



JCT LIMITED



Corporate Office: 305, 3rd Floor, Rattan Jyoti, 18 Rajendra Place, New Delhi-110008
Phone: 91-11-46290000; Fax: 25812222
Website: www.jct.co.in; E-mail: jctsecretarial@jctltd.com

August 12, 2016

**Department of Corporate Services
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai**

Sub: Reg.33 Un-Audited Financial Results for the quarter ended 30.06.2016

Scrip Code: 500223

Dear Sir/ Madam,

Pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, please find annexed herewith the unaudited financial results of the Company for the quarter ended 30.06.2016 after Limited Review Report in the prescribed format.

This is for your information and record please.

Thanking You,

Yours faithfully,
For JCT Limited



Nidhi Goel
(Nidhi Goel)
Company Secretary

Encl: AA

**INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL
RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2016
TO THE BOARD OF DIRECTORS OF JCT LIMITED**

1. Introduction

We have reviewed the accompanying statement of unaudited financial results (hereinafter referred to as 'Unaudited Results') of M/s JCT Ltd. Village Chohal, Hoshiarpur -146 024(Punjab) for the quarter ended 30th June, 2016 which has been approved by the Board of the Directors in their meeting held on 12th August, 2016. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with applicable Accounting Standards and other recognized accounting practices and policies. Our responsibility is to issue a report on the statement based on our review.

The Unaudited Results incorporates the results of Textile Unit at Phagwara, discontinued textile operations at Sriganganagar, Filaments Unit at Hoshiarpur and Head Office at Delhi reviewed by us.

2. Scope of Review

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. 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. Accordingly, we do not express an audit opinion.

3. Basis for Qualified Conclusion

The Company on completion of the compliance of the consent terms agreed to pay off the Foreign Currency Convertible Bondholders ("FCCB") their dues of US\$ 19.19 million towards principal and redemption premium of US\$ 15 million and defaulted interest US\$ 4.19 million in 10 installments starting from 05-10-2015 and final on 05-12-2017 along with interest @6% on reducing balance. Further the company during the quarter has partly paid US\$0.7 million against installment of US\$1.17 million (Principal) due on 05-06-2016. The interest of Rs. 1609 lakhs pertaining to the period from 08-04-2011 to 05-06-2015 and interest accrued and accruing of Rs. 1621 lakhs on outstanding balance of Rs. 7759 lakhs aggregating Rs. 3230 lakhs as at 30.06.2016 through crystallized and accrued has not been accounted for on accrual basis by the company for the reasons as detailed in Note A.4 of Annexure x_ to the unaudited results by the management. This treatment is not in compliance with the Accounting Standards and the provisions of the Companies Act, 2013. Had the interest been accounted for on accrual basis as stated above, the losses would be Rs. 2988 lakhs for the quarter (as against reported profit of Rs. 242 lakhs).



: 2 :

4. Qualified Conclusion

Based on our review, with the exception of the matter described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards 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) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Emphasis of Matters

We draw attention to the following matters as contained in **Annexure -x to the Unaudited Results**.

- Note No. A.5, regarding non-confirmation/ reconciliation of balances in the accounts of few parties.
- Note No. A.6, Accumulated losses have resulted in erosion of substantial net worth of the Company. However, the financial statements have been prepared on going concern basis on the grounds as disclosed in the Note No. A.7.

Our Conclusion is not qualified in respect of these matters.

Place: Hoshiarpur
Date: 12th August, 2016

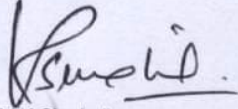


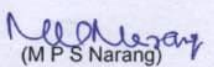
For S.P. CHOPRA & Co.
Chartered Accountants
Firm Registration No. 000346N

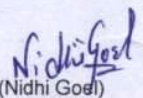

PAWAN K. GUPTA
Partner
Membership No. 092529

JCT LIMITED
REGD.OFFICE : VILLAGE CHOHAL, DIST. HOSHIARPUR, (PUNJAB) 146 024
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2016

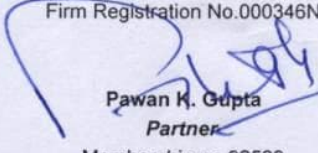
		Quarter ended 30th June,2016 Rs in lakhs (Unaudited)
1	Income from Operations	
	(a) Net Sales/ Income from operations (net of excise duty)	20,142
	(b) Other operating income	435
	Total Income from Operations (net)	20,577
2	Expenses	
	(a) Cost of materials consumed	10,663
	(b) Changes in inventories of finished goods,work-in-progress and stock-in-trade	240
	(c) Power and Fuel	2,550
	(d) Employee benefits expense	3,410
	(e) Depreciation and amortisation	786
	(f) Other expenses	2,028
	Total expenses	19,677
3	Profit from operations before other income, finance costs and exceptional items (1-2)	900
4	Other Income	126
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	1,026
6	Finance costs	765
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	261
8	Exceptional items-Profit/(loss) from Discontinuing Operations	(19)
9	Profit from ordinary activities before tax (7-8)	242
10	Tax expense	-
11	Net Profit from ordinary activities after tax (9-10)	242
12	Extraordinary items	-
13	Net Profit for the period (11-12)	242
14	Paid-up equity share capital (Face value- Rs.2.50 each)	14,953
15	Reserves excluding Revaluation Reserve as per Balance Sheet as at 31.03.2016	(8,920)
16 (i)	Earnings per share (EPS) (before exceptional items) (Face Value of Rs. 2.50 each) (Not Annualised)	
	(a) Basic	0.04
	(b) Diluted	0.04
16 (ii)	Earnings per share (EPS) (after exceptional items) (Face Value of Rs. 2.50 each) (Not Annualised)	
	(a) Basic	0.04
	(b) Diluted	0.04


(V K Singhal)
Controller of Finance & Accounts


(M P S Narang)
Chief Financial Officer


(Nidhi Goel)
Company Secretary

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


Pawan K. Gupta
Partner

Membership no.92529

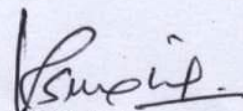


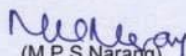
Place: Hoshiarpur
Date: 12th August,2016

JCT LIMITED
REGD.OFFICE : VILLAGE CHOHAL, DIST. HOSHIARPUR, (PUNJAB) 146 024

Segment Reporting under Clause 41 of the Listing Agreement with
 Stock Exchanges for the Quarter ended 30th June,2016

		Quarter ended 30th June,2016 Rs in lakhs (Unaudited)
1	Segment Revenue (Net Sales/Income from each segment)	
	(a) Textiles	13,242
	(b) Nylon Filament Yarn	6,900
	(c) Unallocated (if any)	-
	Total	20,142
	Less: Inter Segment Revenue	-
	Net Sales/Income From Operations	20,142
2	Segment Results-Profit/(Loss) before Tax and Interest from each segment)	
	(a) Textiles	646
	(b) Nylon Filament Yarn	394
	(c) Unallocated (if any)	-
	Total	1,040
	Less: (i) Finance Costs	765
	(ii) Other Unallocable (Income)/Expenditure (net)	14
	Profit after Interest but before Exceptional Items	261
	Exceptional items -(Loss)-Discontinuing Operations	(19)
	Profit after Exceptional Items	242
3	Capital Employed (Segment Assets - Segment Liabilities)	
	(a) Textiles	26,758
	(b) Nylon Filament Yarn	5,121
	(c) Unallocated	(24,970)
	Total	6,909


 (V K Singhal)
 Controller of Finance & Accounts


 (M P S Narang)
 Chief Financial Officer


 (Nidhi Goel)
 Company Secretary

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


Pawan K. Gupta
 Partner
 Membership no. 92529



Place: Hoshiarpur
 Date: 12th August,2016

**NOTES TO THE UNAUDITED FINANCIAL RESULTS FOR THE
QUARTER ENDED 30TH JUNE, 2016**

A.1	In earlier years, operations of Textile Unit at Sriganaganagar were discontinued. The Company has recognised Rs. 19 lakhs as loss from discontinuing operations during the quarter.
2	The company had executed Corporate guarantee for Rs.400 lacs towards Equipment Credit Scheme on 01.09.1993 and one for foreign currency loan of DM 166,566,406 equivalent to Rs.3580 lacs as on 27.03.1998 availed by JCT Electronics Ltd.from IFCI Ltd. Subsequently, IFCI Ltd. has assigned their debt to Asset Reconstruction Company (India) Limited (ARCIL) who have issued notice to the Company on 07.11.15 for winding up u/s 433 (e) & 434 of the Companies Act,1956.The Company has disputed the notice with ARCIL and has been legally advised that demand raised by them is not sustainable.
3	<p>(i) The winding up petition filed by the Trustee, The Bank of Newyork, Mellon, of Foreign Currency Convertible Bonds holders (FCCBs) in the High Court of Punjab and Haryana was disposed off on 27th January, 2015 against which the appeal was filed by the Trustee and Company with the Senior Bench of the High Court wherein the consent term finalized by the Company with the Trustee and bondholders was allowed by the High court on 5th June, 2015, pursuant to which the appeal stood adjourned sine a die.</p> <p>(ii) The Company has complied with all the conditions of the consent terms and accordingly it became effective. The Company as per consent terms is to pay to FCCBs holder US\$ 19.19 million towards principal and redemption premium of US\$ 15.00 million and defaulted interest of US\$ 4.19 million in 10 installments commencing from 5th October, 2015 to 5th December, 2017 alongwith the interest @ 6% p.a. on the reducing balance.</p> <p>(iii) Based on the communication dated 24th May,2016 from a bond holder, the partially unpaid installments aggregating to US \$ 2.22 million upto 05.03.16 has been spread over equally over the remaining installments w.e.f. 05.06.2016, Further during the quarter, the Company has partly paid US \$ 0.7 million against installment of US \$ 1.17 million (Principal) due on 05.06.2016.</p> <p>(iv) Interest payable on FCCBs as detailed below will be accounted for on payment basis: -Interest accrued @ 6% p.a. payable on FCCBs of US\$ 15 million for the period from 8th April, 2011 to 5th June, 2015, aggregating to US\$ 2.36 million equivalent Rs. 1609 lakhs. -Interest accrued and accruing of Rs. 1621 lakhs on outstanding balance of Rs. 7759 lakhs as at 30.06.2016 In view of the management it is considered prudent to account for the aforesaid interest on payment basis as the interest has been spread together with the principal in 7 installments commencing from 05.06.2017 to 05.12.2017.As such , no provision has been made for such interest aggregating to US\$ 0.7 million equivalent Rs. 501 lakhs for the quarter ending 30.06.2016.</p>
4	<p>The company identified land at Sriganaganagar,Village Satbari,New Delhi, Surplus land 26 acres at Phagwara and around 120 acres at Village Chohal,Hoshiarpur as non core assets. The Company had sold some assets which comprise some parts of land at Phagwara (in pursuance of the Agreement to Sell 12 acres of land) and some part of the land out of two parcels of land at Hoshiarpur (approved by CDR - EG).</p> <p>The company has settled for 40 Bighas of land at Sri Ganganagar for Rs.633.50 lakhs against 80 Bighas agreed to be sold for Rs. 28.08 Crores as per agreement to sell dated 28.01.2010, This settlement has been taken on record by the Court at Sri Ganganagar on 12.07.2016. The accounting effect will be taken in the next quarter.</p>
5	Debit/ credit balances in account of few parties are subject to confirmation/ reconciliation.
6	Accumulated losses have resulted in erosion of substantial net worth of the Company. However, the financial statements have been prepared on a going basis on the strength of continued support from the promoters, bankers/ other lenders. Further, the Company is in the process of disposing off some of its non-core fixed assets to reduce its debts and improve its liquidity. The mangement, considering the future plans for operation and support of the promoters, lenders, business associates and workmen, is hopeful of improved profitability needing to further improvement in its financial position.
7	The Company had given an advance of US\$ 890,000 to a related company, CNLT, Malaysia, in December 2006 for supply of yarn. As CNLT could not supply the material within stipulated time, the Company suffered losses and claimed compensation of US\$ 360,000 which was paid alongwith advance in June 2007. On a petition filed by the ex-employees of CNLT (under liquidation) the Hon'ble Court at Kuala Lumpur in its Order dated 13.6.2014 directed the Company to return the entire money. The Company's appeal against the said Order with the Courts of Appeal at Malaysia was accepted vide Order dated 30.12.2015.The ex-employees appealed in the Federal Court against the order of Court of Appeals. The said appeal has been dismissed by the Federal Court on 21st July,2016 as per the communication from the local legal counsel.
8	The figures of the previous period have been regrouped/reclassified, wherever necessary, to confirm to current period's classification.



B. Audit qualifications/emphasis of matters/other matters

In respect of the Audited Accounts of the previous accounting year ended 31st March, 2016 are given hereunder: Manner in which audit qualifications/ references of the previous accounting year ended 31st March, 2016 are addressed by the management in the unaudited financial results for the Quarter ended 30.06.2016.

- 1 Qualified opinion, we draw attention to the following note in our Independent Report attached with the financial statements:
 - i Non provision of interest aggregating Rs.2,955.12 lakhs payable on Refer note no.A.3 above. unpaid amount of Foreign Currency Convertible Bonds (FCCBs) which is not in line with the Accounting Standards and the provisions of the Companies Act, 2013 and the rules.

- 2 Without qualifying our opinion, we draw attention to the following notes in the financial statements:
 - i Note No. 31.6 : Accumulated losses have resulted in erosion of Refer note no.A.6 above. substantial net worth of the Company. However, the financial statements have been prepared on going concern basis on the grounds as disclosed in the said note.
 - ii Note No. 31.9 : Non-confirmation/ reconciliation of certain balances in trade receivables, advances and trade payables of the Company. The letters have been sent to most of the parties for confirmation of balances. However, due to non receipt of the response from some of the parties, the impact if any, subsequent to confirmation will be taken in the year of confirmation/ reconciliation.

- 3 Other matters specified in paragraph 3 and 4 of the Order as required by 'the Companies (Auditor's Report) Order, 2016' ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act.

- i. Tax deducted at source of Rs.64.73 lakhs on payment to bond holders of Foreign Currency Convertible Bonds is not yet deposited. Tax deducted at source of Rs.64.73 lakhs on payment to bondholders of Foreign Currency Convertible Bonds could not be deposited due to liquidity crunch and the funds are being arranged.

(V K Singhal)
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For S.P.CHOPRA & CO.
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Partner
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Place: Hoshiarpur
Date: 12th August, 2016