

Jagatjit Industries Limited

4th Floor, Bhandari House 91,
Nehru Place, New Delhi - 110019
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14th November, 2019

To,

The BSE Limited
Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building, P J Towers, Dalal Street,
Fort, Mumbai - 400 001
022-2272 3121, 2037, 2061
corp.relations@bseindia.com

Security Code No. 507155

Subject : 1. Regulation 30: Outcome of the Board Meeting and disclosure of material events under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 2. Regulations 33: Unaudited Financial Results of the Company (both standalone and consolidated) for the quarter and period ended on 30th September, 2019.

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Dear Sir/Madam,

The Board of Directors at their meeting held today i.e. 14th November, 2019 considered and approved the Unaudited, Standalone and Consolidated, Financial Results of the Company for the quarter and period ended on 30th September, 2019. Copy of the same along-with Limited Review Report issued by M/s. Madan & Associates, Chartered Accountants, Statutory Auditors of the Company are attached and the results in prescribed format are being uploaded on the website of the Company at www.jagatjit.com.

You are requested to kindly take the above on record.

Yours faithfully,
For Jagatjit Industries Limited

Roopesh Kumar
Company Secretary

Encl: as above



MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Flat No.1003, 10th Floor
Kailash Building, K.G. Marg
New Delhi-110001
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PAN: AAAPM5122B
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**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM
STANDALONE FINANCIAL RESULTS**

To
The Board of Directors,
Jagatjit Industries Limited,
4th Floor, Bhandari House,
91, Nehru Place,
New Delhi- 110019

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results along with the notes thereon, of **Jagatjit Industries Limited** ("the Company") for the quarter and half year ended September 30, 2019 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019.
2. This statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared substantially in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. 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 enquiries of company personnel and analytical procedures applied to



financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Basis for qualified opinion

- (i) *In the opinion of the management, Trade Receivable and Loans and Advances have a value on realization in the ordinary course of business, at least equal to the carrying amount in the books.*

Company has a policy of providing for (a) all debts outstanding beyond 3 years or (b) where recovery is considered doubtful irrespective of the fact that legal action has been initiated or not, instead on the method prescribed under IND AS 109. Company does not have effective system of obtention of confirmations from Trade Receivables/ Payables and other Advances. Quantum of non-moving debts outstanding beyond one year is not ascertained. The financial impact of all this is not ascertainable and to that extent we cannot comment upon the adequacy of provision for Expected Credit loss/doubtful debts.

- (ii) *An advance of Rs. 185 Lacs has been outstanding in the name of L P Investment Ltd (Subsidiary Company) and investment of Rs. 1020 Lacs is made in the same subsidiary making total exposure of Rs. 1205 Lacs.*

The Company's management, based on internal assessments and evaluations, have represented that the balance outstanding advance and investment are recoverable and realisable and that no accrual for diminution of advances/investment is necessary as at balance sheet date. The company has received confirmation from the aforementioned subsidiaries.

The Company has not created a provision against the advances/investment in its books of accounts. In our opinion, there is significant uncertainty and doubt about the recovery/ realisability of the advance/investment, as considerable period of time has elapsed from grant of advances/investment and therefore, a provision for doubtful advance/investment should have been accounted for in the financial statements for the quarter and half year ended September 30, 2019.

Consequently, the loss for the half year ended September 30, 2019 is understated to the extent of Rs. 1,205 Lacs.

The matter was also qualified vide our audit report on Financial Statement for the year ended March 31, 2019 and review report on review of Financial Results for the quarter ended June 30, 2019.



5. Based on our review conducted as stated paragraph 3 above read with the notes accompanying the Statement and except for the possible effects of qualification as described in the paragraph 4 nothing has come to our attention that causes us to believe that the accompanying Statement prepared substantially in accordance with the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, as amended read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of Matter

(i) Going Concern

The accounts have been prepared on Going concern Basis. The Company has been suffering losses for last six years and the net working capital of the company is negative. The turnover of the company is declining continuously. During the half year ended September 30, 2019 Company suffered net loss of Rs. 2996 Lacs. These conditions indicate the existence of a material uncertainty and cast significant doubt about the company's ability to continue as a going concern. Management has represented to us that the company has sufficient resources to survive and curb the losses and there is no intention of the management to liquidate the entity. Further management has stated that the company has undertaken various steps to curtail losses and make working capital positive i.e.

- (a) Entered in to new business model through third party business operations in different state. *Currently company is doing business with six parties under this model, impact of which is not significant.*
- (b) The Company had initiated the process of monetizing its surplus immovable property at Sahibabad (UP) and Sikanderabad (UP) to repay debts / reduce Finance Cost and enhance its working capital. During the half year ended, company has sold Sikandrabad Unit for Rs. 1900 Lacs. Company has also received an amount of Rs 4,527 Lacs as advance for sale of Sahibabad Unit till the half year end, and balance Rs 1,900 Lacs is outstanding to be recovered. In the financial year ended March 31, 2019 total debt has been reduced by Rs 5635 Lacs. Finance cost for the half year ended September 30, 2019 has been reduced to Rs. 2217 Lacs as compared to Rs. 3630 Lacs for the previous half year on annualized basis. The full impact of reduction in finance cost would be visible in the current financial year.
- (c) Promoters / Promoters' Companies have provided its security of personal / its assets to obtain working capital loan.



(d) The Company has put in place a time bound plan for reduction of overheads and non-essential expenditures resulting in reduction of employee benefit expenses by Rs 339 Lacs, Rent by Rs 14 Lacs, Travelling expenses by Rs 40 Lacs and Legal expenses by Rs 183 Lacs in this half year from previous half year on annualized basis.

Company is of the view that in terms of various steps undertaken full effect of the same will be visible by end of the year and company will be able to curtail losses.

As per the assessment of the management the going concern assumption is not affected and no material uncertainty exists in this regard. We have relied upon the assertion of the management.

(ii) Contingent Liabilities of Rs. 1126 Lacs are certified by the management.

(iii) Provision for deferred tax (assets/liabilities)/non moving/slow moving is made at the year end.

(iv) Terms and conditions regarding loan of Rs. 3428 Lacs taken from Associate Company and Rs. 180 Lacs taken from other company has not been stipulated pending ratification by the board. Provision for interest if any will be made in the subsequent quarter.

(v) During the quarter, company has raised debit note of Rs. 50 lacs regarding reimbursement of renovation expenses on let out property to related party which was capitalized in earlier years and adjusted in property plant and equipments.

Our opinion is not modified in respect of this matter.

For Madan & Associates
Chartered Accountants

FRN: 000185N

M. K. Madan

M. K. Madan

Proprietor

Membership number: 082214



Place: New Delhi

Date: November 14, 2019

UDIN: 19082214AAAAFE4502

JAGATJIT INDUSTRIES LIMITED

Regd. Office: Jagatjit Nagar – 144 802, Distt. Kapurthala (Punjab)

Corporate Identity Number : L15520PB1944PLC001970

Phones: (0181) 2783117 Fax: (0181) 2783118 E-mail: jil @jagatjit.com Website: www.Jagatjit.com

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019

Rs. in Lacs

Particulars	Quarter Ended			Six Months Ended		Year Ended
	30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
	1	2	3	4	5	6
1 Income from operations						
(a) Revenue from operations	5,445	4,656	6,449	10,101	13,994	24,925
(b) Other income	1,024	780	932	1,804	1,639	5,452
Total income	6,469	5,436	7,381	11,905	15,633	30,387
2 Expenses						
(a) Cost of materials consumed	2,143	1,455	1,776	3,598	3,901	6,993
(b) Purchase of stock in trade	142	177	1,050	319	1,260	478
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(40)	(55)	202	(95)	827	1,411
(d) Excise duty	39	-	268	39	1,738	2,499
(e) Employee benefits expense	1,503	1,555	1,696	3,058	3,486	6,860
(f) Finance cost	1,060	1,148	1,307	2,217	2,633	7,259
(g) Depreciation and amortisation expense	229	231	266	460	544	1,044
(h) Other expenses	2,704	2,537	3,115	5,241	4,921	10,830
Total expenses	7,789	7,048	9,710	14,837	19,320	37,374
3 Profit/(Loss) before exceptional items and taxes (1-2)	(1,320)	(1,612)	(2,329)	(2,932)	(3,687)	(6,987)
4 Exceptional Items Income	-	-	-	-	-	373
5 Profit/(Loss) before tax (3-4)	(1,320)	(1,612)	(2,329)	(2,932)	(3,687)	(6,614)
6 Tax expense						
Deferred tax charged/(credit)	-	-	-	-	-	(234)
Previous year tax adjustment	-	-	-	-	-	92
7 Net Profit / (Loss) after tax (5+6) from continuing operations	(1,320)	(1,612)	(2,329)	(2,932)	(3,687)	(6,472)
8 Net Profit / (Loss) from discontinuing operations	(4)	(30)	(31)	(34)	(40)	(116)
9 Net Profit / (Loss) after tax	(1,324)	(1,642)	(2,360)	(2,966)	(3,727)	(6,588)
10 Other Comprehensive Income / (Loss) Items that will not be reclassified to profit or loss						
Income tax related to above	(15)	(15)	(10)	(30)	(20)	(60)
	-	-	-	-	-	21
	(15)	(15)	(10)	(30)	(20)	(39)
11 Total Comprehensive Income for the period	(1,339)	(1,657)	(2,370)	(2,996)	(3,747)	(6,627)
12 Paid-up Equity Share Capital (Face Value of the Share is Rs. 10/- each)	4615	4615	4615	4615	4615	4615
13.i Earnings per share (for continuing operations) (of Rs. 10/- each) (not annualised for the quarter & half year):						
(a) Basic	(3.03)	(3.69)	(5.34)	(6.72)	(8.45)	(14.83)
(b) Diluted	(3.03)	(3.69)	(5.34)	(6.72)	(8.45)	(14.83)
13.ii Earnings per share (for discontinuing operations) (of Rs. 10/- each) (not annualised for the quarter & half year):						
(a) Basic	(0.01)	(0.07)	(0.07)	(0.08)	(0.09)	(0.26)
(b) Diluted	(0.01)	(0.07)	(0.07)	(0.08)	(0.09)	(0.26)
13.iii Earnings per share (of Rs. 10/- each) (not annualised for the quarter & half year):						
(a) Basic	(3.04)	(3.76)	(5.41)	(6.80)	(8.54)	(15.09)
(b) Diluted	(3.04)	(3.76)	(5.41)	(6.80)	(8.54)	(15.09)

See accompanying notes to the standalone financial results



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Notes

- 1 The unaudited standalone financial results of the Company for the quarter and half year ended Sep 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 14, 2019.
- 2 A limited review of the results for the quarter and half year ended Sep 30, 2019 have been carried out by our statutory auditors
- 3 The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016
- 4 The company has adopted Ind AS 116 "Leases" effective from April 1, 2019. Based on assessment made by the management there is no significant impact on the financial statement of the company
- 5 Contingent Liabilities - Claims against the company not acknowledged as debts - Rs. 1126 Lacs as on Sep 30, 2019. (March 31, 2019 : Rs 1148 Lacs)
- 6 Other Expenses includes Rs 84 lacs on account of reversal of bottling charges related to previous year on full and final settlement with the party.
- 7 Consequent upon receipt of approval from Lessor (UPSIDC) company has recorded sales of Sikandrabad unit in books of account. Company has earned profit on sale of Machinery of Rs 64 lacs, on Building Rs 848 lacs aggregating to Rs 912 lacs and suffered loss of Rs 912 lacs on leasehold land. As a result there is no impact on the profit for the six months ended Sep 30, 2019.
- 8 Provision for Gratuity, Leave Encashment and bonus are made proportionately on the basis of annualised figure of FY 2018-19.
- 9 Terms and conditions regarding loan of Rs. 3428 lacs taken from Associate Company and Rs. 180 lacs from other company have not been stipulated, pending ratification by the board. Provision for interest if any will be made in the subsequent quarter.
- 10 Under the third party supply agreement revenue is recognised net of cost of goods sold. The gross revenue and cost of goods sold certified by the management are reported as under:

PARTICULARS	Quarter Ended			Half Year Ended		Year Ended
	30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
Revenue from operation including sales under supply agreement	8,684	7,333	6,449	16,017	13,994	31,077
Other income	1,024	780	932	1,804	1,639	5,462
Gross Revenue	9,708	8,113	7,381	17,821	15,633	36,539
Less: Cost of goods sold from third party supply agreement	3,239	2,677	-	5,916	-	6,152
Total Income	6,469	5,436	7,381	11,905	15,633	30,387

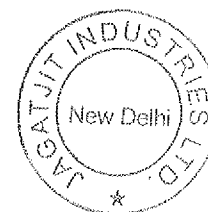
- 11 During financial year 2017-18 Company entered in to an agreement of sale for development and disposal thereafter a part of Leasehold land of Glass division at Sahibabad due to discontinuity of operations. In pursuance of the said agreement company has received a sum of Rs 4527 lacs which is shown under other current liabilities. Recognition of revenue has been deferred, pending approval from the lessor (UPSIDC) and sale thereafter.
- 12 Other Financial assets includes security deposit of Rs 35 lacs in respect of Sikandrabad unit which has been sold and Rs 14 lacs in respect of Sahibabad Unit which is held for sale. Management is of view that the same will be recovered from the authorities.
- 13 Other Current financial liabilities includes interest amount of Rs 217 lacs payable to MSME suppliers related to earlier years, pending identification of parties and Rs 137 lacs payable to ex-employees on account of full and final settlement
- 14 Revenue from operation is net of Rs 119 lacs on account of reversal of income related to previous year
- 15 During the period company has sold investment in Qube Corporation (P) Ltd's preference shares (11.70 lacs shares) of Rs 117 lacs at par to group entities as certified by the management.
- 16 Bank balances of Rs 10 lacs of earlier years at various closed tie up units are unconfirmed. Management will conduct scrutiny and adjustment if any will be made by the year end.
- 17 Current loans includes a sum of Rs. 786 lacs (interest bearing Rs 120 lacs) due from senior/ex-employees in respect of which stipulation regarding repayment are not laid out. These are good for recovery and will be received in due course of time as certified by the management.
- 18 Other financial assets includes commercial advance of Rs. 63 lacs to Vinayaka Liquors Pvt. Ltd and other current assets includes interest free advance of Rs 170 lacs to party for which Management is of view that this amount will be recovered/adjusted by the year end.
- 19 Other current asset includes sum of Rs. 50 lacs paid to various parties in earlier years pending receipt of bills. These bills pertain to services rendered in the ordinary course of business. Efforts are being made to obtain copy of bills and amount will be adjusted against bills payable on receipt of the same.
- 20 During the quarter company has raised debit note of Rs 50 lacs regarding reimbursement of renovation expenses on let out property to related party which was been capitalized in earlier years and adjusted in property plant and equipments.
- 21 As informed by the management other current assets includes commercial advance of Rs 40 lacs for designing of moulds. This advance is refundable subject to fulfillment of certain stipulation.
- 22 Trade payable includes Rs 95 lacs representing stale cheques issued in earlier years pending reconciliation.
- 23 Figures for the previous quarters/periods have been regrouped/reclassified, wherever necessary, to correspond with the current period classification/disclosures.
- 24 The remarks/qualifications made by the Statutory Auditors on the Financial Results as stated in their Limited Review Report are annexed herewith.

FOR AND ON BEHALF OF JAGATJIT INDUSTRIES LIMITED

DATE : 14.11.2019
PLACE : NEW DELHI



Manu
RAV MANCHANDA
(MANAGING DIRECTOR)



Statement of Assets & Liabilities (Standalone)

(In lacs)

Particulars	As at	As at
	Sep 30, 2019 [Unaudited]	March 31, 2019 [Audited]
ASSETS		
1 Non-current assets		
a) Property, plant and equipment	37,589	38,046
b) Other intangible assets	2	2
c) Capital work-in-progress	28	22
d) Investment Properties	1,818	1,837
e) Financial assets		
i) Investments	1,053	1,798
ii) Loans	1,451	1,988
iii) Other financial assets	1,065	1,513
f) Other non-current assets	1,142	1,167
Total Non-current assets	44,148	46,373
2 Current assets		
a) Inventories	3,560	3,942
b) Financial assets		
i) Investments		-
ii) Trade receivables	4,685	7,990
iii) Cash and cash equivalents	307	950
iv) Loans	982	967
v) Other financial assets	333	322
c) Other current assets	2,036	2,446
d) Assets classified as held for sale	38	1,938
Total Current assets	11,941	18,555
TOTAL ASSETS	56,089	64,928
EQUITY AND LIABILITIES		
Equity		
Equity share capital	4,615	4,615
Other equity	1,591	4,585
Total Equity	6,206	9,200
LIABILITIES		
1 Non-current liabilities		
a) Financial liabilities		
i) Borrowings	23,872	20,432
ii) Other financial liabilities	4,728	3,647
b) Other long term liabilities	304	434
c) Provisions	2,245	2,245
d) Deferred tax Liabilities	244	244
Total Non current liabilities	31,393	27,002
2 Current liabilities		
a) Financial liabilities		
i) Borrowings	501	1
ii) Trade payables	6,930	8,757
iii) Other financial liabilities	4,246	11,348
b) Other current liabilities	6,370	8,196
c) Provisions	443	424
Total Current liabilities	18,490	28,726
Total Liabilities	49,883	55,728
Total equity and liabilities	56,089	64,928

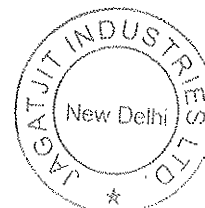


Jagatjit

Segment wise Revenue, Results and Assets and Liabilities

(Rs in lacs)

Particulars	Standalone					
	Quarter Ended 30.09.2019	Quarter Ended 30.06.2019	Quarter Ended 30.09.2018	Six Months Ended 30.09.2019	Six Months Ended 30.09.2018	Year Ended 31.03.2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(1)	(2)	(3)	(4)	(5)	(6)	
1. Segment Revenue (Sales and other operating income)						
A. Beverages	1,901	1,285	3,843	3,186	7,742	11,210
B. Food	3,402	3,191	2,386	6,593	5,883	13,231
C. Others	142	180	220	322	369	484
Total Segment Revenue	5,445	4,656	6,449	10,101	13,994	24,925
2. Segment Results						
A. Beverages	(646)	(801)	(655)	(1,447)	(727)	(856)
B. Food	331	220	(93)	551	165	961
C. Others	(2)		(3)	(2)	(1)	(7)
Total Segment Results	(317)	(581)	(751)	(898)	(543)	98
Add/(Less) : Exceptional items [net credit/(charged)]	0	-	-	-	-	373
Less : Finance Cost	1,069	1,148	1,307	2,217	2,633	7,259
Less : Other un-allocable expense net of un-allocable income	(66)	(117)	271	(183)	511	(174)
Total Profit/(Loss) Before Tax from continuing operations	(1,320)	(1,612)	(2,329)	(2,932)	(3,687)	(6,614)
Total Profit/(Loss) Before Tax from discontinuing operations	(4)	(30)	(31)	(34)	(40)	(116)
Total Profit/(Loss) Before Tax	(1,324)	(1,642)	(2,360)	(2,966)	(3,727)	(6,730)
3. Segment Assets						
A. Beverages	14,337	15,667	23,028	14,337	23,028	20,628
B. Food	7,728	8,120	8,227	7,728	8,227	8,078
C. Asset classified as held for sale	38	38	1,939	38	1,939	1,938
D. Others Unallocable	33,986	35,771	34,867	33,986	34,887	34,284
Total	56,089	59,596	68,081	56,089	68,081	64,928
4. Segment Liabilities						
A. Beverages	12,437	13,215	14,984	12,437	14,984	14,819
B. Food	3,703	3,748	3,418	3,703	3,416	4,019
C. Liability directly associated with asset classified as held for sale	4,627	4,527	4,020	4,627	4,020	6,427
D. Others Unallocable	29,116	30,580	33,577	29,116	33,577	30,463
Total	49,883	52,050	55,999	49,883	55,999	55,728



Jagajit



MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS

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e-mail: mk_madaan@yahoo.com

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM
CONSOLIDATED FINANCIAL RESULTS**

To
The Board of Directors,
Jagatjit Industries Limited,
4th Floor, Bhandari House,
91, Nehru Place,
New Delhi- 110019

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Jagatjit Industries Limited ("the Parent") and its subsidiaries (the Parent and its subsidiary together refer to as "the Group"), its associate for the quarter and half year ended September 30, 2019 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019.
2. This statement which is the responsibility of the Parent's Management and approved by the Board of Directors, has been prepared substantially in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. 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 enquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Basis for qualified opinion

- (i) *In the opinion of the management, Trade Receivable and Loans and Advances have a value on realization in the ordinary course of business, at least equal to the carrying amount in the books.*

Group has a policy of providing for (a) all debts outstanding beyond 3 years or (b) where recovery is considered doubtful irrespective of the fact that legal action has been initiated or not, instead on the method prescribed under IND AS 109. Company does not have effective system of obtention of confirmations from Trade Receivables/ Payables and other Advances. Quantum of non-moving debts outstanding beyond one year is not ascertained. The financial impact of this is not ascertainable and to that extent we cannot comment upon the adequacy of provision for Expected Credit loss/doubtful debts.

- (ii) *An amount of Rs. 2970 Lacs is outstanding in the consolidated books of accounts of the Group, being an advance to third party through (wholly owned subsidiary) M/s S.R.K. Investments Pvt. Ltd. since 2010-11. No recovery of this amount has been made since disbursement of advance, by the subsidiary.*

The Group's management, based on internal assessments and evaluations, have represented that the balance outstanding advance and investment are recoverable and realisable and that no accrual for diminution of advances/investment is necessary as at balance sheet date.

The Group has not created a provision against this advance in consolidated books of accounts. In our opinion, there is significant uncertainty and doubt about the recovery of the advance, as considerable period of time has elapsed from grant of advances and therefore, a provision for doubtful advance should have been accounted for in the consolidated financial statements for the quarter and half year ended September 30, 2019.

Consequently, the loss for the half ended September 30, 2019 is understated to the extent of Rs. 2,970 Lacs.

The matter was also qualified vide our audit report on Financial Statement for the year ended March 31, 2019 and review report on review of Financial Results for the quarter ended June 30, 2019.

5. Based on our review conducted as stated in paragraph 3 above read with the notes accompanying the Statement, based on consideration of the review reports of other



auditors as described in paragraph 8 and except for the possible effects of qualification as described in the paragraph 4 nothing has come to our attention that causes us to believe that the accompanying Statement prepared substantially in accordance with the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of Matter

(i) Going Concern

The accounts have been prepared on Going concern Basis. The Parent has been suffering losses for last six three years and the net working capital of the company is negative. The turnover of the Parent is declining continuously. During the half year ended September 30, 2019 Parent suffered net loss of Rs. 2996 Lacs. These conditions indicate the existence of a material uncertainty and cast significant doubt about the Parent's ability to continue as a going concern. Management has represented to us that the Parent has sufficient resources to survive and curb the losses and there is no intention of the management to liquidate the entity. Further management has stated that the Parent has undertaken various steps to curtail losses and make working capital positive i.e.

- (a) Entered in to new business model through third party business operations in different state. *Currently company is doing business with six parties under this model, impact of which is not significant.*
- (b) The Parent had initiated the process of monetizing its surplus immovable property at Sahibabad (UP) and Sikanderabad (UP) to repay debts / reduce Finance Cost and enhance its working capital. During the half year ended, company has sold Sikandrabad Unit for Rs. 1900 Lacs. Company has also received an amount of Rs 4,527 Lacs as advance for sale of Sahibabad Unit till the half year end, and balance Rs 1,900 Lacs is outstanding to be recovered. In the financial year ended March 31, 2019 total debt has been reduced by Rs 5635 Lacs. Finance cost for the half year ended September 30, 2019 has been reduced to Rs. 2217 Lacs as compared to Rs. 3630 Lacs for the previous half year on annualized basis. The full impact of reduction in finance cost would be visible in the current financial year.
- (c) Promoters / Promoters' Companies have provided its security of personal / its assets to obtain working capital Loan.
- (d) The Parent has put in place a time bound plan for reduction of overheads and non-essential expenditures resulting in reduction of employee benefit expenses by Rs



339 Lacs, Rent by Rs 14 Lacs, Travelling expenses by Rs 40 Lacs and Legal expenses by Rs 183 Lacs in this half year from previous half year on annualized basis.

Parent's management is of the view that in terms of various steps undertaken full effect of the same will be visible by end of the year and company will be able to curtail losses.

As per the assessment of the management the going concern assumption is not affected and no material uncertainty exists in this regard. We have relied upon the assertion of the management.

(ii) Contingent Liabilities of Rs. 1126 Lacs are certified by the management.

(iii) Provision for deferred tax (assets/liabilities)/non moving/slow moving is made at the year end.

(iv) Term and condition regarding loan of Rs. 5140 Lacs taken from Associate Company and Rs. 180 Lacs from other company has not been stipulated as yet. Provision for interest if any will be made in the subsequent quarter.

(v) During the quarter, parent has raised debit note of Rs. 50 Lacs regarding reimbursement of renovation expenses on let out property to related party which was capitalized in earlier years and adjusted in property plant and equipments.

Our opinion is not modified in respect of this matter.

7. The statement includes the results of the following entities:

Subsidiary Company

- (a) JIL Trading Pvt. Ltd.
- (b) S.R.K. Investment Pvt. Ltd.
- (c) Sea Bird Securities Pvt. Ltd.
- (d) L.P. Investments Ltd.
- (e) Yoofy Computech Pvt. Ltd.

Associate Company

- (a) Hyderabad Distilleries and Wineries Pvt. Ltd.

8. We did not review the financial information / financial results of the subsidiaries and associates company (listed in paragraph 7) included in the consolidated financial results, whose interim financial information / financial results reflect total revenues of Rs. 1245/- and Rs. 1437/-, total net loss after tax of Rs. 18,384/- and 42,095/- and total comprehensive loss of Rs. 18,384/- and Rs. 42,095/- for the quarter ended September 30, 2019 and for the half year ended September 30, 2019 respectively, as considered in the Statement. These interim financial results and other financial information have been reviewed by other



Auditors, whose reports have been furnished to us by the management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in the respect of these subsidiaries, is based solely on the report of other auditors. Our opinion is not modified in respect of this matter.

For Madan & Associates

Chartered Accountants

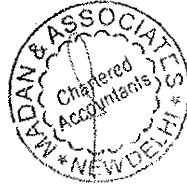
FRN: 000185N

M. K. Madan

M. K. Madan

Proprietor

Membership number: 082214



Place: New Delhi

Date: November 14, 2019

UDIN: 19082214AAAAFF6493

JAGATJIT INDUSTRIES LIMITED

Regd. Office: Jagatjit Nagar – 144 802, Distt. Kapurthala (Punjab)

Corporate Identity Number : L15520PB1944PLC001970

Phones: (0181) 2783117 Fax: (0181) 2783118 E-mail: jil@jagatjit.com Website: www.Jagatjit.com

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019

Rs. in Lacs

Particulars	Quarter Ended			Six Months Ended		Year Ended
	30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
	1	2	3	4	5	6
1 Income from operations						
(a) Revenue from operations	5,445	4,655	6,449	10,101	13,994	24,925
(b) Other income	1,024	760	932	1,804	1,639	5,462
Total income	6,469	5,436	7,381	11,905	15,633	30,387
2 Expenses						
(a) Cost of materials consumed	2,143	1,455	1,776	3,598	3,901	6,993
(b) Purchase of stock in trade	142	177	1,050	319	1,250	478
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(40)	(55)	202	(95)	827	1,411
(d) Excise duty	39	-	298	39	1,738	2,499
(e) Employee benefits expense	1,503	1,555	1,696	3,058	3,486	6,660
(f) Finance cost	1,069	1,148	1,307	2,217	2,633	7,259
(g) Depreciation and amortisation expense	229	231	266	460	544	1,044
(h) Other expenses	2,704	2,537	3,119	5,241	4,926	10,835
Total expenses	7,789	7,048	9,714	14,837	19,325	37,379
3 Profit/(Loss) before exceptional items and taxes (1-2)	(1,320)	(1,612)	(2,333)	(2,932)	(3,692)	(6,992)
4 Exceptional items, income	-	-	-	-	-	373
5 Profit/(Loss) before tax (3-4)	(1,320)	(1,612)	(2,333)	(2,932)	(3,692)	(6,619)
6 Tax expense						
Deferred tax charged/(credit)	-	-	-	-	-	(234)
Previous year tax adjustment	-	-	-	-	-	92
7 Net Profit / (Loss) after tax (5±6) from continuing operations	(1,320)	(1,612)	(2,333)	(2,932)	(3,692)	(6,477)
8 Net Profit / (Loss) from discontinuing operations	(4)	(30)	(31)	(34)	(40)	(116)
9 Net Profit / (Loss) after tax	(1,324)	(1,642)	(2,364)	(2,966)	(3,732)	(6,593)
10 Share of Profit/(Loss) of associates	2,777	-	-	2,777	-	-
11 Minority interest	-	-	-	-	-	-
12 Net Profit / (Loss) after tax, minority interest and share of Profit/(Loss) of associates	1,453	(1,642)	(2,364)	(189)	(3,732)	(6,593)
13 Other Comprehensive Income / (Loss)						
Items that will not be reclassified to profit or loss	(15)	(15)	(10)	(30)	(20)	(60)
Income tax related to above	-	-	-	-	-	21
	(15)	(15)	(10)	(30)	(20)	(39)
14 Total Comprehensive Income for the period	1,438	(1,657)	(2,374)	(219)	(3,752)	(6,632)
15 Paid-up Equity Share Capital (Face Value of the Share is Rs.10/- each)	4615	4615	4615	4615	4615	4615
16.i Earnings per share (for continuing operations)						
(of Rs. 10/- each) (not annualised for the quarter & half year):						
(a) Basic	3.34	(3.69)	(5.35)	(0.36)	(6.46)	(14.84)
(b) Diluted	3.34	(3.69)	(5.35)	(0.36)	(6.46)	(14.84)
16.ii Earnings per share (for discontinuing operations)						
(of Rs. 10/- each) (not annualised for the quarter & half year):						
(a) Basic	(0.01)	(0.07)	(0.07)	(0.08)	(0.09)	(0.26)
(b) Diluted	(0.01)	(0.07)	(0.07)	(0.08)	(0.09)	(0.26)
16.iii Earnings per share						
(of Rs. 10/- each) (not annualised for the quarter & half year):						
(a) Basic	3.33	(3.76)	(5.42)	(0.44)	(8.55)	(15.10)
(b) Diluted	3.33	(3.76)	(5.42)	(0.44)	(8.55)	(15.10)

See accompanying notes to the consolidated financial results



Jagatjit

Notes

- The unaudited standalone financial results of the Group for the quarter and half year ended Sep 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 14, 2019.
- A limited review of the results for the quarter and half year ended Sep 30, 2019 have been carried out by our statutory auditors
- The financial results of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.
- The Group has adopted Ind AS 116 "Leases" effective from April 1, 2019. Based on assessment made by the management there is no significant impact on the financial statement of the Group.
- Contingent Liabilities - Claims against the Group not acknowledged as debts - Rs. 1126 Lacs as on Sep 30, 2019. (March 31, 2019 - Rs 1146 Lacs)
- Other Expenses includes Rs 84 lacs on account of reversal of bottling charges related to previous year on full and final settlement with the party.
- Consequent upon receipt of approval from Lessor (UPSIDC) Group has recorded sales of Sikandrabad unit in books of account. Group has earned profit on sale of Machinery of Rs 64 lacs, on Building Rs 848 lacs aggregating to Rs 912 lacs and suffered loss of Rs 912 lacs on leasehold land. As a result there is no impact on the profit for the six months ended Sep 30, 2019
- Provision for Gratuity, Leave Encashment and bonus are made proportionately on the basis of annualised figure of FY 2018-19.
- Terms and conditions regarding loan of Rs. 5140 lacs taken from Associate Company and Rs. 160 lacs from other company have not been stipulated pending ratification by the board. Provision for interest if any will be made in the subsequent quarter.
- Under the third party supply agreement revenue is recognised net of cost of goods sold. The gross revenue and cost of goods sold reported as under:

(Rs in lacs)

PARTICULARS	Quarter Ended			Half Year Ended		Year Ended
	30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
Revenue from operation including sales under supply agreement	8,684	7,393	6,449	16,017	13,894	31,077
Other income	1,024	760	932	1,804	1,639	5,452
Gross Revenue	9,708	8,113	7,381	17,821	15,633	36,539
Less: Cost of goods sold from third party supply agreement	3,239	2,677	-	5,916	-	6,152
Total Income	6,469	5,436	7,381	11,905	15,633	30,387

- During financial year 2017-18 Group entered in to an agreement of sale for development and disposal thereafter a part of Leasehold land of Glass division at Sahibabad due to discontinuity of operations. In pursuance of the said agreement Group has received a sum of Rs 4527 lacs which is shown under other current liabilities. Recognition of revenue has been deferred, pending approval from the lessor (UPSIDC) and sale thereafter.
- Other Financial assets includes security deposit of Rs 35 lacs in respect of Sikandrabad unit which has been sold and Rs 14 lacs in respect of Sahibabad Unit which is held for sale. Management is of view that the same will be recovered from the authorities.
- Other Current financial liabilities includes interest amount of Rs 217 lacs payable to MSME suppliers related to earlier years, pending identification of parties and Rs 137 lacs payable to ex-employees on account of full and final settlement.
- Revenue from operation is net of Rs 119 lacs on account of reversal of income related to previous year.
- During the period group has sold investment in Qube Corporation (P) Ltd's preference shares (11.70 lacs shares) of Rs 117 lacs at par to group entities as certified by the management.
- Bank balances of Rs 10 lacs of earlier years at various closed lie up units are unconfirmed. Management will conduct scrutiny and adjustment if any will be made by the year end.
- Current loans includes a sum of Rs. 786 lacs (interest bearing Rs 120 lacs) due from senior/ex-employees in respect of which stipulation regarding repayment are not laid out. These are good for recovery and will be received in due course of time as certified by the management.
- Other financial assets includes commercial advance of Rs. 63 lacs to Vinayaka Liquors Pvt. Ltd and other current assets includes interest free advance of Rs 170 lacs to party for which Management is of view that this amount will be recovered/adjusted by the year end.
- Other current asset includes sum of Rs. 50 lacs paid to various parties in earlier years pending receipt of bills. These bills pertain to services rendered in the ordinary course of business. Efforts are being made to obtain copy of bills and amount will be adjusted against bills payable on receipt of the same.
- During the quarter Group has raised debit note of Rs 50 lacs regarding reimbursement of renovation expenses on let out property to related party which was been capitalized in earlier years and adjusted in property plant and equipments
- As informed by the management other current assets includes commercial advance of Rs 40 lacs for designing of moulds. This advance is refundable subject to fulfilment of certain stipulation.
- Trade payable includes Rs 95 lacs representing stale cheques issued in earlier years pending reconciliation.
- Profit of Rs 2777 lacs (net of loss of Rs 86 lacs related to previous year) of associate company considered in consolidated financial statement.
- Figures for the previous quarters/periods have been regrouped/reclassified, wherever necessary, to correspond with the current period classification/disclosures.
- The remarks/ qualifications made by the Statutory Auditors on the Financial Results as stated in their Limited Review Report are annexed herewith.

FOR AND ON BEHALF OF JAGATJIT INDUSTRIES LIMITED

DATE : 14.11.2019
PLACE : NEW DELHI



Manu
RAW MANCHANDA
(MANAGING DIRECTOR)



Statement of Assets & Liabilities (Consolidated)

(in lacs)

Particulars	As at	As at
	Sep 30, 2019 (Unaudited)	March 31, 2019 (Audited)
ASSETS		
1 Non-current assets		
a) Other intangible assets	37,589	38,046
b) Other intangible assets	1,251	1,251
c) Capital work-in-progress	28	22
d) Investment Properties	1,838	1,837
e) Financial assets		
i) Investments	2,888	854
ii) Loans	10	10
iii) Other financial assets	1,065	1,513
f) Other non-current assets	4,124	4,149
Total Non-current assets	48,773	47,662
2 Current assets		
a) Inventories	3,560	3,942
b) Financial assets		
i) Investments		
ii) Trade receivables	4,685	7,990
iii) Cash and cash equivalents	307	951
iv) Loans	982	967
v) Other financial assets	333	322
c) Other current assets	2,036	2,446
d) Assets classified as held for sale	38	1,938
Total Current assets	11,941	18,556
TOTAL- ASSETS	60,714	66,238
EQUITY AND LIABILITIES		
Equity		
Equity share capital	4,615	4,615
Other equity	4,413	4,628
Minority Interest	(4)	(4)
Total Equity	9,024	9,239
LIABILITIES		
1 Non-current liabilities		
a) Financial liabilities		
i) Borrowings	25,671	21,690
ii) Other financial liabilities	4,728	3,647
b) Other long term liabilities	304	434
c) Provisions	2,245	2,245
d) Deferred tax Liabilities	244	244
Total Non current liabilities	33,192	28,260
2 Current liabilities		
a) Financial liabilities		
i) Borrowings	501	1
ii) Trade payables	6,930	8,757
iii) Other financial liabilities	4,246	11,348
b) Other current liabilities	6,378	8,209
c) Provisions	443	424
Total Current liabilities	18,498	28,739
Total Liabilities	51,690	56,999
Total equity and liabilities	60,714	66,238



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Segment wise Revenue, Results and Assets & Liabilities

(Rs in lacs)

Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Consolidated		
	30.09.2019	30.06.2019	30.09.2018	Six Months Ended	Six Months Ended	Year Ended
(1)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	(2)	(3)	(4)	(5)	(6)	(7)
1. Segment Revenue (Sales and other operating income)						
A. Beverages	1,901	1,285	3,843	3,186	7,742	11,210
B. Food	3,402	3,191	2,386	6,593	5,883	13,231
C. Others	142	180	220	322	369	484
Total Segment Revenue	5,445	4,656	6,449	10,101	13,994	24,925
2. Segment Results						
A. Beverages	(646)	(801)	(655)	(1,447)	(727)	(856)
B. Food	331	220	(93)	551	185	961
C. Others	(2)		(3)	(2)	(1)	(7)
Total Segment Results	(317)	(581)	(751)	(898)	(543)	98
Add/(Less) : Exceptional Items [net credit/(charged)]	0	-	-	-	-	373
Less : Finance Cost	1,069	1,148	1,307	2,217	2,633	7,259
Less : Other un-allocable expense net of un-allocable income	(66)	(117)	275	(183)	516	(169)
Total Profit/(Loss) Before Tax from continuing operations	(1,320)	(1,612)	(2,333)	(2,932)	(3,692)	(6,619)
Total Profit/(Loss) Before Tax from discontinuing operations	(4)	(30)	(31)	(34)	(40)	(116)
Total Profit/(Loss) Before Tax	(1,324)	(1,642)	(2,364)	(2,966)	(3,732)	(6,735)
3. Segment Assets						
A. Beverages	14,337	15,667	23,028	14,337	23,028	20,028
B. Food	7,728	8,120	8,227	7,728	8,227	8,078
C. Asset classified as held for sale	38	38	1,939	38	1,939	1,938
D. Others Unallocable	38,611	36,131	36,192	38,611	36,192	35,594
Total	60,714	59,956	69,386	60,714	69,386	66,238
4. Segment Liabilities						
A. Beverages	12,437	13,215	14,984	12,437	14,984	14,819
B. Food	3,703	3,748	3,418	3,703	3,418	4,019
C. Liability directly associated with asset classified as held for sale	4,627	4,527	4,020	4,627	4,020	6,427
D. Others Unallocable	30,923	32,131	34,840	30,923	34,840	31,734
Total	51,690	53,621	57,262	51,690	57,262	56,999



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