

Jagatjit Industries Limited

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The BSE Limited
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022-2272 3121, 2037, 2061
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15th September, 2020

Security Code No. 507155

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 ended on 30th June, 2020.

Dear Sir/Madam,

The Board of Directors at their meeting held today i.e. 15th September, 2020 inter alia, considered and approved the Unaudited, Standalone and Consolidated, Financial Results of the Company for the quarter ended on 30th June, 2020. 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

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Kailash Building, K.G. Marg
New Delhi-110001
PH:30487347, 23327345
PAN: AAAPM5122B
e-mail: mk_madaan@yahoo.com

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, (as amended)

To
The Board of Directors,
Jagatjit Industries Limited,

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 ended June 30, 2020 ("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 (the "Listing Regulations").
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 of interim financial information consists of making inquiries, primarily of company's personnel responsible for financial and accounting matters, and applying analytical and



other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standard on Auditing specified under section 143(10) of the companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. 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 (including confirmation of Registered MSME Suppliers) 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.

Further, Trade payables, Loan & advance and trade receivable (other than above) are subject to reconciliation & confirmation. The financial impact of all this is not ascertainable and to that extent we can not comment upon the veracity of such balances.

The matter was also qualified vide our audit report on Financial Statement for the year ended March 31, 2020 and Financial Results for the Quarter & year ended March 31, 2020.

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 ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.



6. Emphasis of Matter

- (i) We draw attention to Note No 4 regarding non-provisioning of interest on outstanding balance of MSME suppliers, Note No. 5 regarding non provisioning of non-moving inventories, Note No 6 regarding extinguishment of service tax demand due to availment of Sabka Vishwas Scheme, Note No. 7 regarding pending approval of UPSIDC, Note No 10 regarding impact of Covid – 19 and Note No 11 regarding internal audit issues.

(ii) **Going Concern**

The accounts have been prepared on Going concern Basis. The Company has been suffering losses for last seven years and the net working capital of the company is negative. During the quarter ended June 30, 2020 Company suffered net loss of Rs. 266 Lakhs. Further Post COVID-19 the rental income of investment property is likely to fall down substantially due to vacancy /reduction in the rent. 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.

- (a) As stated by management in last quarter that the company has undertaken various steps to curtail losses and make working capital Positive, it has started showing results. The turnover of the company has started showing improvement and company has registered a turnover of Rs. 9323 Lakhs for the quarter ended June 30, 2020 as against the turnover of Rs. 4656 Lakhs for the quarter ended June 30, 2019. The loss suffered by the company is substantially reduced as compared to the corresponding previous quarter 30.06.2019.
- (b) The Company had initiated the process of monetizing its surplus immovable property at Sahibabad (UP) to repay debts / reduce finance cost and enhance its working capital. Company has also received an amount of Rs 4,627 Lakhs as advance for sale of Sahibabad Unit till June 30, 2020, and the company expects to receive the balance consideration of Rs 1900 Lakhs from sales of its Sahibabad Unit and it will help in improving the Cash Flow position of the company in this financial year. Finance cost for the quarter ended June 30, 2020 has been reduced to Rs.741 Lakhs as compared to Rs. 1148 Lakhs for the corresponding previous quarter 30.06.2019.
- (c) 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 36 Lakhs, rent by Rs 18 Lakhs, travelling expenses by Rs 62 Lakhs and Legal expenses by Rs 99 Lakhs as compared to the corresponding previous quarter 30.06.2019.



- (d) The company has ventured into new business of hand sanitizers and accordingly entered into arrangements with various parties for manufacture/procurement of hand sanitizers for sales, distribution against the supply of the denatured alcohol by the company. The product of the company appears to be well accepted in the market as per initial reports. This may have positive impact on the financial performance of the company in the subsequent quarters.

Management is of the view that in terms of various steps undertaken full effect of the same will be further visible by end of the year and will help in curtailing/reducing 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.

Our opinion is not modified in respect of these matters.



*For Madan & Associates
Chartered Accountants*

FRN: 000185N

m.k. madan

M. K. Madan
Proprietor

Membership number: 082214

Place: New Delhi

Date: September 15, 2020

UDIN NO: 20082214AAAACH6091

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 ENDED JUNE 30, 2020

Rs. In Lakhs

	Particulars	Quarter Ended			Year Ended
		30.06.2020 (Unaudited)	30.06.2019 (Unaudited)	31.03.2020 (Refer note 12)	31.03.2020 (Audited)
1	Income from operations				
	(a) Revenue from operations (Gross of Excise duty)	9,323	4,656	6,585	22,528
	(b) Other income	761	780	1,724	4,803
	Total income	10,084	5,436	8,309	27,331
2	Expenses				
	(a) Cost of materials consumed	3,743	1,455	3,003	8,872
	(b) Purchase of stock in trade	282	177	128	618
	(c) Changes in inventories of finished goods, work- in-progress and stock-in-trade	388	(55)	(267)	(343)
	(d) Excise duty on sale	1,221	-	421	461
	(e) Employee benefits expense	1,519	1,555	1,427	5,994
	(f) Finance cost	741	1,148	796	4,211
	(g) Depreciation and amortisation expense	235	231	275	965
	(h) Other expenses	2,218	2,537	5,189	13,523
	Total expenses	10,347	7,048	10,972	34,301
3	Profit/(Loss) before exceptional items and taxes (1-2)	(263)	(1,612)	(2,663)	(6,970)
4	Exceptional Items: Income	-	-	2,868	2,868
5	Profit/(Loss) before tax (3+4)	(263)	(1,612)	205	(4,102)
6	Tax expense				
	Derecognition of MAT credit	-	-	968	968
	Deferred tax (credit)/ charge	-	-	(244)	(244)
7	Net Profit / (Loss) after tax (5+6) from continuing operations	(263)	(1,612)	(519)	(4,826)
8	Net Profit / (Loss) from discontinuing operations	(3)	(30)	(21)	(61)
9	Net Profit / (Loss) after tax	(266)	(1,642)	(540)	(4,887)
10	Other Comprehensive Income / (Loss)				
	Items that will not be reclassified to profit or loss	-	(15)	(233)	(278)
	Income tax related to above	-	-	-	-
		-	(15)	(233)	(278)
11	Total Comprehensive Income for the period	(266)	(1,657)	(773)	(5,165)
12	Paid-up Equity Share Capital (Face Value of the Share is Rs.10/- each)	4615	4615	4615	4615
13	Other Equity (excluding Revaluation Reserves)				(25,102)
14.i	Earnings per share (for continuing operations)				
	(of Rs. 10/- each) (not annualised for the quarter):				
	(a) Basic	(0.60)	(3.69)	(1.19)	(11.06)
	(b) Diluted	(0.60)	(3.69)	(1.19)	(11.06)
14.ii	Earnings per share (for discontinuing operations)				
	(of Rs. 10/- each) (not annualised for the quarter):				
	(a) Basic	(0.01)	(0.07)	(0.05)	(0.14)
	(b) Diluted	(0.01)	(0.07)	(0.05)	(0.14)
14.iii	Earnings per share				
	(of Rs. 10/- each) (not annualised for the quarter):				
	(a) Basic	(0.61)	(3.76)	(1.24)	(11.20)
	(b) Diluted	(0.61)	(3.76)	(1.24)	(11.20)



[Handwritten Signature]



Notes

1. The unaudited standalone financial results of the Company for the quarter ended June 30, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on September 15, 2020 and have been subjected to limited review by the statutory auditors of the company. The remarks/qualifications made by the Statutory Auditors on the Financial Results as stated in their Report are annexed herewith.
2. 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.
3. Contingent Liabilities - Claims against the company not acknowledged as debts - Rs 1674 Lakhs as on June 30, 2020. (March 31, 2020 : Rs 1921 Lakhs).
4. Provision for Gratuity and bonus are made proportionately on the basis of annualised figure of FY 2019-20. Provision for Leave Encashment and interest on outstanding of MSME suppliers will be made at the year end.
5. Inventories include non-moving stocks of Rs. 67 Lakhs (Raw Material of Rs 24 Lakhs, WIP of Rs 9 Lakhs and Finished goods of Rs 34 Lakhs) against which no provision has been made. The Management is of the view that these stocks will be utilised / disposed off in the subsequent quarters. Adjustment, if any, shall be made in the subsequent quarters.
6. The Company has opted "Sabka Vishwas Scheme 2019" for service tax demand of Rs. 200 Lakhs (as per Form No 3) for which the Company had filed appeal to appropriate authority in earlier years. Against this demand, the Company had reversed CENVAT Credit of Rs. 88 Lakhs, deposited Rs. 31 Lakhs (treated as assets) as precondition of filing of appeal, made provision of Rs. 49 Lakhs in the books in earlier years and shown Rs. 247 Lakhs (including penalty) as contingent liability. Susequent to the quarter ended June 30, 2020, the Service tax Department has approved the Company's application with Nil demand (as per Form No 4). Following it the Company has expensed off deposit of Rs. 31 Lakhs, written back service tax provision of Rs. 49 lakhs and deleted contingent liability of Rs. 247 Lakhs during the quarter ended June 30, 2020.
7. During financial year 2017-18 company entered into 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 4627 Lakhs (towards part performance of the agreement) which is shown under other current liabilities. Recognition of revenue has been deferred, pending approval from the lessor (UPSIDC). Management is hopeful for receipt of formal approval by the end of year.
8. In absence of convincing evidence of future taxable profit, the Company has not recognised deferred tax asset during the quarter.
9. As per Ind AS 108, operating segment is a component of the company that engages in the business activities whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decision about resources to be allocated to the segment and assess its performance; and for which discrete financial information is available. Accordingly, the Company has identified its operating segment as below:
(a) Beverages : Segment includes manufacturing and supply of bottled Indian Made Foreign Liquor, Country Liquor, Industrial Alcohol, Sanitizers and licensing use of its IMFL brands.
(b) Food : Segment includes manufacturing and supplies of food products and providing services (Job Work) for manufacture of food products.
(c) Others : Segment includes sale of petroleum products.
The Company's CODM does not review assets and liabilities for each operating segment separately, hence segment disclosures relating to total assets and liabilities have not been furnished.
10. The outbreak of Covid-19 pandemic is causing significant disturbance and slowdown of economic activities globally. With various restrictions imposed and the lockdown announced from March 24, 2020, all the operations including the manufacturing operations which came to stand still, with the relaxations granted by the Government of State of Punjab, the operations of the distillery and food division were resumed from April 11, 2020. During the quarter ended June 30, 2020 the economic performance of the entity has improved in terms of sales and production as compared to corresponding quarter ended June 30, 2019. Further, in view to meet the requirement of the hand sanitizers due to the increased demand of the same on account of the spread of COVID-19, the Company has launched hand sanitizers and accordingly entered into arrangements with various parties for manufacture/ procurement of hand sanitizers for sales & distribution by the Company. The product of the Company appears to be well accepted in the market as per initial reports. The Company is facing issues in servicing its financial obligations due to the impact of COVID-19. The Company has made the payment to NBFC as per existing repayment schedule and kept the installment of Bank loan under moratorium due to Covid-19 pandemic. The Company is expecting its revised repayment schedule from the said institutions. Further Post COVID-19 the rental income of investment property is likely to fall down due to vacancy/reduction in the rent. Based on the current indicators of future economic conditions, the management expects to recover the carrying amount of the assets, however the management will continue to closely monitor any material changes to future economic conditions. Given the uncertainties, the final impact on Company's assets in future may differ from that estimated as at the date of approval of these financial results.
11. Internal audit report for the half year ending March 31, 2020 has been received on August 20, 2020. Internal auditor inter alia has raised certain issues regarding availment of GST input credit in respect of certain matters, payment of GST under the reverse charge mechanism. Management is of the view that it has rightfully claimed the input credits and fully complied with the provisions of the GST Act in other areas. However management will take further view in respect of all these matters including taking of the legal opinion and will obtain the compliance certificate from the internal auditor by the end of September 2020.
12. The figures of the last quarter ended March 31, 2020 are the balancing figures between audited figures in the respect of the full financial year upto March 31, 2020 and the unaudited published year-to-date figures up to December 31, 2019, the date of the end of third quarter of the last financial year, which were subjected to limited review.
13. Figures for the previous quarters/periods have been regrouped/reclassified, wherever necessary, to correspond with the current period classification/disclosures.

DATE : 15.09.2020
PLACE : NEW DELHI



FOR AND ON BEHALF OF JAGATJIT INDUSTRIES LIMITED


RAVI MANCHANDA
(MANAGING DIRECTOR)

Segment wise Revenue and Results

(Rs in Lakhs)

Particulars	Standalone			
	Quarter Ended 30.06.2020 (Unaudited)	Quarter Ended 30.06.2019 (Unaudited)	Quarter Ended 31.03.2020 (Refer note 12)	Year Ended 31.03.2020 (Audited)
1. Segment Revenue (Sales and other operating income)				
A. Beverages	6283	1285	3,042	8,477
B. Food	2898	3191	3,406	13,420
C. Others	142	180	137	631
Total Segment Revenue	9,323	4,656	6,585	22,528
2. Segment Results				
A. Beverages	(143)	(801)	(2,290)	(4,429)
B. Food	450	220	352	1394
C. Others	1		0	(5)
Total Segment Results	308	(581)	(1938)	(3040)
Add/(Less) : Exceptional Items [net credit/(charged)]	-	-	2,868	2,868
Less : Finance Cost	741	1,148	796	4,211
Less : Other un-allocable expense net of un-allocable income	(170)	(117)	(71)	(281)
Total Profit/(Loss) Before Tax from continuing operations	(263)	(1,612)	205	(4,102)
Total Profit/(Loss) Before Tax from discontinuing operations	(3)	(30)	(21)	(61)
Total Profit/(Loss) Before Tax	(266)	(1,642)	184	(4,163)



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MADAN & ASSOCIATES
CHARTERED ACCOUNTANTS

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e-mail: mk_madaan@yahoo.com

Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, (as amended)

To
The Board of Directors,
Jagatjit Industries Limited,

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"), and associate company for the quarter ended June 30, 2020 ("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 (the "Listing Regulations").
2. This statement which is the responsibility of the Parent's Management and approved by the Parent's 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 of interim financial information consists of making inquiries, primarily of company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standard on Auditing specified under section 143(10) of the



companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMDI/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33(8) of Listing Regulation, to the extent applicable.

4. Basis for qualified opinion

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.

The Parent 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. The Parent does not have effective system of obtention of confirmations from Trade Receivables/ Payables (including confirmation of Registered MSME Suppliers) 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.

Further, Trade payables, Loan & advance and trade receivable (other than above) are subject to reconciliation & confirmation. The financial impact of all this is not ascertainable and to that extent we can not comment upon the veracity of such balances.

The matter was also qualified vide our audit report on Financial Statement for the year ended March 31, 2020 and Financial Results for the Quarter & year ended March 31, 2020.

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, and based on consideration of the review report of other auditors refer to paragraph 8 below, 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 ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.



6. Emphasis of Matter

- (i) We draw attention to Note No 4 regarding non-provisioning of interest on outstanding balance of MSME suppliers, Note No. 5 regarding non provisioning of non-moving inventories, Note No 6 regarding extinguishment of service tax demand due to availment of Sabka Vishwas Scheme, Note No. 7 regarding pending approval of UPSIDC, Note No 10 regarding impact of Covid – 19 and Note No 11 regarding internal audit issues.

(ii) **Going Concern**

The accounts have been prepared on Going concern Basis. The Parent has been suffering losses for last seven years and the net working capital of the Parent is negative. During the quarter ended June 30, 2020 the Parent suffered net loss of Rs. 266 Lakhs. Further Post COVID-19 the rental income of investment property of the Parent is likely to fall down substantially due to vacancy / reduction in the rent. These conditions indicate the existence of a material uncertainty and cast significant doubt about Parent's ability to continue as a going concern. Management has represented to us that Parent has sufficient resources to survive and curb the losses and there is no intention of the management to liquidate the entity.

- (a) As stated by management in last quarter that the Parent has undertaken various steps to curtail losses and make working capital Positive, it has started showing results. The turnover of Parent has started showing improvement and the Parent has registered a turnover of Rs. 9323 Lakhs for the quarter ended June 30, 2020 as against the turnover of Rs. 4656 Lakhs for the quarter ended June 30, 2019. The loss suffered by the Parent is substantially reduced as compared to the corresponding previous quarter 30.06.2019.
- (b) The Parent had initiated the process of monetizing its surplus immovable property at Sahibabad (UP) to repay debts / reduce finance cost and enhance its working capital. The Parent has also received an amount of Rs 4,627 Lakhs as advance for sale of Sahibabad Unit till June 30, 2020, and the Parent expects to receive the balance consideration of Rs 1900 Lakhs from sales of its Sahibabad Unit and it will help in improving the Cash Flow position of Parent in this financial year. Finance cost for the quarter ended June 30, 2020 has been reduced to Rs.741 Lakhs as compared to Rs. 1148 Lakhs for the corresponding previous quarter 30.06.2019.
- (c) 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 36 Lakhs, rent by Rs 18 Lakhs, travelling expenses by Rs 62 Lakhs and Legal expenses by Rs 99 Lakhs as compared to the corresponding previous quarter 30.06.2019.



- (d) The Parent has ventured into new business of hand sanitizers and accordingly entered into arrangements with various parties for manufacture/ procurement of hand sanitizers for sales, distribution against the supply of the denatured alcohol by the Parent. The product of the Parent appears to be well accepted in the market as per initial reports. This may have positive impact on the financial performance of the company in the subsequent quarters.

The Management is of the view that in terms of various steps undertaken full effect of the same will be further visible by end of the year and will help in curtailing/reducing 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.

Our opinion is not modified in respect of these matters.

7. The statement includes the results of the Parent and 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.
- (f) Natwar Liquors Pvt. Ltd.

Associate Company

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

8. The accompanying Statement includes the unaudited financial results and other financial information of its subsidiaries (listed in paragraph 7) whose unaudited interim financial results include total revenues of Rs. Nil, total net loss after tax of Rs. Nil and total comprehensive loss of Rs. Nil for the quarter ended June 30, 2020, as considered in the Statement which have been reviewed by their respective independent Auditors.

The independent auditor's reports on interim financial results of these subsidiaries 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 and procedures performed by us as stated in paragraph 3 above.



The Statements also include the Group's share of net loss (including other comprehensive income) of Rs. 2 Lakhs for the quarter ended June 30, 2020 as considered in the Statements, in respect of an associate company, whose financial statements have been reviewed by 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: September 15, 2020

UDIN NO: 20082214AAAACI7388

JAGATJIT INDUSTRIES LIMITED

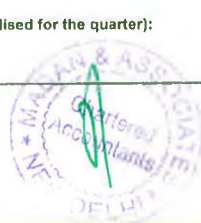
Regd. Office: Jagatjit Nagar – 144 802, Distt. Kapurthala (Punjab)

Corporate Identity Number : L16520PB1944PLC001970

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UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

	Particulars	Quarter Ended			Rs. in Lakhs
		30.06.2020	30.06.2019	31.03.2020	Year Ended
		(unaudited)	Unaudited	(Refer note 12)	31.03.2020 (Audited)
1	Income from operations				
	(a) Revenue from operations (Gross of Excise duty)	9,323	4,656	6,585	22,528
	(b) Other income	761	780	1,724	4,803
	Total income	10,084	5,436	8,309	27,331
2	Expenses				
	(a) Cost of materials consumed	3,743	1,455	3,003	8,872
	(b) Purchase of stock in trade	282	177	128	618
	(c) Changes in inventories of finished goods, work- in-progress and stock-in-trade	388	(55)	(267)	(343)
	(d) Excise duty on sales	1,221	-	421	461
	(e) Employee benefits expense	1,519	1,555	1,427	5,994
	(f) Finance cost	741	1,148	796	4,211
	(g) Depreciation and amortisation expense	235	231	275	965
	(h) Other expenses	2,218	2,537	5,190	13,526
	Total expenses	10,347	7,048	10,973	34,304
3	Profit/(Loss) before exceptional items and taxes (1-2)	(263)	(1,612)	(2,664)	(6,973)
4	Exceptional Items: Income	-	-	2,833	2,833
5	Profit/(Loss) before tax (3+4)	(263)	(1,612)	169	(4,140)
6	Tax expense				
	Current tax	-	-	1	1
	MAT Credit for the year	-	-	(1)	(1)
	Derecognition of MAT credit	-	-	979	979
	Deferred tax (credit)/ charge	-	-	(244)	(244)
7	Net Profit / (Loss) after tax (6+6) from continuing operations	(263)	(1,612)	(566)	(4,876)
8	Net Profit / (Loss) from discontinuing operations	(3)	(30)	(21)	(61)
9	Net Profit / (Loss) after tax (7+8) from discontinuing operations	(3)	(30)	(21)	(61)
10	Total Profit for the period	(266)	(1,642)	(587)	(4,936)
11	Share of Profit/(Loss) of associates	(2)	-	(2,297)	477
12	Net Profit / (Loss) after Tax, share of Profit/(Loss) from associates	(268)	(1,642)	(2,884)	(4,459)
13	Other Comprehensive Income / (Loss)				
	Items that will not be reclassified to profit or loss	-	(15)	(233)	(278)
	Income tax related to above	-	-	-	-
	Total Other Comprehensive Income /(Loss) for the period	-	(15)	(233)	(278)
14	Total Comprehensive Income for the period	(268)	(1,657)	(3,117)	(4,737)
15	Net Profit / (Loss) for the period attributable to				
	Equity Shareholders of the Parent	(268)	(1,642)	(2,884)	(4,459)
	Non-controlling Interest	-	-	-	-
		(268)	(1,642)	(2,884)	(4,459)
16	Other Comprehensive Income / (Loss) for the period attributable to				
	Equity Shareholders of the Parent	-	(15)	(233)	(278)
	Non-controlling Interest	-	-	-	-
		-	(15)	(233)	(278)
17	Total Comprehensive Income / (Loss) for the period attributable to				
	Equity Shareholders of the Parent	(268)	(1,657)	(3,117)	(4,737)
	Non-controlling Interest	-	-	-	-
		(268)	(1,657)	(3,117)	(4,737)
18	Paid-up Equity Share Capital (Face Value of the Share is Rs.10/- each)	4615	4615	4615	4615
19	Other Equity (excluding Revaluation Reserves)				(24,632)
20.i	Earnings per share (for continuing operations)				
	(of Rs. 10/- each) (not annualised for the quarter):				
	(a) Basic	(0.61)	(3.69)	(6.56)	(10.08)
	(b) Diluted	(0.61)	(3.69)	(6.56)	(10.08)
20.ii	Earnings per share (for discontinuing operations)				
	(of Rs. 10/- each) (not annualised for the quarter):				
	(a) Basic	(0.01)	(0.07)	(0.05)	(0.14)
	(b) Diluted	(0.01)	(0.07)	(0.05)	(0.14)
20.iii	Earnings per share				
	(of Rs. 10/- each) (not annualised for the quarter):				
	(a) Basic	(0.62)	(3.76)	(6.61)	(10.22)
	(b) Diluted	(0.62)	(3.76)	(6.61)	(10.22)



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Notes

1. The unaudited consolidated financial results of the Group for the quarter ended June 30, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on September 15, 2020 and have been subjected to limited review by the statutory auditors of the Group. The remarks/ qualifications made by the Statutory Auditors on the Financial Results as stated in their Report are annexed herewith.
2. 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.
3. Contingent Liabilities - Claims against the Group not acknowledged as debts - Rs 1674 Lakhs as on June 30, 2020. (March 31, 2020 : Rs 1921 Lakhs).
4. Provision for Gratuity and bonus are made proportionately on the basis of annualised figure of FY 2019-20. Provision for Leave Encashment and interest on outstanding of MSME suppliers will be made at the year end.
5. Inventories include non-moving stocks of Rs. 67 Lakhs (Raw Material of Rs 24 Lakhs, WIP of Rs 9 Lakhs and Finished goods of Rs 34 Lakhs) against which no provision has been made. The Management is of the view that these stocks will be utilised / disposed off in the subsequent quarters. Adjustment, if any, shall be made in the subsequent quarters.
6. The Group has opted "Sabka Vishwas Scheme 2019" for service tax demand of Rs. 200 Lakhs (as per Form No 3) for which the Group had filed appeal to appropriate authority in earlier years. Against this demand, the Group had reversed CENVAT Credit of Rs. 88 Lakhs, deposited Rs. 31 Lakhs (treated as assets) as precondition of filing of appeal, made provision of Rs. 49 Lakhs in the books in earlier years and shown Rs. 247 Lakhs (including penalty) as contingent liability. Subsequent to the quarter ended June 30, 2020, the Service tax Department has approved the Group's application with Nil demand (as per Form No 4). Following it the Group has expensed off deposit of Rs. 31 Lakhs, written back service tax provision of Rs. 49 lakhs and deleted contingent liability of Rs. 247 Lakhs during the quarter ended June 30, 2020.
7. During financial year 2017-18 Group entered into 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 4627 Lakhs (towards part performance of the agreement) which is shown under other current liabilities. Recognition of revenue has been deferred, pending approval from the lessor (UPSIDC). Management is hopeful for receipt of formal approval by the end of year.
8. In absence of convincing evidence of future taxable profit, the Group has not recognised deferred tax asset during the quarter.
9. As per Ind AS 108, operating segment is a component of the Group that engages in the business activities whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make decision about resources to be allocated to the segment and assess its performance; and for which discrete financial information is available. Accordingly, the Group has identified its operating segment as below:
(a) Beverages : Segment includes manufacturing and supply of bottled Indian Made Foreign Liquor, Country Liquor, Industrial Alcohol, Sanitizers and licensing use of its IMFL brands.
(b) Food : Segment includes manufacturing and supplies of food products and providing services (Job Work) for manufacture of food products.
(c) Others : Segment includes sale of petroleum products.
The Group's CODM does not review assets and liabilities for each operating segment separately, hence segment disclosures relating to total assets and liabilities have not been furnished.
10. The outbreak of Covid-19 pandemic is causing significant disturbance and slowdown of economic activities globally. With various restrictions imposed and the lockdown announced from March 24, 2020, all the operations including the manufacturing operations which came to stand still, with the relaxations granted by the Government of State of Punjab, the operations of the distillery and food division were resumed from April 11, 2020. During the quarter ended June 30, 2020 the economic performance of the entity has improved in terms of sales and production as compared to corresponding quarter ended June 30, 2020. Further, in view to meet the requirement of the hand sanitizers due to the increased demand of the same on account of the spread of COVID-19, the Group has launched hand sanitizers and accordingly entered into arrangements with various parties for manufacture/ procurement of hand sanitizers for sales & distribution by the Group. The product of the Group appears to be well accepted in the market as per initial reports. The Group is facing issues in servicing its financial obligations due to the impact of COVID-19. The Group has made the payment to NBFC as per existing repayment schedule and kept the installment of Bank loan under moratorium due to Covid-19 pandemic. The Group is expecting its revised repayment schedule from the said institutions. Further Post COVID-19 the rental income of investment property is likely to fall down due to vacancy/reduction in the rent. Based on the current indicators of future economic conditions, the management expects to recover the carrying amount of the assets, however the management will continue to closely monitor any material changes to future economic conditions. Given the uncertainties, the final impact on Group's assets in future may differ from that estimated as at the date of approval of these financial results.
11. Internal audit report for the half year ending March 31, 2020 has been received on August 20, 2020. Internal auditor inter alia has raised certain issues regarding availment of GST input credit in respect of certain matters, payment of GST under the reverse charge mechanism. Management is of the view that it has rightfully claimed the input credits and fully complied with the provisions of the GST Act in other areas. However management will take further view in respect of all these matters including taking of the legal opinion and will obtain the compliance certificate from the internal auditor by the end of September 2020.
12. The figures of the last quarter ended March 31, 2020 are the balancing figures between audited figures in the respect of the full financial year upto March 31, 2020 and the unaudited published year-to-date figures up to December 31, 2019, the date of the end of third quarter of the last financial year, which were subjected to limited review.
13. Figures for the previous quarters/periods have been regrouped/reclassified, wherever necessary, to correspond with the current period classification/disclosures.

DATE : 15.09.2020
PLACE : NEW DELHI



FOR AND ON BEHALF OF JAGATJIT INDUSTRIES LIMITED

RAVI MANCHANDA
(MANAGING DIRECTOR)

Segment wise Revenue and Results

(Rs in Lakhs)

		Consolidated			
Particulars		Quarter Ended 30.06.2020 (Unaudited)	Quarter Ended 30.06.2019 (Unaudited)	Quarter Ended 31.03.2020 (Refer note 12)	Year Ended 31.03.2020 (Audited)
1.	Segment Revenue (Sales and other operating income)				
	A. Beverages	6,283	1,285	3,042	8,477
	B. Food	2,898	3,191	3,406	13,420
	C. Others	142	180	137	631
	Total Segment Revenue	9,323	4,656	6,585	22,528
2.	Segment Results				
	A. Beverages	(143)	(801)	(2,290)	(4,429)
	B. Food	450	220	352	1394
	C. Others	1	0	0	(5)
	Total Segment Results	308	(581)	(1,938)	(3,040)
	Add/(Less) : Exceptional Items [net credit/(charged)]	-	-	2,833	2,833
	Less : Finance Cost	741	1,148	796	4,211
	Less : Other un-allocable expense net of un-allocable income	(170)	(117)	(70)	(278)
	Total Profit/(Loss) Before Tax from continuing operations	(263)	(1,612)	169	(4,140)
	Total Profit/(Loss) Before Tax from discontinuing operations	(3)	(30)	(21)	(61)
	Total Profit/(Loss) Before Tax	(266)	(1,642)	148	(4,201)



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