 | 4,481 |
| | Total Income (a) + (b) | 26,828 | 22,773 | 20,744 | 84,893 |
| 2 | Expenses | | | | |
| | a) Cost of materials consumed | 14,590 | 13,251 | 11,820 | 49,787 |
| | b) Other manufacturing expenses | 4,003 | 4,489 | 3,429 | 16,077 |
| | c) Change in inventories of finished goods and stock-in-process | 144 | 264 | (217) | (2,122) |
| | d) Employee benefits expense | 2,550 | 2,472 | 2,289 | 9,692 |
| | e) Finance costs | 1,313 | 1,280 | 1,490 | 5,149 |
| | f) Depreciation and amortisation expense | 327 | 314 | 473 | 1,334 |
| | g) Other expenses | 1,090 | 1,235 | 889 | 4,013 |
| | Total Expenses (a+b+c+d+e+f+g) | 24,017 | 23,305 | 20,173 | 83,930 |
| 3 | Profit/(Loss) before / after tax (1-2) | 2,811 | (532) | 571 | 963 |
| 4 | Other Comprehensive Income/(Loss) | | | | |
| | Items that will not be reclassified as profit or loss | | | | |
| | - Re-measurements gain/(loss) on defined benefit plans | 63 | 41 | 253 | 186 |
| | - Fair value of investments through OCI | 5 | - | (18) | 5 |
| | - Fair value of Land through OCI | - | - | (43) | - |
| | Other Comprehensive Income/(Loss) for the period | 68 | 41 | 192 | 191 |
| 5 | Total Comprehensive Income/(Loss) for the period (3+4) | 2,879 | (491) | 763 | 1,154 |
| 6 | Paid up Equity Share Capital Rs. 2.50/- each | 21,708 | 21,708 | 20,961 | 21,708 |
| 7 | Earning per share of Rs. 2.50/- each (Not annualised) | | | | |
| | (1) Basic (in Rs.) | 0.32 | (0.06) | 0.07 | 0.11 |
| | (2) Diluted (in Rs.) | 0.32 | (0.06) | 0.07 | 0.11 |

BY ORDER OF THE BOARD



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Priya Thapar

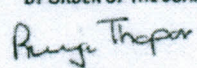
PRIYA THAPAR
WHOLE TIME DIRECTOR
DIN06742680

Place:- Hoshiarpur
Date:- May 28th, 2022

| UNAUDITED SEGMENT-WISE REVENUE, RESULTS, ASSETS & LIABILITIES | | | | | (Amount Rs. in lakhs) |
|---|--|-------------------------|---------------------------|-------------------------|-------------------------|
| Sl.No. | PARTICULARS | Quarter Ended | | | Year Ended |
| | | 31.03.2022 (Audited) | 31.12.2021 (Unaudited) | 31.03.2021 (Audited) | 31.03.2022 (Audited) |
| 1 | Segment Revenue | | | | |
| (a) | Textiles | 14,127 | 13,197 | 11,487 | 47,754 |
| (b) | Nylon Filament Yarn | 9,548 | 8,690 | 9,128 | 32,658 |
| (c) | Unallocated | - | - | - | - |
| | Total | 23,675 | 21,887 | 20,615 | 80,412 |
| | Less: Inter Segment Revenue | - | - | - | - |
| | Total Income from Operations | 23,675 | 21,887 | 20,615 | 80,412 |
| 2 | Segment Results (Profit(-) / Loss(-) before tax and Finance Costs | | | | |
| (a) | Textiles | 934 | 195 | 1,112 | 1925 |
| (b) | Nylon Filament Yarn | 179 | (193) | 916 | 101 |
| (c) | Unallocated | - | - | - | - |
| | Total | 1,113 | 2 | 2,028 | 2,026 |
| | Less: (i) Finance costs | 1313 | 1,280 | 1,491 | 5,149 |
| | (ii) Other Un-allocable (Income)/Expenditure net off | (3,011) | (746) | (34) | (4,086) |
| | (iii) Exceptional item | - | - | - | - |
| | Profit / (Loss) before Tax | 2,811 | (532) | 571 | 963 |
| 3 | Segment Informations | | | | |
| | Segment Assets | | | | |
| (a) | Textiles | | | | 63,451 |
| (b) | Nylon Filament Yarn | | | | 21,029 |
| (c) | Unallocated | | | | 1,531 |
| | Total segment assets | | | | 86,011 |
| | Segment liabilities | | | | |
| (a) | Textiles | | | | 30,937 |
| (b) | Nylon Filament Yarn | | | | 16,896 |
| (c) | Unallocated | | | | 2,984 |
| | Total segment liabilities | | | | 50,817 |
| 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 May 28, 2022. | | | | |
| 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.3.1 | The Company had taken the secured loans of Rs. 9,945.00 lakhs from Assets Reconstruction Companies. 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 had during the year 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 agreements with the lenders. | | | | |
| A.3.2 | The interest against which the equity shares have been issued, as detailed in para A.3.1 above, was not provided in the earlier year/period, with the understanding that the same will be accounted for in the period the matter is finally decided/resolved. Accordingly, after the equity shares have been allotted, the said interest of Rs. 759.10 lakhs has been accounted for since earlier year to ensure its charge to the revenue over the initial period of the term loan, and accordingly amount of 601.25 lakhs (including Rs. 21.53 lakhs during the current quarter and Rs. 86.10 lakhs during the current year) has been charged till March 31, 2022 as Interest Expense (for the period from the date of grant of term loan till March 31, 2022) and the balance amount of Rs. 157.85 lakhs will be charged in future over the remaining period of the term loan. | | | | |
| 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 and earlier 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, and has been successful in the sale of some of such properties during the current year, which has helped to improve its financial position / cash flow. 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 statements have been prepared on a going concern basis. | | | | |



| | |
|--|--|
| A.5 | In the earlier years, the operations of Textile Unit at Sriganaganagar were discontinued, and the assets thereof had been disposed off/transferred, except the portion of land, which had been classified as held for sale. During the year, portion of land having carrying value of Rs. 81.81 lakhs has been sold at the sale proceeds of Rs. 3246.42 lakhs (net of expenses on sale) resulting in profit of Rs. 3,164.61 lakhs (included under Other Income). Further, as the balance land having carrying value of Rs. 23.21 lakhs, is not in the possession of the Company and for the same legal suits have been filed, there is uncertainty relating to its sale, and therefore, considering the principle of prudence, the same has been fully impaired. |
| A.6 | The outbreak of Covid-19 pandemic has created economic disruption throughout the world including India. Consequently, the revenues and profitability have been adversely impacted. The second and third waves across India has raised concerns over economic growth and business conditions, while the restrictions are currently more localized and for shorter duration as compared to previous year. Moreover, increasing pace of inoculation and efforts by the government are likely to help mitigate some of the adverse impact. The Company has considered the possible effects that may result from COVID-19 pandemic in preparation of these financial results including the recoverability of carrying amounts of financial and non-financial assets as at March 31, 2022. The Company has considered internal and external information including the 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. Such changes, if any, will be prospectively recognised. |
| A.7 | The figures for the quarter ended March 31, 2022 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.8 | The figures of the previous quarter/year have been regrouped/reclassified, wherever necessary, to confirm to current quarter's/year's classification. |
| <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="width: 30%;"> <p>Place:- Hoshiarpur Date:- May 28th, 2022</p> </div> <div style="width: 30%; text-align: center;">  </div> <div style="width: 30%; text-align: right;"> <p>BY ORDER OF THE BOARD</p> <p><i>Priya Thapar</i></p> <p>PRIYA THAPAR WHOLE TIME DIRECTOR DIN06742680</p> </div> </div> | |

| Particulars | As at 31st March, 2022 | | As at 31st March, 2021 | |
|---|---------------------------|---------------|---------------------------|---------------|
| ASSETS | | | | |
| 1 Non-Current Assets | | | | |
| Property, Plant and Equipment | 56,781 | | 58,018 | |
| Capital work in progress | 115 | | 130 | |
| Intangible Assets | 36 | | 72 | |
| Right of use Assets | 86 | | 92 | |
| Financial Assets | | | | |
| - Investments | 147 | | 142 | |
| - Loans | 1 | | 21 | |
| - Other Non-current Financial assets | 350 | | 342 | |
| Non-current tax assets (net) | 101 | | 47 | |
| Other non-current assets | 218 | 57,835 | 178 | 59,042 |
| 2 Current assets | | | | |
| Inventories | 16,503 | | 15,417 | |
| Financial Assets | | | | |
| - Investments | 11 | | 11 | |
| - Trade receivables | 5,980 | | 5,175 | |
| - Cash and cash equivalents | 79 | | 147 | |
| - Bank balances other than cash and cash equivalents | 1,073 | | 969 | |
| - Loans | - | | 14 | |
| - Other current financial assets | 768 | | 555 | |
| Other current assets | 3,762 | 28,176 | 3,113 | 25,401 |
| 3 Assets classified as held for sale | | | | 105 |
| TOTAL ASSETS | | 86,011 | | 84,548 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Equity Share Capital | 21,708 | | 20,961 | |
| Equity Shares pending for allotment | - | | 748 | |
| Other Equity | 13,485 | 35,193 | 12,332 | 34,041 |
| Liabilities | | | | |
| 1 Non-current liabilities | | | | |
| Financial Liabilities | | | | |
| - Borrowings | 5,354 | | 6,935 | |
| - Lease Liabilities | 46 | | 54 | |
| - Other non-current financial liabilities | 4,514 | | 4,714 | |
| Provisions | 3,421 | 13,335 | 3,452 | 15,155 |
| 2 Current liabilities | | | | |
| Financial Liabilities | | | | |
| - Borrowings | 11,957 | | 12,213 | |
| - Lease Liabilities | 46 | | 40 | |
| - Trade Payables | | | | |
| a. total outstanding dues of micro enterprises and small enterprises | 3,087 | | 3,660 | |
| b. total outstanding dues of creditors other than micro enterprises and small enterprises | 10,856 | | 9,586 | |
| - Other current financial liabilities | 9,773 | | 8,237 | |
| Other current liabilities | 1,175 | | 904 | |
| Provisions | 589 | 37,483 | 712 | 35,352 |
| TOTAL EQUITY AND LIABILITIES | | 86,011 | | 84,548 |
| Significant Accounting Policies | | | | |
| Other Notes | | | | |
| BY ORDER OF THE BOARD | | | | |
|  | | | | |
| PRIYA THAPAR | | | | |
| WHOLE TIME DIRECTOR | | | | |
| DIN06742680 | | | | |
| Place:- Hoshiarpur | | | | |
| Date:- May 28th, 2022 | | | | |

JCT LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2022

(Rs. in Lakhs)

| Particulars | Year Ended 31st March, 2022 | | Year Ended 31st March, 2021 | |
|---|-----------------------------|---------|-----------------------------|---------|
| | Amount | Total | Amount | Total |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net Profit before tax as per Statement of Profit and Loss | | 963 | | 1,470 |
| Adjustments for: | | | | |
| Depreciation and amortisation expense | 1,334 | | 1,457 | |
| Finance costs (net) | 5,149 | | 4,601 | |
| Bad debts written off (net of impairment allowance) | 23 | | 33 | |
| Impairment loss for advances etc. | - | | 50 | |
| Liabilities/provisions no longer required written back | (46) | | (14) | |
| Interest income | (119) | | (127) | |
| Property, plant and equipment written off | 223 | | 2 | |
| Impairment loss on Asset (land) classified as held for sale | 23 | | - | |
| Gain on lease termination | - | | (12) | |
| Profit on sale of property, plant and equipment (net) | (4,030) | | (399) | |
| | | 2,555 | | 5,590 |
| Operating profit before working capital changes | | 3,518 | | 7,060 |
| Adjustment for working capital changes: | | | | |
| (Increase)/Decrease in Inventories | (1,086) | | 497 | |
| (Increase)/Decrease in loans and trade receivables | (828) | | (2,832) | |
| (Increase)/Decrease in other financial and non-financial assets | (871) | | 72 | |
| Increase/(Decrease) in trade payables | 697 | | 634 | |
| Increase/(Decrease) in other financial liabilities, non-financial liabilities and provisions | 1,935 | | (5,639) | |
| Cash (Used In)/Generated from Working Capital Changes | | (153) | | (2,269) |
| Cash (Used In)/Generated from operations | | 3,365 | | (209) |
| Income Taxes (paid) / refund (net) | | (53) | | 7 |
| Net Cash generated from Operating Activities - A | | 3,312 | | (202) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase of property, plant and equipment including capital work in progress | (263) | | (490) | |
| Sale/disposal of property, plant and equipment | 4,074 | | 525 | |
| Sale of Assets Held for Sale | 82 | | - | |
| Sale of Investments | 0 | | - | |
| Deposits matured/made during the year | (104) | | (105) | |
| Interest income | 113 | | 149 | |
| Net Cash generated from Investing Activities - B | | 3,902 | | 79 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| (Repayment) of Secured Borrowings | (1,735) | | 2,003 | |
| (Repayment)/Proceeds of Unsecured Borrowings | (103) | | (120) | |
| Payments for the interest portion of the lease liabilities | (16) | | (16) | |
| Payments for the principal portion of the lease liabilities | (43) | | (53) | |
| Finance costs | (5,385) | | (2,916) | |
| Net Cash outflow from Financing Activities - C | | (7,282) | | (1,102) |
| Net (decrease)/increase in cash and cash equivalents (A+B+C) | | (68) | | (1,225) |
| Cash and cash equivalents (Opening Balance) | | 147 | | 1,372 |
| Cash and cash equivalents (Closing Balance) | | 79 | | 147 |
| Note to Statement of cash flows : | | | | |
| - Components of Cash and cash equivalents as under : | | | | |
| - Balance with Banks - Current Accounts | 70 | | 137 | |
| - Cheques, draft on hand/ remittance in transit | 0 | | 0 | |
| - Cash in Hand | 0 | | 10 | |
| | | 79 | | 147 |
| - 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

Priya Thapar

Place:- Hoshiarpur
Date:- May 28th, 2022

PRIYA THAPAR
WHOLE TIME DIRECTOR
DIN06742680