

S.P. CHOPRA & CO.

Chartered Accountants

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LIMITED REVIEW REPORT ON UNAUDITED FINANCIAL RESULTS OF
M/S. J.C.T. LIMITED FOR THE QUARTER ENDED
31st DECEMBER, 2013

1. We have reviewed the accompanying statement of unaudited financial results of M/s. J.C.T.Ltd. Village Chohal, Hoshiarpur - 146 024 (Punjab) for the quarter ended 31st December, 2013 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' including details of pledged/encumbered shares which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 12th February, 2014. Our responsibility is to issue a report on these financial statements based on our review.
2. The financial statement incorporates the results of Textile Units at Phagwara and Sriganganagar, Filament Unit at Hoshiarpur and Head Office at 305, Ratan Jyoti Building, Rajendra Place, New Delhi reviewed by us.
3. We conducted our review 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 financial statements are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons 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 Standards on Auditing 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. We have not performed an audit and accordingly, we do not express an audit opinion.



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4. Based on our review conducted as above and, **subject to the notes in Annexure 'A' and those pertaining to the audit qualifications in respect of the audited accounts of the previous accounting year ended 30.09.2013** wherein attention has been drawn to Note No. 5.2(b); Non provision of yield protection of Rs. 2872.90 lakhs as at 30.09.2013 and Rs.3113 lakhs as at 31.12.2013 payable on unpaid amount of Foreign Currency Convertible Bonds (FCCBs) for the reasons stated therein and likely impact of winding up petition filed by the FCCB Trustee for non payment of dues of US\$ 30.50 million equivalent to Rs. 19302.79 lakhs as at 30.09.2013 and Rs. 19003 lakhs as at 31.12.2013 since 08.04.2011.; Note No. 5.3(b); Non clearance/payment of cheques to depositors of Rs. 382.38 lakhs as at 30.09.2013 and Rs.263.43 lakhs as at 31.12.2013 in respect of repayment of deposits under Section 58A of the Companies Act, 1956 and certain delays in repayments of deposits during the period for which details are not readily ascertainable due to large volume of deposits. Note No. (31.7) & Note No. (31.10); Continuing and accumulated losses have resulted in entire erosion of net worth of the Company. However, the financial statements have been prepared on going concern basis on the grounds as disclosed in the 'Annexure A'. Further, steps are being taken by the management as envisaged under the Sick Industrial Companies (Special Provisions) Act, 1985 and Note No. (31.11); Non-confirmation/reconciliation of certain balances in trade receivables, advances and trade payables of the Company, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the applicable Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 and/or Accounting Standards issued by Institute of Chartered Accountants of India and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatements.

For S.P.CHOPRA & CO.
Chartered Accountants
Firm Regn.No.000346N


(SANJIV GUPTA)

Partner

M.No.083364

Place : New Delhi

Dated : 12th February, 2014



ICT LIMITED					
REGD.OFFICE : VILLAGE CHOHAL, DISTT. HOSHIARPUR (PUNJAB) 146024					
PART I STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER, 2013					
Sl.No.	PARTICULARS (1)	Quarter Ended			Period ended
		31.12.2013 (Unaudited) (2)	30.09.2013 (Audited) (3)	31.12.2012 (Unaudited) (4)	30.09.2013 (Audited) (5)
1	Income from Operations				
	(a) Net Sales/ Income from Operations(net of excise duty)				
	(b) Other Operating Income	21,341	22,960	18,761	121,167
	Total Income from Operations	1,003	1,042	1,169	5,631
2	Expenses	22,344	24,002	19,930	126,798
	(a) Cost of materials consumed				
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	13,840	13,485	10,903	71,090
	(c) Employee benefits expense	(1,872)	(708)	321	1,002
	(d) Depreciation & amortisation expense	2,761	2,783	2,404	14,439
	(e) Power and Fuel	844	1,414	1,222	7,392
	(f) Other expenses	3,847	4,331	3,371	22,011
	Total expenses	2,344	3,122	2,727	14,213
3	Profit (+) / Loss (-) from Operations before Other Income, finance	21,764	24,427	20,948	130,147
4	Other Income	580	(425)	(1,018)	(3,349)
5	Profit(+)/ Loss (-) from ordinary activities before finance costs & exceptional (3 +/- 4)	299	1,081	69	2,245
6	Finance Cost	879	656	(949)	(1,104)
7	Profit(+)/ Loss (-) from ordinary activities after finance costs but before exceptional items (5 +/- 6)	809	155	1,122	5,295
		70	501	(2,071)	(6,399)
8	Exceptional Items				
	(a) NPV Protection against lenders' sacrifice				
	(b) (Loss)/profit from discontinued operations				(1,622)
9	Net Profit(+)/Loss(-) from Ordinary activities before Tax (7+8)	(9)	(23)	26	(674)
10	Tax expense -earlier year	61	478	(2,045)	(8,695)
11	Net Profit(+)/Loss(-) from Ordinary Activities after tax (9 +/- 10)	61	478	(2,045)	(8,777)
12	Extraordinary Items (net of Tax expense)				
13	Net Profit(+)/Loss(-) for the period (11 +/- 12)				
14	Share of profit (+) / Loss (-) of associates	61	478	(2,045)	(8,777)
15	Minority interest				
16	Net Profit(+)/Loss(-) after taxes, minority interest & share of profit/(Loss) of associates (13+14+15)	61	478	(2,045)	(8,777)
17	Paid-up equity share capital (Rs.2.50 each)				
18	Reserves excluding Revaluation Reserve as per Balance Sheet of previous accounting period	11,021	11,021	8,977	11,021
19(i)	Earnings per share (before extra ordinary items) of Rs.2.50 each) not annualised				(18,026)
	(a) Basic				
	(b) Diluted	0.02	0.14	(0.57)	(1.72)
19(ii)	Earnings per share (after extra ordinary items) of Rs.2.50 each) not annualised	0.01	0.11	(0.48)	(1.47)
	(a) Basic				
	(b) Diluted	0.01	0.09	(0.58)	(2.32)
		0.01	0.07	(0.49)	(1.99)
PART II					
A PARTICULARS OF SHAREHOLDINGS					
Public shareholding					
	- Number of shares				
	- Percentage of shareholding	217,562,716	217,462,716	176,578,066	217,462,716
Promoters & promoter group Shareholding					
	- Number of shares	49.35	49.33	49.18	49.33
(a) Pledged/ Encumbered					
	- Number of shares				
	- Percentage of shares (as a % of the total shareholding of promoter & promoter group)	222,768,457	222,768,457	90,898,773	222,768,457
	- Percentage of shares (as a % of the total share capital of the Company)	99.77	99.73	49.81	99.73
(b) Non-encumbered					
	- Number of shares				
	- Percentage of shares (as a % of the total shareholding of promoter & promoter group)	507,417	607,417	91,601,751	607,417
	- Percentage of shares (as a % of the total share capital of the Company)	0.23	0.27	50.19	0.27
		0.12	0.14	25.51	0.14
B INVESTOR COMPLAINTS FOR THE QUARTER ENDED 31.12.2013					
	Pending at the beginning of the quarter				
	Received during the quarter	-nil-			
	Disposed of during the quarter	2			
	Remaining unresolved at the end of the quarter	-nil-			

UNAUDITED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED					(Rs. in lakhs)
Sl.No.	PARTICULARS	Quarter Ended			Period Ended
		31.12.2013 (Unaudited)	30.09.2013 (Audited)	31.12.2012 (Unaudited)	30.09.2013 (Audited)
	(1)	(2)	(3)	(4)	(5)
1	Segment Revenue (Net Sales/ Income from each segment)				
	(a) Textiles				
	(b) Nylon Filament Yarn	12,681	13,813	10,953	69,238
	(c) Unallocated	8,660	9,147	7,808	51,929
	Total	-	-	-	-
	Less: Inter Segment Revenue	21,341	22,960	18,761	121,167
	Net Sales / Income From Operations	-	-	-	-
2	Segment Results (Profit+ / Loss-) before tax and interest from each segment)	21,341	22,960	18,761	121,167
	(a) Textiles				
	(b) Nylon Filament Yarn	686	267	(1,052)	(1,960)
	(c) Unallocated	155	(6)	394	1,577
	Total	-	-	-	-
	Less: (i) Finance costs	841	261	(658)	(383)
	(ii) Other Unallocable (Income)/ Expenditure (Net)	809	155	1,122	5,295
	(iii) Exceptional Item	(38)	(395)	291	721
	(a) (Loss)/profit from discontinued operations				
	(b) NPV Protection against lenders' sacrifice	(9)	(23)	26	(674)
	Total profit+ / loss(-) before Tax	-	-	-	(1,622)
3	Capital Employed (Segment Assets - Segment Liabilities)	61	478	(2,045)	(8,695)
	(a) Textiles				
	(b) Nylon Filament Yarn	30,045	29,936	27,237	29,936
	(c) Unallocated	5,192	5,340	4,005	5,340
	Total	(39,597)	(39,882)	(34,547)	(39,882)
		(4,360)	(4,606)	(3,405)	(4,606)

Notes:

- 1 The above results for the quarter ended 31.12.2013 are after the Limited Review carried out by the Statutory Auditors and have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on 12.02.2014. As 31.12.2013 being the first quarter of the company, year to date figures are
- 2 In earlier years, operations of both the Units at Sriganganagar Textile Mill were discontinued. The identified assets being land in both the Units, having net book value of Rs.134.58 lakhs and is being carried at book value as expected net realizable value is higher, and has been shown as 'Assets held for disposal'. The Company has recognised Rs.9 lakhs as loss from discontinued operations during the quarter.
- | Particulars | Quarter Ended
31.12.2013 (Rs. Lakhs) |
|--------------------|---|
| Other expenses | 11 |
| Less: Other Income | 2 |
| Net Loss | 9 |
- 3 The Company could not redeem the Foreign Currency Convertible Bonds (FCCBs) of US\$ 30.5 millions (including premium) equivalent to Rs.19003 lakhs as on 31.12.2013 on due date i.e 8.4.2011 for paucity of cash funds. Further provision of Rs.240 lakhs for the quarter and to date Rs 3113 lakhs towards yield protection on the unpaid amount is not considered necessary. In the meantime, the Trustee of FCCBs has filed a winding up petition, which is pending for disposal. In the meantime the Hon'ble High Court of Punjab and Haryana at Chandigarh vide orders dt.3.10.2012 and 17.10.2012 has restrained the Company to dispose off its immovable assets and creation of charge on its assets respectively without the consent of the court. During the period, majority of the bondholders, around 51% of the book value of bonds, have agreed to convert their bonds of US\$ 12.93 million into 115,954,059 equity shares of Rs.2.50 each at par in settlement of their dues. Other minority bondholders of FCCBs are not in agreement with the settlement terms and are pursuing the matter in the court for winding up of the Company. During the last hearing on 10th and 11th February, 2014, the Hon'ble High Court fixed next date of hearing on 19th February, 2014 on the issue of maintainability of the winding up petition. The Company has been advised that the merit of the case do not warrant winding up.
- 4 The restructuring scheme has been implemented. However additional working capital funds have not been provided by banks due to order dt.17.10.2012 of Hon'ble High Court and upheld by Hon'ble Supreme Court restricting creation of charge on the assets of the company.
- 5 Due to erosion in the net worth of the Company, the Company stopped renewal and acceptance of deposits from Public since 01.10.2012 in compliance with the regulation of Section 58-A of the Companies Act, 1956. The Company is since then repaying the deposits as and when they are due and claimed, by issue of cheques. Certain cheques aggregating to Rs.265 lakhs outstanding on 31.12.2013 are pending clearance.
- 6 Debit/credit balances in account of few parties are subject to confirmation/reconciliation.
- 7 Networth of the Company has been eroded in view of the accumulated losses as at 30.09.2013. However consequent upon the conversion of 800 FCCBs of the face value of US\$ 10,000 each into 71,758,967 Equity Shares of Rs. 2.50 each, pursuant to settlement with the FCCB holders the net worth of the company has been positive as on the date of adoption of the quarterly results by the Board of Directors. Further, with the improvement in liquidity post implementation of restructuring package, the Company is hopeful that the results will improve in future and as such the accounts of the Company are prepared on going concern basis.
- 8 The figures of the previous period have been regrouped/reclassified, wherever necessary, to confirm to current period's classification.

By Order of the Board

Place: New Delhi
Dated: 12.02.2014sd/-
SAMIR THAPAR
CHAIRMAN & MANAGING DIRECTOR