



## JAGATJIT INDUSTRIES LIMITED

4th Floor, Bhandari House, 91, Nehru Place, New Delhi - 110019  
Tel. (011) 26432641-42, 26424823, Fax : (011) 26441850

JIL\SCY\2017 – 18/

14<sup>th</sup> December, 2017

The Department of Corporate Services,  
The Bombay Stock Exchange Ltd.,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001

Sub : Unaudited Financial Results for the Quarter  
and half year ended on 30<sup>th</sup> September, 2017

Scrip Code No.: 507155

Dear Sir,

We are sending herewith copy of the Unaudited Financial Results of the Company for the Quarter and half year ended on 30<sup>th</sup> September, 2017, which have been approved by the Board of Directors in their meeting held on 14<sup>th</sup> December, 2017 and have undergone "Limited Review" by the Statutory Auditors of the Company. The report of the Statutory Auditors is also enclosed.

Kindly acknowledge the receipt.  
Thanking you,

Yours faithfully,  
for JAGATJIT INDUSTRIES LIMITED



K.K. Kohli  
Vice President & Company Secretary

Encl : as above



**MADAN & ASSOCIATES**  
CHARTERED ACCOUNTANTS

Flat No.1003, 10<sup>th</sup> Floor  
Kailash Building, K.G. Marg  
New Delhi-110001  
PH: 30487347, 23327345  
PAN: AAAPM5122B  
e-mail: bahlrn@yahoo.co.in

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

**To**

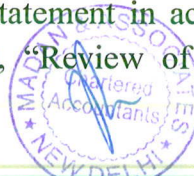
**The Board of Directors,**  
Jagatjit Industries Limited,  
4<sup>th</sup> Floor, Bhandari House,  
91, Nehru Place,  
New Delhi- 110019

1. We have reviewed the accompanying Statement of Unaudited Financial Results along with the notes thereon, of **Jagatjit Industries Limited** ("the Company") for the quarter ended September 30, 2017 and year to date from April 1, 2017 to September 30, 2017 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

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.

As stated in Note 10 of the Statement, we have not performed a review or audit of the figures relating to the corresponding quarter ended September 30, 2016 and half year ended September 30, 2016 including the reconciliation of net loss (Note 11) for the quarter ended June 30, 2016 and half year ended September 30, 2016 between the previous GAAP and the Indian Accounting standards ("Ind AS").

2. 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.

### 3. Basis for qualified opinion

- i) In the opinion of management, Trades Receivable & Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance sheet. Company obtains balance confirmation from Trades Receivable, Loans and Advances and Trade Payables at year end.

During the financial year ended March 31, 2017 confirmatory letters had been sent to the sundry creditors, suppliers and sundry debtors requesting them to confirm and reconcile the account balances as on March 31, 2017. A number of parties have not yet confirmed/reconciled the balances as on the date of signing of the financial statements.

Accordingly, Trade Payables, Loans and Advances and balances appearing under Trade Receivables are subject to reconciliation & confirmation. The financial impact of this is not ascertainable and to that extent we do not have any information in respect of such balances.

- ii) An amount of Rs.2,977 lacs is outstanding in the books of accounts of the company, being an advance to its wholly owned subsidiary M/s S.R.K. Investments Pvt. Ltd, since 2010-2011. No recovery of this amount has been made since disbursal of advance, to the aforementioned subsidiary.

The Company's management, based on internal assessments and evaluations, have represented that the balance outstanding advances are recoverable and that no provision for diminution of advances is necessary as at 30.09.2017.

The Company has not created a provision against this advance in its books of accounts. In our opinion, there is significant uncertainty and doubt about the recovery of this advance from the subsidiary , as considerable period of time has elapsed from grant of advance and therefore, a provision for doubtful advance should have been accounted for in the financial statements for the period ended September 30, 2017.



Consequently, the loss for the period ended September 30, 2017 is understated and reserves and surplus as at September 30, 2017 are overstated to the extent of Rs. 2,977 lacs.

Opinion of erstwhile Auditor was also qualified for the year ended March 31, 2017.

4. Based on our review conducted as stated above read with the notes accompanying the Statement and except for the possible effects of qualification as described in the previous paragraph 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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### 5. Emphasis of Matter

- (i) We draw attention to Note 9 to the financial results regarding Gas Sales Agreement with GAIL (India) Limited, for non utilization of RLNG for contract year 2014, 2015 and 2016. Against these, the company received demand from supplier aggregating to Rs. 9,933 Lacs towards Annual Take or Pay Deficiency basis. The company has denied the liability in this regard to the supplier and the management is confident that there will not be any material amount of financial obligations on resolution/settlement. In view of this, no effect of the same has been given in these results. Opinion of erstwhile Auditor on the financial statements for the year ended 31<sup>st</sup> March, 2017 was also emphasized in this regard. Our opinion is not modified in respect of this matter.

- (ii) Contingent Liabilities of Rs. 11,166 lacs are certified by the management.



for **Madan & Associates**  
Chartered Accountants

FRN: 000185N

*M. K. Madan*

**M. K. Madan**

Proprietor

Membership number: 082214

Place: New Delhi

Date: December 14, 2017



# JAGATJIT INDUSTRIES LIMITED

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

Corporate Identity Number : L15520PB1944PLC001970

Phones: (0181) 2783112 Fax: (0181) 2783118 E-mail: jil @jagatjit.com Website: www.Jagatjit.com

## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2017

(Rs. In Lacs)

Standalone					
Particulars	Quarter Ended 30.09.2017 (Unaudited)	Quarter Ended 30.06.2017 (Unaudited)	Quarter Ended 30.09.2016 (Unaudited)	Half Year Ended 30.09.2017 (Unaudited)	Half Year Ended 30.09.2016 (Unaudited)
(1)	(2)	(3)	(4)	(5)	(6)
1 Revenue from Operations	11976	15760	20835	27736	44322
Less : Excise Duty	3519	5578	7752	9097	17611
2 Net Revenue from operations (after Excise Duty)	8457	10182	13083	18639	26711
3 Other Income	103	63	68	166	122
4 Total Income (2+3)	8560	10245	13151	18805	26833
5 Expenses					
(a) Cost of materials consumed	3827	4459	5450	8286	11807
(b) Purchase of stock-in-trade	377	238	366	615	965
(c) Change in inventories of finished goods, work in progress and stock in trade	(259)	(624)	1237	(883)	917
(d) Employees benefits expense	1575	1793	1679	3368	3479
(e) Depreciation and amortisation Expense	310	314	316	624	639
(f) Finance costs	1187	1181	1184	2368	1951
(g) Other Expenses	2454	3540	2983	5994	7006
(h) Selling Expenses	503	670	1391	1173	3456
Total Expenses	9974	11571	14605	21545	30220
6 Profit/(Loss) before Tax (4-5)	(1414)	(1326)	(1454)	(2740)	(3387)
7 Tax Expense					
Current Tax		-			
Deferred Tax		-			
8 Profit/(Loss) after Tax from Continuing Operations	(1414)	(1326)	(1454)	(2740)	(3387)
9 Profit/(Loss) for the period from discontinuing Operations	(19)	(15)	(1401)	(33)	(1442)
10 Net Loss for the period	(1433)	(1341)	(2855)	(2774)	(4829)
11 Other Comprehensive Income/(Loss)					
(i) Items that will not be reclassified to profit or loss	(150)	(54)	(144)	(203)	(203)
12 Total Comprehensive Income/(Loss) for the period (11-12)	(1583)	(1395)	(2999)	(2977)	(5032)
13 Paid-up Equity Share Capital (Face value Rs.10/- per share)	4615	4615	4615	4615	4615
14 Earning Per Share In Rupees (Rs.10/- each )(not annualised)					
(a) Basic	(3.63)	(3.20)	(6.87)	(6.82)	(11.53)
(b) Diluted	(3.63)	(3.20)	(6.87)	(6.82)	(11.53)



## Segment wise Revenue, Results and Capital Employed

(Rs. In Lacs)

	Particulars	Standalone				
		Quarter Ended 30.09.2017 (Unaudited)	Quarter Ended 30.06.2017 (Unaudited)	Quarter Ended 30.09.2016 (Unaudited)	Half Year Ended 30.09.2017 (Unaudited)	Half Year Ended 30.09.2016 (Unaudited)
	(1)	(2)	(3)	(4)	(5)	(6)
1.	<b>Segment Revenue (net of Excise Duty)</b>					
	a. Beverages	5307	5,957	9,412	11,264	19,212
	b. Food	2386	3,306	2,490	5,692	5,027
	c. Rental Income	577	671	660	1,248	1,312
	d. Others	220	251	535	471	1,179
	<b>Total</b>	<b>8,490</b>	<b>10,185</b>	<b>13,097</b>	<b>18,675</b>	<b>26,730</b>
	Less : Inter segment revenue	-	-	-	-	-
	<b>Net sales/Income from operations</b>	<b>8,490</b>	<b>10,185</b>	<b>13,097</b>	<b>18,675</b>	<b>26,730</b>
2.	<b>Segment Results</b>					
	A. Beverages	(134)	(291)	(1,852)	(425)	(2,966)
	B. Food	219	562	364	781	734
	C. Rental Income	472	482	442	954	860
	D. Others	(41)	11	159	(30)	195
	<b>Total</b>	<b>515</b>	<b>764</b>	<b>(887)</b>	<b>1,279</b>	<b>(1,177)</b>
	Less : i) Interest (net)	1120	1,124	1,172	2,243	1,836
	ii) Other un-allocable expenditure Net of un-allocable income	979	1,036	939	2,014	2,018
	<b>Total Profit/(Loss) Before Tax</b>	<b>(1,583)</b>	<b>(1,395)</b>	<b>(2,998)</b>	<b>(2,978)</b>	<b>(5,031)</b>
3.	<b>Capital Employed (Segment Assets-Segment Current Liabilities)</b>					
	A. Beverages	15132	15,169	24,452	15,132	24,452
	B. Food	7841	8,151	9,994	7,841	9,994
	C. Rental	1692	1,763	1,207	1,692	1,207
	D. Others Unallocable	20343	22,106	5,453	20,343	5,453
	<b>Total Capital Employed</b>	<b>45,008</b>	<b>47,188</b>	<b>41,106</b>	<b>45,008</b>	<b>41,106</b>

### Notes

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on December 14, 2017
- The Statutory Auditors of the company have carried out limited review of the Unaudited Financial Results for the quarter and half year ended September 30, 2017
- Unallocable expenditure net of unallocable income (Loss of Rs. 33 Lacs) for the quarter and half year ended September 30, 2017 includes income of Rs. 5 lac & expenses of Rs. 38 lacs on account of discontinued operation of packaging business. Capital employed on account of discontinuing operations is Rs (28) lacs as on September 30, 2017.
- Provision for deferred tax shall be accounted for at the end of the year.
- Current Liabilities include a sum of Rs. 12.50 Crores received as Earnest Money/Deposit against sale of Property situated at Sahibabad industrial Area, Ghaziabad, Uttar Pradesh.
- Company had given an operational advance of Rs. 2.10 crores to one of its associate concern. With effect from 01-04-2017 the long term contract of manufacturing services has been terminated and as a prudent commercial practice the company has funded Rs. 2.65 Crores to associate concern to payoff labour dues. In the opinion of the management the amount of advance is temporary in nature and is likely to be recovered along with interest through sale of assets of associate concern.
- Contingent Liabilities as on September 30, 2017 Rs. 11,166 Lacs





- 8 The Company adopted Indian Accounting Standard (Ind AS) from April 1, 2017 and accordingly these financial results have been prepared substantially in accordance with the recognition and measurement principles laid down in the Ind AS - 34 "Interim Financial Reporting" prescribed under section 133 of Companies Act, 2013 read with the relevant rules issued there under and the other Accounting principles generally accepted in India. Financial results for the quarters presented have been prepared substantially in accordance with the recognition and measurement principles of Ind AS - 34.
- 9 In terms of Gas Sales Agreement dated 27.12.2008 between GAIL (India) Ltd. (Supplier) and the company, for the supply of RLNG by former, the company has not utilized the minimum stipulated quantity of RLNG, due to closure of Glass unit situated at Sahibabad (U.P). The supplier has raised demand towards annual take or pay deficiency basis for the contract year 2014, amounting to Rs. 1746 Lacs and for contract year 2015, amounting to Rs. 5269 Lacs and for contract year 2016, amounting to Rs. 2918 Lacs, aggregating to Rs. 9933 Lacs. The company has represented to the supplier that due to reasons beyond thier control the Glass unit had to be closed down permanently and production discontinued. Consequently, as there is no longer any requirement of gas the parties may be treated as discharged in this regard. Further, management is confident that there will not be any material amount of financial obligations on resolution/settlement.
- 10 The financial results for the quarter ended June 30, 2016 & Half Year ended September 30, 2016 have not been reviewed or audited by the statutory auditors. However, the management has excercised necessary diligence to ensure that the financial results provide a true and fair view of the company's affairs.
- 11 Reconciliation of net loss as perviously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter and Half year ended September 30, 2016

Sr. No	Particulars	Quarter Ended 30.09.2016	Half Year Ended 30.09.2016
	Net loss for the period under previous Indian GAAP	(3,051)	(5,366)
(a)	Interest Income on account of fair valuation of Financial Instruments	39	77
(b)	Actuarial loss on employees defined benefits plans recognised (transferred to	144	203
(c)	Employee cost on account of fair valuation	(10)	(19)
(d)	Amortisation cost of Leasehold Land	(11)	(22)
(e)	Other Borrowing Costs	34	298
	Net loss for the quarter under previous Ind AS	(2,854)	(4,828)
(f)	Other comprehensive Loss	(144)	(203)
	Total Comprehensive Loss for the quarter	(2,999)	(5,032)

Place: New Delhi  
Date : 14.12.2017



For JAGATJIT INDUSTRIES LIMITED

*Ravi Manchanda*  
RAVI MANCHANDA  
MANAGING DIRECTOR



**JAGATJIT INDUSTRIES LIMITED**

Balance Sheet as at Sep 30,2017

Rs in Lacs

Balance Sheet as at	30.09.2017
<b>ASSETS</b>	
<b>Non-current assets</b>	
(a) Property, plant and equipment	41,786
(b) Capital work-in-progress	38
(c ) Investment properties	1,783
(d) Other intangible assets	-
(e) Financial assets	
i. Investments	3,475
ii. Loans	2,643
iii. Other financial assets	495
(f) Other non-current assets	1,125
<b>Total non-current assets</b>	<b>51,345</b>
<b>Current assets</b>	
(a) Inventories	8,382
(b) Financial assets	
i. Investments	-
ii. Trade receivables	13,199
iii. Cash and cash equivalents	610
iv. Bank balances other than (iii) above	18
v. Other financial assets	241
(c ) Other current assets	3,787
Assets classified as held for sale	45
<b>Total current assets</b>	<b>26,282</b>
<b>Total assets</b>	<b>77,627</b>
<b>EQUITY AND LIABILITIES</b>	
<b>Equity</b>	
Equity share capital	4,615
Other equity	16,187
<b>Total equity</b>	<b>20,802</b>
<b>Liabilities</b>	
<b>Non-current liabilities</b>	
(a) Financial Liabilities	
i. Borrowings	20,151
ii. Other financial liabilities	920
(b) Provisions	2,266
(c) Deferred tax liabilities	869
(d) Other non-current liabilities	
<b>Total non-current liabilities</b>	<b>24,206</b>
<b>Current liabilities</b>	
(a) Financial liabilities	
i. Borrowings	3,593
ii. Trade payables	13,249
iii. Other financial liabilities	10,493
(b) Provisions	463
(c) Current tax liabilities	
(d) Other current liabilities	4,821
<b>Total current liabilities</b>	<b>32,619</b>
<b>Total liabilities</b>	<b>56,825</b>
<b>Total equity and liabilities</b>	<b>77,627</b>

