



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 16, 2017.

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

**Sub: Regulation 34 of SEBI (Listing Obligations and Disclosure
Requirements) Regulations, 2015**

Scrip Code: 500223

Dear Sir/ Madam,

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the Annual Report of the Company for the year ended 31st March, 2017.

This is for your information and record please.

Thanking You,



Yours faithfully,
For JCT Limited

(Signature)
(Jitender Khanna)

Vice President- Secretarial & Legal

Encl: AA

Regd. Office: Village Chohal, Dist. Hoshiarpur (Punjab)
Corporate Identification No. (CIN): L17117PB1946PLC004565



JCT LIMITED

ANNUAL REPORT

2016-17

**Board of Directors**

Mr. Samir Thapar
Ms. Priya Thapar
Mr. Gordhan Bhojraj Kathuria
Dr. Ajit Kumar Doshi
Mr. Chander Mohan Bhanot
Mr. Avaya Kumar Mohapatra

Chairman and Managing Director
Director (HR)

Allahabad Bank Nominee

Business Head

Mr Kamal Bhasin

Chief Financial Officer

Mr. V K Singhal

Company Secretary

Ms. Nidhi Goel

Auditors:

S.P. Chopra & Co.
Chartered Accountants
F-31, Connaught Place
New Delhi-110001

Registered Office:

Village Chohal
Distt. Hoshiarpur
Punjab: 146024

Ph. No.: 01882-258780; Fax: 01882-258059

Email: jctsecretarial@jctltd.com

Website: www.jct.co.in

CIN: L17117PB1946PLC004565

Units:

Textiles : Phagwara (Punjab)
Nylon Filament Yarn : Hoshiarpur (Punjab)

Corporate Office:

305-309, 3rd Floor, Rattan Jyoti Building
18, Rajendra Place, New Delhi-110008

Registrar & Share Transfer Agents**RCMC Share Registry Private Limited**

B-25/1, 1st Floor, Okhla Industrial Area
Phase II, New Delhi-110020

Tel: 011-26387320-321-323

Fax: 011-26387322

Email: investor.services@rcmcdelhi.com

Bankers:

Allahabad Bank
State Bank of India
Punjab National Bank
Bank of Baroda
Punjab & Sind Bank

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[CIN – L17117PB1946PLC004565]

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Tel: 01882-258780; FAX: 01882-258059

Website: www.jct.co.in; Email ID: jctsecretarial@jctltd.com

NOTICE

NOTICE is hereby given that the 68th Annual General Meeting of the Members of the Company will be held on Monday, the 14th day of August, 2017 at 11:30 a.m. at the Registered Office of the Company at Village Chohal, District Hoshiarpur 146024 (Punjab), to transact the following business(s).

ORDINARY BUSINESS

1. To receive, consider and adopt the financial statements of the Company including the audited Balance Sheet as at 31st March, 2017 and the statement of Profit and Loss for the financial year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Priya Thapar (DIN: 06742680), who retires by rotation, and being eligible, offers herself for re-election.
3. To appoint Auditors and to fix their remuneration and to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Rules framed thereunder (including any statutory modification(s) or re-enactments thereof for the time being force) M/s Navdeep Singh & Company, Chartered Accountants, (Registration No.008400N), be and are hereby appointed as Statutory Auditors for a term of five years commencing from the Company's financial year ending 31st March 2018 to hold office from the conclusion of 68th Annual General Meeting of the company till the conclusion of the 73rd Annual General Meeting (subject to ratification of their appointment by the members at every intervening Annual General Meeting held after this Annual General Meeting) at a remuneration of Rs.16,00,000 p.a. inclusive of certification fee etc., plus service tax and out of pocket expenses payable on quarterly basis.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force), M/s Goyal, Goyal & Associates, Cost Accountants (Firm Registration No. 000100) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company's Textile and Filament Units, be paid a remuneration, for the financial year ending 31st March, 2018, amounting to Rs. 1,50,000 plus service tax as applicable and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit.”

By order of the Board
For JCT Limited
Nidhi Goel
Company Secretary

Place : New Delhi
Dated : 30.05.2017

**NOTES FOR MEMBERS' ATTENTION:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other member of the Company.

The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Meeting. A Proxy Form is annexed herewith. Proxies submitted on behalf of companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable.

2. Members / Proxies / Authorised Representatives should bring the duly filled Attendance Slip enclosed herewith to attend the Meeting.
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business, under Item No. 4 above is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 7th August 2017 to 14th August, 2017 (both days inclusive).
5. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
6. All the Registers, as required as per the provisions of Companies Act, 2013 and applicable rules, will be available for inspection by the Members at the time of Annual General Meeting.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar/Company.
8. Annual Report of the Company for the year 2016-17 with the Notice of the 68th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in electronic mode to the Members whose e-mail addresses are registered with the Company and/ or Depository Participant(s), unless a member has requested for a hard copy of the same. We further request shareholders to update their e-mail addresses with the Share Transfer Agent/ Depository Participants to enable the Company to send the required communication/ correspondence electronically. Physical copies of the aforesaid documents are being sent to those Members who have not registered their email addresses.
9. Members may also note that the Annual Report for the year 2016-17 and Notice of the 68th Annual General Meeting will be available on the Company's website, www.jct.co.in. Physical copies of the aforesaid documents will also be available at the Company's Registered Office at Village Chohal, Dist. Hoshiarpur, Punjab, for inspection during normal business hours on working days.

Voting through electronic means: Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide its members the facility of remote e-voting (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 68th Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by National Securities Depository Limited (NSDL). The facility for voting, through polling paper shall be available at the venue of the 68th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed Ms Seema Sharma, Practicing Company Secretary as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.



10. The procedure with respect to **remote e-voting** is provided below:-

I. In case of Members who receive the Notice in electronic mode:

- (a) Open the e-mail and the PDF file viz. '**remote e-voting.pdf**' with your Client ID No. or Registered Folio No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.
- (b) Launch internet browser by typing the URL: **<https://www.evoting.nsdl.com/>** and click on '**Shareholder – Login**'.
- (c) Insert user ID and password as initial password stated in (a) above. Click on '**Login**'.
- (d) Password change menu appears. Change the password with a new password of your choice with minimum 8 digits / characters or combination thereof. Please do not share your password with any other person and take utmost care to keep your password confidential.
- (e) Home page of remote e-voting opens. Click on '**e-voting: Active Evoting Cycles**' and select the Electronic Voting Event Number (EVEN) of JCT Limited.
- (f) Now you are ready for remote e-voting as '**Cast Vote**' page opens.
- (g) Cast your vote by selecting appropriate option and click on '**Submit**'. Thereafter click on '**Confirm**' when prompted; upon confirmation, your vote is cast and you will not be allowed to change your vote.
- (h) Thereafter the message '**Vote cast successfully**' will be displayed.
- (i) Corporate and institutional shareholders (companies, trusts, societies etc.) are required to send a scanned copy (in PDF / JPG format) of the relevant Board Resolution / appropriate authorization to the Scrutinizer through e-mail at **pcs.seemasharma@gmail.com** with a copy marked to NSDL's e-mail ID **evoting@nsdl.co.in**.

AI. In case of Members who receive the Notice by post:

- (a) User ID and initial password are provided in the attendance slip for the AGM.
- (b) Please follow the steps from Sl. Nos. (b) to (i) mentioned in (I) above, to cast your vote.

BI. Members already registered with NSDL for remote e-voting can use their existing user ID and password for Login. Thereafter please follow the steps from Sl. Nos. (e) to (i) mentioned in (I) above, to cast your vote.

- IV. Those who become Members of the Company after despatch of the Notice but on or before **07th August, 2017 (cut-off date)** may write to NSDL at **evoting@nsdl.co.in** or to the RTA at **investor.sevice@rcmcdelhi.com** requesting for user ID and password. On receipt of user ID and password, the steps from Sl. Nos. (b) to (i) mentioned in (I) above should be followed for casting of vote.
- V. In case of any query / grievance, you may refer to the Frequently Asked Questions for Shareholders and e-voting User Manual for Shareholders available under the Downloads section of NSDL's e-voting website **www.evoting.nsdl.com** or call on toll free no : 1800-222-990
- VI. **Remote e-voting will commence at 9.00 a.m. on 10th August, 2017 and will end at 5.00 p.m. on 13th August, 2017**, when remote e-voting will be blocked by NSDL.

VII. General Information

- (a) There will be one vote for every Client ID No. / Registered Folio No. irrespective of the number of joint holders.
- (b) **The Results of voting will be declared within 48 hours from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes.**

The declared Results, alongwith the Scrutinizer's Report, will be available forthwith on the Company's corporate website **www.jct.co.in** under the section 'Investor Relations' and on the website of NSDL; such Results will also be forwarded to BSE Limited, Mumbai.



EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013**Item No. 4**

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s Goyal, Goyal & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for both Textile & Nylon Filament Units, for the financial year ending 31st March, 2018 at a remuneration of Rs. 1,50,000/- plus Service Tax and reimbursement of out of pocket expenses incurred.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to Cost Auditors is required to be ratified by the members of the Company.

Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors for the financial year ending 31st March 2018 as set out in the Ordinary Resolution for the aforesaid services to be rendered by them.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or concerned or interested, financial or otherwise, in the said resolution.

The Board of Directors recommends the Ordinary Resolution set out in Item No 4 of the Notice for approval by the members.

Additional Information on Directors (Seeking Appointment / Re-Appointment) As Required Under Regulation 36 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

PRIYA THAPAR (DIN: 06742680)

Ms Priya Thapar is a Whole Time Director (Human Resource) of the Company. She joined the Board of the Company in November, 2013.

Ms. Priya Thapar has done Bachelor of Business Administration with major in Marketing and B.A. in Fashion Merchandising from American College in London (ACL). She has also done Bachelor of Business Administration from London School of Economics and Bachelors in Interior Design from Parsons School of Design besides degree in History of art from Sotheby's London.

Nature of expertise in specific functional areas

Ms Priya Thapar has a vast experience in Human Resources, Marketing, Administration and Finance. She was associated with Organic World India in introducing the first ever concept of Organic Lifestyle Brand in India.

She is not holding any position of Director/ Chairman/ Member of any Committee in any Company other than JCT Limited.

She is holding 2,60,000 Equity Shares in the Company.

Disclosure of relationships between directors inter-se:

She is sister of Mr. Samir Thapar, Chairman and Managing Director of the Company.



DIRECTORS' REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Dear Members

Your Directors present the 68th Annual Report on the affairs of the Company together with Audited Financial Statements for the financial year ended 31st March 2017. The Management Discussion and Analysis is also included in this Report.

1. Financial Highlights

(₹ in Lakhs)

	2016-17	2015-16
Gross Income from operations	84,306	91,339
Other Income	1,094	1,321
Profit before Interest, Depreciation, tax and from Discontinued Operations	4,304	7,530
Interest and financing charges	3,679	3,918
Depreciation and amortization Expense	3,083	3,046
Profit/ (Loss) from Discontinued Operations	552	(23)
Net (Loss)/Profit before tax	(1907)	543
Net (Loss)/Profit after tax	(1,908)	543

2. Transfer to Reserves & Dividend

Rs.667 lakhs has been credited to Share Premium Account consequent upon conversion of Preference Shares of Rs.1000 lakhs into Equity Shares.

In view of accumulated losses, the directors are unable to recommend any dividend.

3. Outlook of the Economy

The Global Economy growth continued to stagnate following slow trades, low investments and policy uncertainties in advanced economies. Major global events during the year included UK's decision to leave the European Union and the outcome of presidential elections in US both the events are expected to have long term effects on the global economy. Global growth in 2016 was estimated at 3.1% and is projected to rise to 3.5% in 2017. Emerging markets and developing economies are expected to pick up in 2017 on back of fiscal stimulus measures in developed economies and slow down of divergence between commodity exporters and importers. Medium term growth prospects across many emerging markets and developing economies are; weak investments, below par levels of productivity coupled with heightened policy uncertainty and protectionist pressures.

India emerged as a 'bright spot' in an otherwise subdued world economy when it overtook China in 2015-16 as the fastest growing major economy in the world. India's fundamentals still remain strong, the recent demonetization initiative undertaken by the

Government is expected to lower India's GDP growth from 7.6% in FY 16 to 6.8% in FY 17. The International Monetary Fund mentioned that this cash shortage and slowed private consumption world only be a temporary disruption and otherwise healthy economy will return to familiar territories post the predicted slowdown in FY 17. The Indian Government's decisive policy maneuvers towards ensuring fiscal consolidation and pegging back inflation will help in maintaining economic stability in the years ahead. India's major core infrastructure industries – coal, crude oil, natural gas, refinery products, fertilizers, steel, cement and electricity registered cumulative growth of 4.98% during the April-November period compared to 2.5% a year ago.

(Source: IMF and Economic Survey)

4. Industry Outlook

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The de-centralized power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

The Indian textiles industry, currently estimated at around US\$ 108 billion, is expected to reach US\$ 223 billion by 2021. The industry is the second largest employer after agriculture, providing employment to over 45 million people directly and 60 million people indirectly. The Indian Textile Industry contributes approximately 5 per cent to India's Gross Domestic Product (GDP), and 14 per cent to overall Index of Industrial Production (IIP).

The Indian textile industry has the potential to reach US\$ 500 billion in size according to a study by Wazir Advisors and PCI Xylenes & Polyester. The growth implies domestic sales to rise to US\$ 315 billion from currently US\$ 68 billion. At the same time, exports are implied to increase to US\$ 185 billion from approximately US\$ 41 billion currently.

Indian exports of locally made retail and lifestyle products grew at a compound annual growth rate (CAGR) of 10 per cent from 2013 to 2016, mainly led by bedding bath and home decor products and textiles.

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles



sector under the automatic route. The Union budget for the year 2017-18 has several measures / initiatives to boost the investments in textile sector.

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The organized apparel segment is expected to grow at a Compound Annual Growth Rate (CAGR) of more than 13 per cent over a 10-year period.

The Indian cotton textile industry is expected to showcase a stable growth in FY2017-18, supported by stable input prices, healthy capacity utilization and steady domestic demand.

5. Business Strategy

Textile Unit:

Last year it was a very challenging year for the textile industry. Domestic market had not shown any significant signs of improvement. Global players turned to other small economies like Bangladesh & Vietnam, wherein they are reaping lot of duty benefits for imports given to these economies under the Generalized Scheme of Preferences (GSP) agreement and also pricing owing to cheap labour, thus put pressures on the capacity utilization.

JCT has worked on areas to increase productivity from the existing infrastructure by focusing more on Work Wear range, increased focus on technical fabrics, domestic market and brands. Company is working on debottlenecking / upgrades its facilities wherever possible with available funds to meet competition with higher productivity and efficiencies. Company is in various stages of involvement and activation with power brands like MADURA GARMENTS, INDUS LEAGUE, INDIAN TERRAIN, PANTALON RETAILS etc. Further in Taffeta Unit, thrust is to add high value added products like industrial fabrics, FR Coated fabrics replacing commodity apparel segment.

New product developments and launches will definitely help in increasing the penetration in the world of technical textiles and deeper reach in the untouched Brands market.

Filament Unit

The Company produces Nylon Filament Yarn & Nylon Chips which fall within the broad industry category of Synthetic Fiber. 70% of the input cost comprises from petroleum based products Caprolactum, fuel oil, gas and coal. Per capita consumption of Nylon Textile Fabrics in India is very low as compared to global standards. Indian Nylon Market is expanding quite significantly at a CAGR of 13% otherwise in a shrinking global economy.

The production capacity at Indian Filament Yarn Industry, over period from 2015-16 to 2017-18, planned expansion of around 5000 MT. Till last year 30% of domestic demand was met through imports. Incremental growth during coming years is going to be met with domestic supplies only as imports would remain either stagnant at current levels or will go down with new planned capacities. However threat of imports will remain with significant capacity additions in Vietnam mainly targeting India.

The maximum share of growth in Nylon has come through Warp Knitting segment used for ladies dress apparels, shoulder and Elastic tapes and Dupatta Segment and is expected continuously to grow in future due to less labour intensive nature of warp knitting compared to weaving, growth in under garments segment due to growth in middle income class population.

Keeping in view, increasing pressure from new investments especially mother yarn, capacity utilization and margins will be an area of concern. To mitigate same to some extent, many initiatives are in the process to utilize current capacity like stretch yarns / Tow / Velcro and dope dyed products from existing facilities.

6. OPERATIONS

Textiles:

The textile unit at Phagwara, despite challenging business environment, the unit produced and sold 328.23 lakhs and 369.98 lakhs meters of fabrics respectively. The technical textiles have been well accepted by the market.

Nylon Filament Yarn:

JCT Filament Unit has been one of the top Textile Grade Nylon Yarn manufacturers in India with installed capacity of 16000 TPA despite challenges thrown by expansions of peers and cheaper imports through ASEAN countries. The unit produced and sold 13590 MT and 13564 MT of yarn respectively.

7. FINANCE

The Company has been meeting its repayment obligation as per the terms of restructuring under CDR mechanism.

8. SHARE CAPITAL

During the year under review, Company converted 10,00,000 Optionally Convertible Preference Shares (OCPS) aggregating to Rs.1000 lakhs held by Provestment Securities Private Limited, into 13,333,333 Equity Shares at Rs.7.50 each (including Rs.5.00 each as share premium) on 5.5.2016. These shares have a lock in period upto 31.05.2019. The paid-up share capital as on 31.3.2017 stood at Rs.149.53 Crores.



9. FOREIGN CURRENCY CONVERTIBLE BONDS (FCCBs)

The company has been trying to unlock the value of its land bank in Sriganganagar and also Village Satbari in New Delhi to pay to the bondholders. The management has been in constant touch with the bondholders and apprising them the position on regular basis. During the year, the company made a payment of US\$ 1.8 million.

10. DEPOSITS

The Company has not been accepting fresh/renewals of deposits and is regular in repayment and servicing of interest on fixed deposits. Unclaimed Deposits remained on 31.03.2017 were of Rs 4.00 lakhs and deposits amounting to Rs 2.00 lakhs paid subsequently.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

12. CORPORATE GOVERNANCE

As per SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, a separate report on Corporate Governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

13. AUDITORS

Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act 2013, and Rules made thereunder the terms of office of M/s S.P. Chopra & Company (Firm Registration No.000346N) as the Statutory Auditors of the Company will come to an end from the close of ensuing Annual General Meeting of the Company.

The Board of Directors places on record its appreciation to the services rendered with sincerity and diligently by M/s S.P. Chopra & Company as the Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of M/s Navdeep Singh & Company, Chartered Accountants (Firm Registration No.008400N) as the Statutory Auditors of the Company.

The Report given by the Auditors on the financial statements of the company is self explanatory and is a part of Annual Report. Their qualified opinion given in the Report has been fully explained in Note No. 5.2(d) attached to the Schedule 5 of Long Term Borrowings.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit)

Rules 2015, the cost audit records maintained by the Company in respect of its textile and filament yarn units are required to be audited.

The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s Goyal, Goyal & Associates, Cost Accountants, as Cost Auditors of the Company for the financial year 2017-18 at a remuneration of Rs. 1,50,000/- plus service tax as applicable and reimbursement of out of pocket expenses. As required under the Companies Act, 2013, the remuneration payable to Cost Auditors is required to be placed before the members for ratification. Accordingly, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting.

The cost audit report for the financial year 2016-17 is under finalization and would be filed within the stipulated time with the Ministry of Corporate Affairs.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, the company has appointed Ms. Seema Sharma, Whole Time Company Secretary in Practice (C.P No.4397) to undertake the Secretarial Audit of the Company. The Secretarial Audit report forms an integral part of this Report.

There is no secretarial audit qualification for the year under review.

14. EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT – 9, as required under Section 92 of the Companies Act, 2013, forms an integral part of this Report.

15. STATUTORY DISCLOSURES

Conservation of Energy, Technology Absorption & Foreign Exchange Earnings & Outgo

The particulars relating to energy conservation, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 forms an integral part of this Report

Particulars of Employees

The Disclosure required under Section 197(12) of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed and forms an integral part of this Report.

Details of employees who were in receipt of remuneration as per Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial



Personnel) Rules, 2014 are annexed and form an integral part of this Report. However, these details are not being sent along with this Annual Report to the Members of the Company in line with the provision of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. Further, the above information is available for inspection by Members at the Registered Office of the Company, 21 days before the 68th Annual General Meeting and upto the date of the ensuing Annual General Meeting during the business hours on working days.

None of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the equity shares of the Company.

16. DIRECTORS

Changes in Directors and Key Managerial Personnel

During the year under review, Mr V K Singhal was appointed as the CFO w.e.f 23.08.2016 in place of Mr. M P S Narang who left the Company w.e.f 16.08.2016.

Ms. Priya Thapar will retire at the forthcoming Annual General Meeting of the Company and being eligible, offer herself for re-appointment.

Allahabad Bank, the Monitoring Institution under CDR Scheme and also the Lead Bank of the Consortium Members Banks, nominated Mr A K Mohapatra in place of Mr S K Singhala. Mr Mohapatra has been co-opted on the Board as Nominee of Allahabad Bank w.e.f. 30.05.2017.

Declaration by Independent Directors and re-appointment, if any

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015.

Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its constituted Committees from time to time.

Remuneration Policy

In pursuance of Section 178 of Companies Act, 2013, the Board of Directors has framed a policy which lays down a framework in relation to criteria for selection, appointment, remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy is stated in the Corporate Governance Report.

Number of Meetings of Board and its Committees

The details of the number of meetings of the Board held during the financial year 2016-17 forms part of the Corporate Governance Report.

17. WHISTLE BLOWER POLICY:

The Company has a Vigil Mechanism named Whistle Blower Policy to deal with the instances of fraud and mismanagement, if any. The details of Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

18. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties were on arm's length basis and in the ordinary course of business. There were no material significant related party transactions made by the Company during the year under review with the Promoter/ Directors or Key Managerial Personnel. All related party transactions are placed before the Audit Committee and has also been sent to the Board for approval and omnibus approval was obtained on a quarterly basis for transactions which are of repetitive natures. The policy on related party transactions as approved by the Board has been uploaded on the website of the Company. None of the Directors has any pecuniary relationship or transactions *vis-a-vis* the company.

19. RISK MANAGEMENT

The Company has a Risk Management Policy for identifying, prioritizing and mitigating risks which may impact attainment of short and long term business goals of the Company. The risk management framework is reviewed periodically by the risk management teams at all the units of the Company constituted by the Board which monitors and evaluates the effectiveness of risk management framework of the Company and strengthens it.

20. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the Regulators / Courts that would impact the going concern status of the Company and its future operations.

21. INTERNAL CONTROL SYSTEMS

Company is having strong & effective internal control & risk mitigation systems in all areas of its operations. There are qualified personnel having efficient monitoring systems. Independent findings / analyses by Internal Auditors are reported to Audit Committee and their reports are being periodically appraised by the Audit Committee of the Board of Directors, Statutory Auditors and the Business Head and



accordingly corrective actions are taken. The company runs its business with strong ethical behavior and is in compliance with laws and regulations.

Internal Financial Control of the Company has adequate and are in place, commensurate with the size, scale and complexity of the operations. The Statutory Auditors have also commented on the internal financial control on financial reporting in their report.

22. CORPORATE SOCIAL RESPONSIBILITY

As a part of its initiative under “Corporate Social Responsibility” (CSR) drive, the Company has undertaken projects in the Delhi NCR area.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company. (www.jct.co.in)

23. CONSERVATION OF RESOURCES

Company's working is as per applicable statutory provisions pertaining to health and safety and the company also takes all possible measures to prevent accidents and occupational hazards. The manufacturing operations are conducted to ensure sensitivity towards the environment and minimize waste by encouraging “Green Initiative” practices. Efficient management and use of renewable resources are encouraged. All employees are obliged to ensure that they fully understand all policies and they fully comply with the requirements.

24. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at work place and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Company has not received any complaints on sexual harassment and hence no complaints remain pending as of 31st March, 2017.

24. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(3) (c) of the Companies Act, 2013, your Directors make the following statement that;

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the directors, have laid down internal financial controls which were followed by the company, such internal financial controls are adequate and operating effectively; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

25. STATEMENT OF CAUTION

Statements in this Directors' Report & Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations and predictions may be forward looking within the meaning of applicable laws and regulations. Actual results could, however, differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principle markets, changes in Government regulations, policies, tax regimes, economic scenario and developments within India and globally.

26. APPRECIATION & ACKNOWLEDGEMENTS

Your Directors wish to place on record their deep appreciation for the contribution made by the workers and employees at all levels. Your Directors also wish to extend their appreciation for the assistance and co-operations received from the bankers, investors, customers, dealers, agents, suppliers for their continued support and faith reposed in the Company.

For & on behalf of the Board
Samir Thapar
Chairman and Managing Director
DIN: 00062287

Place : New Delhi
Date : 30.05.2017



PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) AND SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Requirements of Rule 5(1)	Details
1 the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Name of the Director Ratio
	Samir Thapar 107X
	Priya Thapar 27.20X
	The median Remuneration of employee of the Company was Rs. 99864
2 the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Mr. Samir Thapar 24.76%
	Ms. Priya Thapar -
	Mr. MPS Narang (CFO)* (166.67)%
	Mr. V K Singhal** -
	*Mr. MPS Narang ceased as CFO w.e.f 16.8.2016 **Mr V K Singhal joined as CFO w.e.f. 23.8.2016
	Ms. Nidhi Goel (CS) -
3 the percentage increase in the median remuneration of employees in the financial year;	(9.63%)
4 The number of permanent employees on the rolls of company	5689
5 Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average increase in remuneration is (15.88%) for Employees other than Managerial Personnel and 19.73% for Managerial Personnel.
6 Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration paid during the year ended March 31, 2017 is as per the Remuneration Policy of the Company



REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The CSR Policy is available on the Company's website at www.jct.co.in. A gist of the programs that the Company can undertake under the CSR policy is mentioned below. The Company had proposed to undertake activities relating to "eradication of hunger, poverty & malnutrition" for the Financial Year 2016-17. The activities and funding are monitored internally by the Company.					
2.	The Composition of the CSR Committee.	Mr. Samir Thapar- Chairman and Managing Director Ms. Priya Thapar- Whole Time Director Mr. Gordhan Bhojraj Kathuria- Independent Director					
3.	Average net profit of the Company for last three Financial Years.	The average Net Profit for the last three years is Rs. 592.94 lacs.					
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above).	The Company is required to spend Rs. 11.86 lac towards CSR for the Financial Year 2015-16.					
5.	Details of CSR spent during the Financial Year :- a) Total amount to be spent for the financial year : Rs. 23.25 lacs ` b) Amount unspent, if any : No c) Manner in which the amount spent during the financial year detailed below:						
	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2)Specify the State and district where projects or programs were undertaken	Amount Outlay (budget) project or programs wise (Rs./lacs)	Amount spent on the projects or programs Sub - heads : 1) Direct expenditure on projects 2) Overheads: (Rs./lacs)	Cumulative expenditure upto the reporting period (Rs./lacs)	Amount spent: Direct or through implementing agency
	Feed India Campaign under JCT banner	Eradication of hunger, poverty & malnutrition	NCR Delhi	23.25	1) 11.32 2) 11.92	23.25	Direct
6.	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.			Not applicable			
7.	We hereby confirm that the CSR Committee has implemented and monitored the CSR initiatives by the Company in line with the CSR objectives and Policy of the Company.						

Samir Thapar
Chairman of CSR Committee &
Chairman & Managing Director

Date : 30.05.2017
Place : New Delhi



SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

The Members

JCT LIMITED

Village Chohal, District Hoshiarpur

Punjab-146024

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JCT Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and Management Representation Letter and information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended 31st March, 2017 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment in India and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I further report that, there were no actions/events in pursuance of;

- (a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; requiring compliance thereof by the Company during the audit period.

I have also examined compliance with the applicable Clauses of The Listing Agreement entered into by the Company with Bombay Stock Exchange and applicable clauses of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



Secretarial Standards issued by The Institute of Company Secretaries of India were complied with during the audit period.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

There were no dissenting views by any Board member as per the minutes of the Board meetings duly recorded and signed.

I further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by respective department heads/Company Secretary/CEO taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exists in the Company to monitor and ensure compliance with applicable general laws.

I further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that during the audit period, there might be major bearing on the company's affairs regarding following events:

1. No communication had been received from Asset Reconstruction Company (India) Limited (ARCIL), which issued notice to the Company on 07.11.2015 for winding up under the then existing Sections 433 (e) and 434 of the Companies Act, 1956, after the letter dated 11.2.2016 sent by company.
2. The Company complied with all the conditions of the consent terms dated 5.6.2015 entered between the Company and Foreign Currency Convertible Bondholders for payment of 19.19 Million FCCBs and accordingly it became effective. During the year, Company has paid US\$ 1.8 Million and for the balance of US\$ 15.36 Million (including interest of US\$ 5.02 Million), the Company received communication from a bondholders for extending date of payment by 5.12.2017.

Seema Sharma
Company Secretary in Whole-time Practice
FCS No. 8054/C P No.: 4397

Place : New Delhi
Date : 30.05.2017



FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies
 (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L17117PB1946PLC004565
2	Registration Date	28.10.1946
3	Name of the Company	JCT Limited
4	Category/Sub-category of the Company	Company Limited by Shares
5	Address of the Registered office & contact details	Village Chohal, District Hoshiarpur 146 024 (Punjab) Tel: 01882-258780 Fax : 01882 258059 Email: jctsecretarial@jctltd.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	RCMC Share Registry Pvt. Ltd B-25/1, 1st Floor, Okhla Industrial Area, Phase II, New Delhi - 110020 Tel: 011-26387320 Email: investor.services@rcmcdelhi.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/ Service*	% to total turnover of the company#
1	Manufacture of Textile	131	57%
2	Manufacture of Man-Made Fibres (Nylon Filament Yarns)	203	43%

* As per National Industrial Classification – Ministry of Statistics and Programme Implementation

On the basis of Gross Turnover

III. Particulars of Holding, Subsidiary and Associate Companies:

Sr. No.	Name and Address of Company	CIN	Holding/ Subsidiary/ Associate Company
1	Provestment Securities Pvt. Ltd. 305, 3 rd Floor, Rattan Jyoti Building, 18, Rajendra Place, New Delhi- 110008	U74899DL1995PTC072026	Associate Company
2	KCT Textiles Limited 305, 3 rd Floor, Rattan Jyoti Building, 18, Rajendra Place, New Delhi- 110008	U17115DL2004PLC129499	Associate Company



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	494085	142344	636429	0.11	636429	-	636429	0.11	Nil
b) Central Govt	-	-	-	-	-	-	-	-	
c) State Govt(s)	-	-	-	-	-	-	-	-	
d) Bodies Corp	222639445	-	222639445	38.07	235972778	-	235972778	39.45	1.38
e) Banks / FI	-	-	-	-	-	-	-	-	
f) Any other	-	-	-	-	-	-	-	-	
Sub-Total (A) (1)	223133530	142344	223275874	38.18	236609207	-	236609207	39.56	1.38
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	
b) Other – Individuals	-	-	-	-	-	-	-	-	
c) Bodies Corp.	-	-	-	-	-	-	-	-	
d) Banks / FI	-	-	-	-	-	-	-	-	
e) Any Other	-	-	-	-	-	-	-	-	
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	
Total shareholding of Promoter (A)= (A) (1)+ (A) (2)	223133530	142344	223275874	38.18	236609207	-	236609207	39.56	1.38
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	158397	158397	0.03	-	158397	158397	0.03	Nil
b) Banks / FI	36608928	394852	37003780	6.33	21048731	394852	21443583	3.59	(2.74)
c) Central Govt	302244	-	302244	0.05	5564	-	5564	0.00	(0.05)
d) State Govt(s)	-	-	-	-	-	-	-	-	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	
f) Insurance Companies	8899420	400	8899820	1.52	8899420	-	8899420	1.49	(0.03)
g) FIs	53819225	403300	54222525	9.27	53819225	403300	54222525	9.07	(0.20)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i) Others (Limited liability partnership)	-	-	-	-	15669	-	15669	0.00	0.00
Sub-total (B)(1):-	99629817	956949	100586766	17.20	83788609	956949	84745558	14.18	(3.02)
2. Non-Institutions									
a) Bodies Corp.	21977417	226175	22203592	3.80	21443275	225175	21668450	3.62	(0.18)
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	110686808	7211001	117897809	20.16	103824602	7103408	110928010	18.55	(1.61)



Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	26038512	-	26038512	4.45	47397792	43949	47441741	7.93	3.48
c) Others (specify)									
Non Resident Indians	1297440	23894	1321334	0.23	1490851	18600	1509181	0.25	0.02
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	3319428	-	3319428	0.57	5078302	-	5078302	0.85	0.28
Trusts	14500	-	14500	0	10699	-	10699	0.00	0.00
Foreign Bodies	90134834	-	90134834	15.41	90134834	-	90134834	15.07	(0.34)
Sub- Total (B)(2):-	253468939	7461070	260930009	44.62	269380355	7390862	276771217	46.27	1.65
Total Public Shareholding (B)=(B)(1)+(B)(2)	353098756	8418019	361516775	61.82	353168964	8347811	361516775	60.45	(1.37)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	576232286	8560363	584792649	100	589778171	8347811	598125982	100	-

ii. Shareholding of Promoter-

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	M M Thapar	59500	0.01	-	59500	0.01	-	Nil
2	Samir Thapar	129012	0.02	100	271356	0.05	47.54	0.03
3	Gayatri Thapar	13722	0.00	-	-	-	-	(0.00)
4	Arjun Thapar	128622	0.02	-	-	-	-	(0.02)
5	Priya Thapar	260000	0.04	-	260000	0.04	-	Nil
6	Tiny Kesang Thapar	45573	0.01	-	45573	0.01	-	Nil
7	Provestment Securities Pvt. Ltd.	132094334	22.59	100	145427667	24.31	90.38	1.72
8	KCT Textiles Limited	90545111	15.48	100	90545111	15.14	100	Nil



iii. Change in Promoters' Shareholding (please specify, if there is no change):

S. No.	Particulars		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	PROVESTMENT SECURITIES PRIVATE LIMITED					
	At the beginning of the year		132094334	22.59	132094334	22.59
	03/06/2016	Allotment	13333333	2.23	145427667	24.31
	At the end of the year				145427667	24.31
2	KCT TEXTILES LIMITED					
	At the beginning of the year		90545111	15.48	90545111	15.48
	At the end of the year				90545111	15.14
3	PRIYA THAPAR					
	At the beginning of the year		260000	0.04	260000	0.04
	At the end of the year				260000	0.04
4	SAMIR THAPAR					
	At the beginning of the year		129012	0.02	129012	0.02
	03/06/2016	Transfer	142344	0.02	271356	0.05
	01/07/2016	Transfer	(142344)	(0.02)	129012	0.02
	08/07/2016	Transfer	142344	0.02	271356	0.05
	At the end of the year				271356	0.05
5	ARJUN THAPAR					
	At the beginning of the year		128622	0.02	128622	0.02
	27/05/2016	Transfer	(128622)	(0.02)	0	0
	At the end of the year				0	0
6	M. M. THAPAR					
	At the beginning of the year		59500	0.01	59500	0.01
	At the end of the year				59500	0.01
7	TINY KESANG THAPAR					
	At the beginning of the year		45573	0.01	45573	0.01
	At the end of the year				45573	0.01
8	GAYATRI THAPAR U/G SAMIR THAPAR					
	At the beginning of the year		13722	0	13722	0
	27/05/2016	Transfer	(13722)	0	0	0
	At the end of the year				0	0



iv. Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	ELM PARK FUND LIMITED					
	At the beginning of the year 01/04/2016		53819225	9.2	53819225	9.20
	At the end of the year 31/03/2017				53819225	9.00
2	MUSK HOLDINGS LTD.					
	At the beginning of the year 01/04/2016		44195092	7.56	44195092	7.56
	At the end of the year 31/03/2017				44195092	7.39
3	ALPORT LIMITED					
	At the beginning of the year 01/04/2016		28000000	4.79	28000000	4.79
	At the end of the year 31/03/2017				28000000	4.68
4	HYPNOS FUND LIMITED - FCCB					
	At the beginning of the year 01/04/2016		17939742	3.07	17939742	3.07
	At the end of the year 31/03/2017				17939742	3.00
5	STATE BANK OF INDIA					
	At the beginning of the year 01/04/2016		15560197	2.66	15560197	2.66
	08/04/2016	Transfer	(3528958)	(0.6)	12031239	2.06
	15/04/2016	Transfer	(1770274)	(0.3)	10260965	1.75
	22/04/2016	Transfer	(2017620)	(0.35)	8243345	1.41
	29/04/2016	Transfer	(1067382)	(0.18)	7175963	1.23
	06/05/2016	Transfer	(889102)	(0.15)	6286861	1.05
	13/05/2016	Transfer	(1367651)	(0.23)	4919210	0.82
	20/05/2016	Transfer	(4277057)	(0.72)	642153	0.11
	At the end of the year 31/03/2017				642153	0.11
6	PUNJAB NATIONAL BANK					
	At the beginning of the year 01/04/2016		9520000	1.63	9520000	1.63
	At the end of the year 31/03/2017				9520000	1.59
7	ALLAHABAD BANK, IFB, NEW DELHI					
	At the beginning of the year 01/04/2016		8600000	1.47	8600000	1.47
	At the end of the year 31/03/2017				8600000	1.44
8	LIFE INSURANCE CORPORATION OF INDIA					
	At the beginning of the year 01/04/2016		6815901	1.17	6815901	1.17
	At the end of the year 31/03/2017				6815901	1.14
9	UNITED INDIA INSURANCE COMPANY LIMITED					
	At the beginning of the year 01/04/2016		1824425	0.31	1824425	0.31
	At the end of the year 31/03/2017				1824425	0.31
10	RAI INVESTMENTS LTD					
	At the beginning of the year 01/04/2016		1643942	0.28	1643942	0.28
	13/05/2016	Transfer	(50000)	(0.01)	1593942	0.27
	20/05/2016	Transfer	(21966)	0.00	1571976	0.26
	At the end of the year 31/03/2017				1571976	0.26



S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
11	R. B. K. SHARE BROKING LTD.					
	At the beginning of the year 01/04/2016		1510000	0.26	1510000	0.26
	15/04/2016	Transfer	125000	0.02	1635000	0.28
	06/05/2016	Transfer	200000	0.03	1835000	0.31
	27/05/2016	Transfer	500000	0.08	2335000	0.39
	22/07/2016	Transfer	15000	0.00	2350000	0.39
	At the end of the year 31/03/2017				2350000	0.39
12	SBI-SG GLOBAL SECURITIES SERVICES PVT. LTD.					
	At the beginning of the year 01/04/2016		549578	0.09	549578	0.09
	08/04/2016	Transfer	1198482	0.2	1748060	0.3
	15/04/2016	Transfer	(1406148)	(0.24)	341912	0.06
	22/04/2016	Transfer	52803	0.01	394715	0.07
	29/04/2016	Transfer	(299744)	(0.05)	94971	0.02
	06/05/2016	Transfer	79090	0.01	174061	0.03
	13/05/2016	Transfer	255881	0.04	429942	0.07
	20/05/2016	Transfer	37607	0.01	467549	0.08
	At the end of the year 31/03/2017				467549	0.08

v. Shareholding of Directors and Key Managerial Personnel:

S. No	Particulars		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Samir Thapar					
	At the beginning of the year		129012	0.02	129012	0.02
	03/06/2016	Transfer	142344	0.02	271356	0.05
	01/07/2016	Transfer	-142344	-0.02	129012	0.02
	08/07/2016	Transfer	142344	0.02	271356	0.05
	At the end of the year				271356	0.05
2	Priya Thapar					
	At the beginning of the year		260000	0.04	260000	0.04
	At the end of the year				260000	0.04
3	Mr. Gordhan Bhojraj Kathuria		-	-	-	-
4	Dr. Ajit Kumar Doshi		-	-	-	-
5	Mr. Chander Mohan Bhanot		-	-	-	-
6	Mr. Suresh Kumar Singhala		-	-	-	-
7	Mr. Manjinderpal Singh Narang*		-	-	-	-
8	Mr. Vinod Kumar Singhal*		-	-	-	-
9	Ms. Nidhi Goel		-	-	-	-

*Mr VK Singhal was appointed as Chief Financial Officer w.e.f. 23.08.2016 in place of Mr. MPS Narang on account of his cessation w.e.f 16.08.2016.



V. INDEBTEDNESS (Rs. in Lacs)

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	11707.72	9295.07	2339.61	23342.40
ii) Interest due but not paid	143.74	-	-	143.74
iii) Interest accrued but not due	0.55	42.85	-	43.40
Total (i+ ii+ iii)	11852.01	9337.91	2339.61	23529.53
Change in Indebtedness during the financial year				-
* Addition	228.72	365.51	56.17	650.40
* Reduction	2804.45	1763.04	2.32	4569.81
Net Change	(2575.73)	(1397.53)	53.85	(3919.41)
Indebtedness at the end of the financial year				
i) Principal Amount	9167.95	7868.34	2393.46	19429.78
ii) Interest due but not paid	107.79	-	-	107.79
iii) Interest accrued but not due	0.48	72.04	-	72.52
Total (i+ ii+ iii)	9276.25	7940.38	2393.46	19610.09

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager (Rs. In lacs/p.a.)

S No.	Particulars of Remuneration	Name of MD/ WTD/ Manager		Total Amount
		Samir Thapar – Chairman & Managing Director	Priya Thapar –Whole-time Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	81.98	23.40	105.38
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	13.04	0.39	13.43
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit	-	-	-
5	Others, Insurance Premium	0.96	0.20	1.16
	Total (A)	95.98	23.99	119.97



B. Remuneration to other directors (Rs. In lacs)

S No.	Particulars of Remuneration	Name of Directors				Total Amount
		G.B Kathuria	A K Doshi	C M Bhanot	S K Singhala	
1	Independent Directors					
	Fee for attending board or committee meetings	7.00	7.00	7.00	-	21.00
	Commission	-	-	-	-	-
	Others, Travelling	0.37	0.12	0.07	-	0.56
	Total (1)	7.37	7.12	7.07	-	21.56
2	Other Non-Executive Directors					
	Fee for attending board or committee meetings	-	-	-	2.00	2.00
	Commission	-	-	-	-	-
	Others, TRavelling	-	-	-	0.03	0.03
	Total (2)	-	-	-	-	2.03
	Total (B)=(1+2)	7.37	7.12	7.07	2.03	23.59
	Total Managerial Remuneration					23.59

C. Remuneration To Key Managerial Personnel Other Than MD/ Manager/ WTD (Rs. In lacs)

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Company Secretary	Chief Financial Officer (MPS Narang) (upto 16.08.16)	Chief Financial Officer (V K Singhal) (w.e.f. 23.8.16)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5.73	27.92	16.18	49.84
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.12	0.50	1.41	2.04
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	
2	Stock Option	-	-	-	
3	Sweat Equity	-	-	-	
4	Commission - as % of profit	-	-	-	
5	Others, Insurance Premium	0.05	0.0	0.19	0.24
	Total	5.90	28.42	17.78	52.13

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There have been no penalties / punishment / compounding of offences imposed by Regional Director/ NCLT/ Court to the Company / Directors / Officers in default.



CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING & OUTGO

Information under section 134 (3)(m) of the Companies Act, 2013 read with the Rule 8 (3) of the Companies (Account) Rules, 2014 for the year ended 31st March 2017 is given here below and forms part of the Director's Report.

(A) CONSERVATION OF ENERGY

- (a) Energy conservation measures taken and additional investments and proposals, if any, being implemented for reduction in consumption of energy :**

Textile Division

- (a)** In all Plant 1390 nos 16w/18w/22w LED tube sets provided in place of 36 watt conventional tube sets. Average power saving= 25.53 KW/hr. **(b)** In Taffeta Lighting Transformer and Colony voltage reduced. Power Saved= 17 KW/Hr. **(c)** Power Factor of 8 MW Turbine improved to 0.982 from 0.93 by installing Automatic Power Factor panels. Load on Turbine increased by 550 KW/Hr. **(d)** Street Mercury Lights of 250 watt/125 watt replaced with 45w/35w/15w LED bulbs. Power Saved=13KW/Hr. **(e)** Under PAT Scheme 1146 ESCertificates received which are tradable in Power exchange. In Taffeta speed of blower of starter-1 reduced to 46 HZ from 49.66 HZ. Power Saved= 11 Kw/Hr. **(f)** Turbine frequency reduced to 49.5 Hz from 50 Hz. Power Saved=193 Kw/Hr.

Filament Division

- (a)** Conventional type tube lights replaced with LED tube sets. Total saving 27 MW. **(b)** DC Motor system replaced with IE4 motors and Ac drive on DT Machines. Power saved 238 MW. **(c)** 2Nos. pre heaters of LOY Spinning converted to CHS, power saved 92 MW. **(d)** VFD installed at D.Text AHU, power saved 114 MW. **(e)** Installation of new Nitrogen Plant, power saved 50 MW. **(f)** Installation of DT-C AHU, power saved 406 MW. **(g)** Centralized unit of Administration block replaced, power saving 92 MW. **(h)** Installation of vapour absorption machine (VAM), Power saving 924 MW. **(i)** Installation of VFD on surface aerator in Effluent Treatment plant. Power saved 67 MW.

(b) Impact of Measures:

Textile Unit:

Downward trend has been observed in power cost ranging between 7 to 8%.

Filament Unit:

Due to various steps taken by the Unit the total power saving was 2010 MW.

(c) Total energy consumption and energy consumption per unit of production:

As per Form 'A' Attached.

(B) PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT (FORM'B')

1. Specific areas in which R&D carried out by the company :

Textile Division

Installation of Automatic Dosing Pumps on Coating Machine and Installation of Heat Sealing Seam Tape machine in Taffeta Plant Lab.

Filament Division

Successfully launched several new products namely 39/10 SD HOY, 40/10 SD HOY, 30/36 FD FDY, 35/36 FD FDY, 40/36 BRT FDY, 280/14 BRT, 170/24 SD TL & many products in ACY with 20,40,70 & 140 Spandex and utilized spare capacity of Batch Poly for textile grade products.

Poly –II Caprolactum mixing vessel/feeding vessel is commissioned in order to facilitate provision of PTA (as chain terminator) addition into molten Caprolactum. PTA addition into mixing vessel is also commenced which resulted into conversion from Caprolactum to Polymer has also been increased.

2. Benefits Derived :

Textile Division

The newly installed Automatic Dosing Pumps has ensured the uniform coating across the width of the fabric. Also this has increased the coating fabric fresh recovery. The heat sealing seam tape machine will help in making the test mocks (with seam tape), which can further be tested in Internal Lab for Water Proofness testing and also can be sent to External labs for testing. Earlier we used to send these stitched mocks to different garment factories for seam taping and further these seam taped mocks were sent to External labs for mocks can directly be sent to External lab from JCT itself and testing lead time can get reduced drastically.

Filament Division

Provide products and services to our customers not only meeting but exceeding their requirements. Initiative to reduce cost of production by reduction in wastage, optimum utilization of resources to increase productivity & sales realization. Increased presence in international market in hank dyed & dope dyed segment.

3. Future plan of action :

Textile Division

The company has independent R&D Department which regularly provides suggestions for improvement so as to optimize the cost of products and improve the quality.



Filament Division

Develop new product to expand customer base in new application or different quality. Focus on increasing productivity by maximum utilization of resources & modification in existing hardware.

(C) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

To meet the challenge of the world, new latest technology state of the art machines have been adopted & installed in the mill to produce as well as to reduce and optimise the cost of the fabric of desired quality.

(a) Efforts in brief, made towards technology absorption adaptation and innovation :

Efforts continued in strengthening the R&D facilities in order to provide a comprehensive range of products being manufactured both at Textile and Filament Yarn Units. Training at various levels was imparted to technical staff and workmen are an ongoing process.

(b) Benefits derived :

Availability of energy efficient, environment friendly systems and equipment, wider range of products, improved quality and product designs and cost reduction were amongst the benefits derived.

(c) In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) :

The Company continuously strives to adopt latest technology for improving productivity, product quality and reducing consumption of raw material, energy and other inputs.

(D) FOREIGN EXCHANGE EARNINGS & OUTGO

(a) Activities relating to exports, initiatives taken to increase export, development of new export markets for product services and export plans:

The Company is exporting Textile Fabrics, Filament Yarns and has taken successful initiatives for increasing exports.

(b) Total Foreign Exchange used and earned:

(Rs. In lacs)

	Current Year	Previous Year
Used	6643.41	6073.62
Earned	8093.63	7009.66

TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION

FORM 'A'

A. POWER AND FUEL CONSUMPTION:

	Current Year	Previous Year
1 Electricity		
(a) Purchased:		
Units	26603179	29376049
Total Cost (Rs./ Lacs)	1895	2216
Rate/Unit(Rs.)	7.12	7.54
Marchant Power		
Units (Kwh)	14496311	22417986
Total Cost (Rs./ Lacs)	866	1325
Rate/Unit(Rs.)	5.97	5.91
(b) Own Generation:		
(i) Through Diesel Generators		
Units	74862	145680
Total Cost (Rs./ LACS)	12.39	22.35
Unit per Ltr of Diesel Oil	3.08	3.33
Cost/unit (Rs.)	16.55	15.34
(ii) Through Steam Turbine Generators		
Units	109300790	105820880
Total Cost (Rs./ LACS)	3099.10	3973.40
Cost/unit(Rs)	2.84	3.75
2 Coal / Husk (Boilers)		
Quantity(tonnes)	185054	181499
Total Cost(Rs. Lacs)	6015.30	7971.74
Average Rate(Rs)	3250.56	4392.16
3 Furnace Oil (Boilers)		
Quantity(K.Ltrs)	53785	131030
Total Cost(Rs. Lacs)	10.21	30.05
Average Rate./Ltr (Rs)	18.98	22.93
4 LDO/HSD (Furnaces / DG sets)		
Quantity(Ltrs)	24290	43780
Total Cost(Rs. Lacs)	12.39	22.35
Average Rate/ltr(Rs)	51.01	51.05
5 Pet Coke		
Quantity(Kgs)	2340800	2591100
Total Cost(Rs./Lacs)	188.42	186.93
Average Rate./Ltr (Rs)	8.05	7.21
6 Other/Internal Generation		
Steam		
Quantity(tonnes)	679500	670291
Total Cost(Rs. Lacs)	6025.52	8001.79
Average Rate(Rs)	886.76	1193.78

B. CONSUMPTION COST PER UNIT OF PRODUCTION (RS)

Products	Current Year		Previous Year	
	Elect.& DG/ TG Power	Steam	Elect.& DG/ TG Power	Steam
Filament Yarn / Chips	17.88	4.43	23.77	6.51
Cloth	8.09	8.78	8.55	9.91



CORPORATE GOVERNANCE REPORT: 2016-17

The Directors present the Company's Report on Corporate Governance pursuant to the SEBI (LODR) Regulations 2015.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

JCT has full belief that the sound corporate governance is essential for the success of its operations in the long term. The organization success is truly a reflection of the professionalism, conduct and ethical values of its management and employees. Our Company strives to ensure transparency in all its operations, make disclosures and comply with various laws and regulations.

2. BOARD OF DIRECTORS

In terms of the Company's Corporate Governance Policy, all statutory and other significant & material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the Shareholders.

a) Composition and Category of the Board of Directors

During the year ended 31.03.2017 the Board of the Company had Six Directors out of which two are Executive Directors including one women Director, three are Independent Directors and One Nominee Director, which constitutes 50% as Independent Directors on the Board. The Chairman of the Board is an Executive Director. The Board consists of eminent individuals from industry, management, technical, financial and marketing. None of the Directors on the board is a member of more than 10 committees and Chairman of more than 5 committees. Necessary disclosures regarding directorship held in other companies and committee positions as on 31.03.2017 have been made by Directors.

b) Attendance of Directors at Board Meetings & Annual General Meeting and Number of Companies in which the director is a member of the Board or its committee as a chairperson thereof during the year.

Name of Director	Category	Attendance in Board Meeting		Attendance in last AGM held on 12.08.2016	Other Board		
		Held	Attended		No of other Directorships	No of committees in which a member	No of committees in which a chairperson
Mr. Samir Thapar <i>Chairman & Managing Director</i>	Executive	4	3	No	2	-	-
Ms. Priya Thapar	Executive	4	3	Yes	-	-	-
Mr. Gordhan Bhojraj Kathuria	Independent Non Executive	4	4	Yes	1	-	-
Dr Ajit Kumar Doshi	Independent Non Executive	4	4	Yes	1	-	-
Mr. Chander Mohan Bhanot	Independent Non Executive	4	4	Yes	-	-	-
Mr. Suresh Kumar Singhala	Nominee Director- Allahabad Bank	4	2	Yes	-	-	-

c) Ms. Priya Thapar- Director (HR) is sister of Mr. Samir Thapar- Chairman and Managing Director.

d) Mr. Gordhan Bhojraj Kathuria, Dr Ajit Kumar Doshi, Mr Chander Mohan Bhanot and Mr. S K Singhala does not have any shareholding in the Company

e) Familiarization Programme for Independent Directors

At the time of appointing a Director, a formal letter of appointment is given to him, which *inter-alia* explains the role, function, duties and responsibilities expected of him as a Director of the Company. Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors. Site visits to plant locations are organized for the Directors to enable them to understand the operations of the Company. The details of such familiarization programme for Independent Directors are posted on the website of the Company i.e. www.jct.co.in.

**f) Board Meetings**

During the financial year 2016-17, the Board of the Company met 4 times on 30.05.2016, 12.08.2016, 11.11.2016 and 14.02.2017. The interval between two meetings is less than 4 months which is well within the maximum period under Section 173 of the Companies Act, 2013 and the provisions of Regulation 17 of SEBI (LODR) Regulations, 2015.

The notice of each Board Meeting is given in writing to each Director. The Agenda along with relevant notes and other material information are sent in advance separately to each Director.

In case of business exigencies or urgency of matters, resolutions are passed by circulation and same is placed before the Board in the next meeting. Besides performance of Company's operations before taking on record the quarterly / annual financial results of the Company, information supplied to the Board. All relevant information as required under Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 was placed before the Board from time to time.

3. COMMITTEES OF THE BOARD**AUDIT COMMITTEE****a) Terms of Reference**

The Audit Committee's purpose is to oversee the accounting and financial process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors including the Cost auditors, the performance of internal auditors and the Company's risk management policies. The terms of reference of Audit Committee cover the areas mentioned under Part C of Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 as well as Section 177 of the Companies Act, 2013..

b) Composition

The Audit Committee consists of four Directors, three of whom are Non-Executive Independent Directors i.e. Mr. Gordhan Bhojraj Kathuria, Dr Ajit Kumar Doshi, Mr. Chander Mohan Bhanot and one nominee director for Allahabad Bank namely Mr. Suresh Kumar Singhala. Mr. Kathuria is the Chairman of the Committee. All members of the Audit Committee are financially literate and bring in expertise in the fields of Accounting, Finance and Taxation. Mr. Samir Thapar and Ms. Priya Thapar are the permanent invitees.

Chief Financial Officer, Auditors including Statutory, Internal and Cost and other functional heads including Non-Independent Executive Directors are regularly invited by the Audit Committee in its meetings. Company Secretary acts as a Secretary of the Committee.

The quorum, power, role and scope are in accordance with the Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015.

c) Meetings and Attendance

The Committee met four times during the Financial Year ended 2016-17 on 30.05.2016, 12.08.2016, 11.11.2016 and 14.02.2017. The maximum gap between any two meetings was less than four months which is in compliance with the provisions of Regulation 18 of SEBI (LODR) 2015. Adequate quorum was present for all Meetings. The Chairman of the Audit Committee was present at the Annual General Meeting of the Company. The Table below provides the attendance of the Audit Committee members.

Name of the Members	Position	Category	No. of Meetings held	No. of Meetings attended
Mr. Gordhan Bhojraj Kathuria	Chairman	Non-Executive Independent	4	4
Dr. Ajit Kumar Doshi	Member	Non-Executive Independent	4	4
Mr. Chander Mohan Bhanot	Member	Non-Executive Independent	4	4
Mr. Suresh. Kumar Singhala	Member	Nominee-Allahabad Bank	4	2

NOMINATION AND REMUNERATION COMMITTEE

- i. In compliance with Section 178 of Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Nomination and Remuneration Committee comprises of atleast 3 Directors all of whom are non-executive and independent directors.

a) Term of Reference

The Nomination and Remuneration Committee assist the Board in overseeing the method, criteria and



quantum of compensation for directors and senior management based on their performance and defined assessment criteria. The terms of the reference of Nomination and Remuneration Committee covers the areas mentioned under Part D of Schedule II of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 as well as section 178 of the Companies Act, 2013.

b) Composition, Meeting and Attendance:

The committee at present comprises of three non-executive Directors. Mr. Gordhan Bhojraj Kathuria is the Chairman of the Committee and the other members include Dr Ajit Kumar Doshi and Mr Chander Mohan Bhanot. No meeting of the committee was held during the year 2016-17.

c) Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholders relationship committee. The Directors expressed their satisfaction with the evaluation process.

II. Remuneration of Directors

a) Remuneration policy of the Company aimed at attracting and retaining high caliber talent. The policy therefore takes into account the remuneration trends in the industry and the competitive requirement of its business. There is no such pecuniary relationship between the Company and Non Executive Directors.

b) Disclosure of Remuneration to Non-Executive / Independent Directors:

The Non-Executive Directors were paid remuneration by way of Sitting Fees for each meeting of the Board and Committee of Directors attended by them. The total amount of Sitting Fees paid during the Financial Year ended 31st March, 2017 was Rs. 23 Lacs.

Rs. in Lacs

Sr. No.	Particulars of Remuneration	Name of the Directors				Total Amount
		Mr Gordhan Bhojraj Kathuria	Dr Ajit Kumar Doshi	Mr Chander Mohan Bhanot	Mr Suresh Kumar Singhala	
1.	Fee for attending board & committee meetings	7.00	7.00	7.00	2.00	23.00
2.	Commission	-	-	-	-	
3.	Others, Travelling	0.37	0.12	0.07	0.03	0.59
	Total	7.37	7.12	7.07	2.03	23.59

Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including the Chairman & Managing Director and Whole- time Director is governed by the Remuneration and Nomination Committee, resolutions passed by the Board of Directors and shareholders of the Company. Payment of remuneration to Executive Directors is governed by the respective Agreements executed between them and the Company. The remuneration package of Chairman & Managing Director and Whole-time Director comprises of salary, perquisites, allowances and contribution to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meeting.

The details of the remuneration paid during the year ended 31st March 2017 under review is given below.

(Rs. in lacs)

	Mr Samir Thapar Chairman & Managing Director		Ms Priya Thapar Director –HR	
	Current Year	Previous Year	Current Year	Previous Year
Salary including Allowances	81.98	58.50	23.40	23.57
Contribution to Provident & Superannuation Funds	10.36	8.02	3.16	3.16
Perquisites & Reimbursements	14.01	13.50	0.60	0.43
Total*	106.35	80.02	27.16	27.16

*Excludes the provision made towards gratuity and leave encashment on actuarial basis

**STAKEHOLDERS RELATIONSHIP COMMITTEE****a) Composition and Attendance**

The Committee comprises of Three Directors, Dr Ajit Kumar Doshi, Mr. Gordhan Bhojraj Kathuria and Mr. Chander Mohan Bhanot, all Non-Executive Independent Directors. Dr Doshi is the Chairman of the Committee. The Committee meets normally once in three months to oversee proper redressal of grievances of stakeholders/ investors and compliance of stipulation in the matter of listing of shares with stock exchange/ depositories etc. The matter of transfer / transmission of shares, sub-division/ consolidation and issue of new / duplicate shares etc. including demat/ remat of shares in the normal course are looked after by the Committee of Senior Executives consisting of Mr. Vinod Kumar Singhal – Chief Financial Officer, Mr. Jitender Khanna – Vice President (Secretarial and Legal) and Ms Nidhi Goel - Company Secretary, who have been authorized by the Committee for the same.

The Committee met 4 times during the year on 30.05.2016, 12.08.2016, 11.11.2016 and 14.02.2017 which were attended by all the members.

b) Name and Designation of the Compliance Officer

Ms Nidhi Goel, Company Secretary

c) Number of complaints received, not solved & pending

During the year, 19 complaints were received and replied to the satisfaction of the shareholders. There were no pending complaints as on 31st March, 2017. There is no share transfer or any correspondence pending for more than 30 days as on date of this report. The Company also have exclusive email-id i.e. jctsecretarial@jctltd.com for investors to contact the Company in case of any information and grievance.

d) Terms of Reference

The Committee shall consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

ALLOTMENT COMMITTEE

The Allotment Committee comprises of Three Directors namely Mr Samir Thapar, Chairman & Managing Director, Dr Ajit Kumar Doshi and Mr. Chander Mohan Bhanot Independent Directors constituted by the Board of Directors in their meeting held on 5.5.2016 for the purposes of allotment of equity shares upon conversion of Optionally Convertible Preference Shares (OCPS).

Meeting of the allotment committee was held on 5.5.2016 for the allotment of 13,333,333 Equity Shares to Provestment Securities Pvt Ltd upon conversion and cancellation of 10,00,000 OCPS. All the members were present and Mr Samir Thapar was the Chairman of the Committee Meeting.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**a) Composition:**

Company has a Corporate Social Responsibility Committee consisting of Mr. Samir Thapar, Ms. Priya Thapar and Mr. G B Kathuria. Mr. Samir Thapar acts as Chairman of the Committee.

b) Term of Reference

- Decide the CSR activities to be taken up by the Company in accordance of this policy
- Decide the amount to be allocated for each project or activity
- Oversee and monitor the progress of the initiatives rolled out under this policy and
- Submit a report to the Board of Directors on all CSR activities undertaken during the financial year which shall duly be displayed on the Company's website www.jct.co.in.

c) Meeting

- (i) The net profit of the Company for the year 2015-16 exceeds the prescribed limit which inter alia attracts the applicability of spending towards Corporate Social Responsibility (CSR) Programmes as per section 135 of Companies Act, 2013.
- (ii) The committee met on 11.11.2016 to discuss and approve the amount to be spent towards Feed India Campaign proposed to eradicate hunger, one of the activity prescribed under CSR programmes.



4. GENERAL BODY MEETINGS

a) Details of last 3 Annual/ Extraordinary General Meetings Held

Sr. No.	Financial Year/ Period & Type	Date and Time	Location	Details of Special Resolutions
1	2015-16	12.08.2016 at 11:30 am	Village Chohal Dist. Hoshiarpur Punjab	No Special Resolution was passed during the year 2015-16.
2	2014-15	29.09.2015 at 12:30 pm	Village Chohal Dist. Hoshiarpur Punjab	<ul style="list-style-type: none"> Resolution under Section 73 & 76 of Companies Act 2013
3	2014-15	07.11.2015 at 10:30 am	Village Chohal Dist. Hoshiarpur Punjab	<ul style="list-style-type: none"> Resolution under Section 42 and 62 of Companies Act 2013 Resolution under Section 196, 197, 198 and 203 of Companies Act 2013 Resolution under Section 61 of Companies Act 2013 Resolution under Section 42 and 55 of Companies Act 2013
4	2013-14	25.09.2014 at 11:00 am	Village Chohal Dist. Hoshiarpur Punjab	<ul style="list-style-type: none"> Resolution under Section 42 & 62 of Companies Act, 2013 Resolution under Section 180(1)(c) of Companies Act, 2013 Resolution under Section 14 of Companies Act, 2013 Alteration in Clause V of Memorandum of Association of Company

b) **Postal Ballot:** During the year, no resolutions have been passed through postal ballot.

5. MEANS OF COMMUNICATIONS

- a) **Quarterly Results** : Through Publications
- b) **Newspaper wherein results normally published** : Financial Express / Business Standard (all editions) & Jagbani
- c) **Website at which result is published** : www.jct.co.in and www.bseindia.com
- d) **Whether it also displays official news releases** : Yes, as and when necessary/required
- e) **The presentations made to Institutional Investors or analysts** : No

6. GENERAL SHAREHOLDER DETAILS

- a) **Annual General Meeting Time, Day, Date & Venue:** 11:30 am, Monday, 14th August, 2017
Village Chohal, District Hoshiarpur (Punjab) 146024
- b) **Financial Calendar(Provisional)**
- Unaudited results for QE 30.06.2017 : }
- Unaudited results for QE 30.09.2017 : } Within 45 days of the close of the respective quarter
- Unaudited results for QE 31.12.2017 : }
- Audited results YE 31.03.2018 : Within 60 days of the close of the year.
- c) **Dividend Payment Date** : No Dividend is proposed
- d) **Name and address of stock exchange** : BSE Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400001
- e) **Annual Listing Fee** : Annual Listing fee for the year 2016-17 has been paid.
- f) **Stock Code** : 500223



g) Market Price Data

(In Rs)

Month/Year	High	Low
Apr-16	5.19	3.97
May-16	5.13	3.50
Jun-16	5.39	4.06
Jul-16	6.84	5.12
Aug-16	6.32	4.87
Sep-16	6.38	5.21
Oct-16	8.32	5.61
Nov-16	7.78	4.70
Dec-16	5.90	5.06
Jan-17	6.25	5.18
Feb-17	6.15	4.92
Mar-17	5.34	4.52

h) Performance in comparison to broad base indices such:

The shares of the Company are not considered as BSE Sensex, Crisil Index.: by stock exchange in their index fluctuations.

i) The Securities were not suspended from trading during the financial year 2016-17.

j) Registrar & Transfer Agents :

RCMC Share Registry Private Ltd,
B-25/1, 1st Floor, Okhla Industrial Area Phase II, New Delhi 110020
Tel: 011-26387320-321-323 Fax: 011-26387322
Email: -shares@rcmcdelhi.com

k) Share Transfer System :

The system for transfer of shares in physical form has been delegated to Sr. Executives of the Company by the Committee of Stakeholders Relationship Committee of Directors which meets once in a fortnight and the average time taken for transfer of shares is approximately 30 days. Company obtains Certificate of compliance as required under Regulation 40(9) of SEBI (LODR) Regulations, 2015 from a Company Secretary in practice.

l) Distribution of shareholding as on 31.03.2017

No of Equity Shares held		No of shareholders	%age of shareholders	No of shares held	Amount	%age of Shareholding
From	To					
Upto	5000	84838	88.03	35203414	88008535	5.89
5001	10000	4350	4.51	13145516	32863790	2.20
10001	20000	3546	3.68	19811027	49527567.50	3.31
20001	30000	1441	1.50	14491264	36228160	2.42
30001	40000	495	0.51	7037586	17593965	1.18
40001	50000	404	0.42	7711808	19279520	1.29
50001	100000	665	0.69	18862132	47155330	3.15
100001 and Above		632	0.66	481863235	1204658087.50	80.56
Grand Total		96371	100	598125982	1495314955	100

m) Dematerialization of shares and liquidity

As on 31.03.2017, 98.60% of equity shares have been dematerialized.

- National Securities Depositories Limited (NSDL) : 520447629
- Central Depositories Services Limited (CDSL) : 69330542

n) Commodity price or foreign exchange risk and hedging activities

Company is exposed to Foreign Exchange Risk on account of outstanding of Foreign Currency Convertible Bonds (FCCBs), Import and Export transactions. The company does not enter into any hedging transaction with banks since US\$/INR has not been moved much and are at the levels of June 2015. More so, company is also having natural hedge in the form of sizable exports to cover imports.



Company is also a sizable user of various commodities including Cotton, PSF, VSF and other Yarns which expose it to the price risk on account of procurement of commodities. The company does not enter into any hedging transactions Commodity Exchanges since these are readily available in the open market.

- o) Plant Locations** : Textile Unit at Phagwara (Punjab)
Filament Yarn Unit at Hoshiarpur (Punjab)
- p) Address for correspondence** : Village Chohal, District Hoshiarpur 146024 (Punjab) or
305, Rattan Jyoti Building, 18 Rajendra Place
New Delhi 110008

7. OTHER DISCLOSURES

a) Related Party Transactions

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and SEBI (LODR) 2015 during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provision of Section 188 of the Companies Act, 2013. Related party transactions with the Directors, Senior Management, Personnel and their relatives are reported to the Audit Committee from time to time and have been disclosed under the Related Party Transactions as per Accounting Standard 18 "Related Party Disclosures" issued by the Institute of Chartered Accountants Of India (ICAI) which are set out in the Annual Report and other relevant notes to the financial statements for the year ended 31.03.2017. There were no material significant Related Party Transactions that may have potential conflict with the interest of the Company at large.

b) Details of non-compliance, penalties etc. imposed by Stock Exchanges, Securities Exchange Board of India (SEBI) etc. on any matter related to capital markets, during the last three years.

No stricture/ penalties have been imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority on any matters related to Capital Markets during the last three years.

c) Vigil Mechanism/ Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and SEBI (LODR) 2015, the Company has formulated a Whistle Blower Policy for vigil mechanism for Directors and Employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and make provisions for direct access to the Chairperson of the Audit Committee in exceptional cases.

The practice of the Whistleblower Policy is overseen by the Audit Committee of the Board and Mr Jitender Khanna – Vice President (Secretarial & Legal) is the Vigilance Officer. None of the personnel of the Company has been denied access to the Audit Committee. The confidentiality of those reporting violations is maintained and they are not subject to any discriminatory practice. The Policy is available on the website of the Company www.jct.co.in.

d) Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

e) Proceeds from Public Issue, Rights Issues, Preferential Issues etc.

During the year, Company has not raised any funds through **Public/ Rights/ Preferential Issues** etc.

f) Mandatory & Non mandatory requirements

The Company has fully complied with mandatory requirements as stipulated under SEBI (LODR) 2015 with the Bombay Stock Exchange and non mandatory requirement as and when required or necessary to do so.

g) Subsidiary Companies:

Company does not have any Subsidiary Company.

h) Related party transaction policy:

As required under the SEBI (LODR) 2015, the Company has formulated a policy dealing with the related party transactions. The Policy is available on the website of the Company www.jct.co.in.

**8. NON COMPLIANCE**

Company has complied with all the requirement/ disclosures as mentioned in sub paras (2) to (10) of Corporate Governance Report as given in part C of Schedule V of SEBI (LODR) Regulations, 2015.

9. The status of compliance of Discretionary non Mandatory requirements as prescribed in Part E of the SEBI (LODR) 2015 are as under:

- The Board : The Chairman of the Company is Executive Chairman and hence this provisions is not applicable
- Shareholders' Right: The quarterly, half yearly and annual financial results of the Company are published in newspapers on all India basis and are also posted on the Company's Website. Significant events are also posted on Company's Website.
- Modified Opinion: The observation of the Auditors have been fully explained in the Independent Auditors Report.
- Mr. Samir Thapar is the Chairman and Managing Director of the Company.
- Reporting of Internal Auditors: The Internal Auditors are directly reporting to the Audit Committee.

10. STATUS OF COMPLIANCE**a) Code of Conduct**

The Board of Directors of the Company plays an important role in ensuring good governance and has adopted the Code of Conduct for Directors and Senior Management Personnel. The Code is applicable to all the Board Members and Senior Management of the Company. A copy of the same is available on Company's website www.jct.co.in. The Managing Director has also confirmed and certified the same.

b) Risk Assessment {17(9)}

Board has apprised of the assessment done of the risk factors and the management policy for the control and minimization of the same during the year. There is elaborate system for the assessment and control on continuous basis.

c) Risk Management Committee

For the Year 2016-17, our Company does not qualify to be in Top 100 Listed Company therefore the provisions of Regulations 21 of SEBI (LODR) Regulations, 2015 are not applicable.

d) Independent Directors

The Non-Executive Independent Directors fulfill the conditions of Independence specified in section 149(6) of the Companies Act, 2013 and Rules made there under and meet the requirements of Regulation 25 of SEBI (LODR) Regulations, 2015.

A formal letter of appointment to Independent Director has been issued and disclosed on the website of the Company viz. www.jct.co.in.

During the year under review, the Independent Directors met on 14.02.2017 inter alia, to

- a. Review the performance of non-independent directors and the board of directors as a whole;
- b. Review the performance of the chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- c. Assess the quality, quantity and timeliness of flow of information between the management of the Company and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

e) Insider Trading Code

The Securities and Exchange Board of India vide its Notification dated January 15, 2015 has notified The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (New Regulations) which has come into effect from May 15, 2015. Under the New Regulations, the requirements of initial disclosures are applicable to promoter, key managerial personnel and director of a Company and requirements of continual disclosures are applicable to promoter, employee and director of a Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations and has laid down an effective monitoring system for the said purposes.



CEO/CFO CERTIFICATION

- A. We have reviewed financial statements and the cash flow statement for the year 2016-17 and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year 2016-17 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware.
- D. We have indicated to the auditors and the Audit committee
- (1) Significant changes in internal control over financial reporting during the year, 2016-17;
 - (2) Significant changes in accounting policies during the year, 2016-17 and that the same have been disclosed in the notes to the financial statements; and
 - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi
Dated : 30.05.2017

V.K Singhal
Chief Financial Officer

Samir Thapar
Chairman & Managing Director

DECLARATION

DECLARATION BY THE MANAGING DIRECTOR UNDER REGARDING ADHERANCE TO THE CODE OF CONDUCT

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31.03.2017

Samir Thapar
Chairman & Managing Director

Place : New Delhi
Dated : 30.05.2017



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of JCT Limited

We have examined the compliance of conditions of Corporate Governance by JCT Limited ('the Company'), for the year ended on 31st March, 2017, as per the relevant provisions of SEBI (LODR) Regulations, 2015(Listing Regulations) as referred to in Regulations 15(2) of the Listing Regulations for the Financial year 2016-17.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

We further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For S.P Chopra & CO.

Chartered Accountants

Firm Registration No.000346N

Sanjiv Gupta

Partner

Membership No.083364

Place : New Delhi
Date : 30.05.2017



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JCT LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of JCT Limited (the "Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit & Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the

financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Basis of Qualified Opinion

The Company on completion of the compliance of the consent terms agreed to pay off the holders of Foreign Currency Convertible Bonds (FCCBs) their dues of US\$ 19.19 million towards principal and redemption premium of US\$ 15.00 million and defaulted interest US\$ 4.19 million in 10 installments commencing from 5th October, 2015 to 5th December, 2017. Interest of Rs.3,199.06 lakhs as at 31st March, 2017 though crystallized and accrued is being accounted for on payment basis instead of on accrual basis by the Company. As such, no provision for such interest aggregating Rs. 3,199.06 lakhs has been made in the Accounts by the Company. This treatment is not in line with the Accounting Standards and the provisions of the Companies Act, 2013 and the rules. Had the interest been accounted for on accrual basis as stated above, the losses would be Rs. 5,107.46 lakhs for the year as against reported loss of Rs. 1908.40 lakhs, deficit (net of reserves) would be Rs. 27,062.34 lakhs as against the reported deficit of Rs. 23,863.28 lakhs and other current liabilities would be Rs. 18,465.18 lakhs as against reported other current liabilities of Rs. 15,266.12 lakhs.

Qualified Opinion

In our opinion, and to the best of our information and according to the explanations given to us, except for the effects of the matter described in Basis of Qualified Opinion Paragraph above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its loss and its cash flows for the year ended on that date.

**Emphasis of Matter**

We draw attention to the following matters in the Notes to the financial statements:

- i. Note No. 31.6: 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 said note.
- ii. Note No. 31.8: Non-confirmation/ reconciliation of certain balances in trade receivables, advances and trade payables of the Company.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

- 1. 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, we give in the Annexure 'A', a statement on the matters specified in paragraph 3 and 4 of the Order.
- 2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except for the matter described in Basis of Qualified Opinion paragraph ;
 - e. the going concern matter described in sub-paragraph (i) under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- f. on the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- g. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'; and
- h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the possible impact of pending litigations on its financial position in its financial statements (*Refer Note no. 31.1 and 31.2 to the financial statements*);
 - ii. the Company has not entered into any long-term contracts including derivative contracts;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
 - iv. The Company has provided requisite disclosures in the financial statements as to the holdings as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of accounts as maintained and produced to us by the management. (*Refer note no. 30.10 to the financial statements*).

For S.P. Chopra & Co.

Chartered Accountants

Firm Registration No.000346N

Sanjiv Gupta

Partner

Membership No. 83364

Place : New Delhi

Date : 30.05.2017

**ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditors' Report of even date on the financial statements of JCT Limited for the year ended 31st March, 2017)

- (i) In respect of its fixed assets;
- The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.
 - As explained to us, the fixed assets have been physically verified by the management during the period in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to information and explanation given to us, no material discrepancies were noticed on such physical verification.
 - According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, inventories except those lying with third parties have been physically verified by the management at regular intervals during the year in accordance with the perpetual inventory programme. The discrepancies noticed on such physical verification as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (the "Act").
- (iv) In our opinion and according to the information and explanations given to us, the Company in respect of loans, investments, guarantees, and security has complied with the provisions of section 185 and 186 of the Act.
- (v) The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 and other relevant provisions of the Companies Act, 2013 and the Rules framed thereunder to the extent notified.
- (vi) Pursuant to the rules made by the Central Government of India, the company is required to maintain cost records as specified under sub-section (1) of Section 148 of the Act in respect of its products manufactured. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however,

not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

- According to the information and explanation given to us and as per the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.
- The disputed statutory dues aggregating to Rs. 3,056.56 lakhs, that have not been deposited on account of matters pending in appeal before appropriate authorities are as under:

Sl. No.	Name of Statute	Nature of dues	Forum where dispute is pending	Amount (₹ in Lakhs)
1	Central Excise Act, 1944	Excise Duty	Upto Commissioner's level	258.71
			CESTAT	940.72
2	Central Sales Tax Sales Tax Act of various states	Sales Tax	Dy. Commissioner Level	73.55
			Asstt. Commissioner Level	0.73
			Tribunal	1,596.80
3	Customs Duty Act, 1962	Customs Duty	Commissioner of customs	186.05
			TOTAL	3,056.56

- (viii) Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to a bank or debenture holders. In respect of dues of Foreign Currency Convertible Bonds (FCCBs), we have relied upon the communication from a bond holder for postponement of unpaid dues and as such, there is no such default. (Refer Note No. 5.2 to the financial statements).
- (ix) In our opinion and according to the information and explanations given to us, the Company has neither raised funds by way of initial public offer or further public offer (including debt instruments) nor availed any term loan during the year.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers/ employees has been noticed or reported during the course of our audit.



- (xi) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company hence the requirement of this clause is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements, as required by the applicable accounting standards.
- (xiv) The Company has made preferential allotment of 1,33,33,333 Equity Shares of Rs. 2.50 each at a premium of Rs. 5.00 each, in pursuance of conversion of 10,00,000 Optionally Convertible Preference Shares (OCPS), during the year under review. The requirement of Section 42 of the Companies Act, 2013 have been complied with to the extent applicable. The preferential allotment was in pursuance of option of conversion of OCPS exercised by the holder, accordingly, no fresh funds were received by the Company on such conversion.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with them.
- (xvi) As explained to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For S.P. Chopra & Co.
Chartered Accountants
Firm Registration No.000346N
Sanjiv Gupta
Partner
Membership No. 83364

Place : New Delhi
Date : 30.05.2017

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(g) of the Independent Auditors' Report of even date on the financial statements of JCT Limited for the year ended 31st March, 2017)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **JCT Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed



risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.P. Chopra & Co.
Chartered Accountants
Firm Registration No.000346N
Sanjiv Gupta
Partner
Membership No. 83364

Place : New Delhi
Date : 30.05.2017

**BALANCE SHEET**
AS AT 31ST MARCH, 2017

(Rs. in lakhs)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	14,953.15	15,619.82
Reserves and Surplus	4	(5,501.81)	(4,174.21)
		9,451.34	11,445.61
Non-current liabilities			
Long-term Borrowings	5	7,373.60	13,538.07
Other Long-term Liabilities	6	5,834.56	5,405.14
Long-term Provisions	7	4,405.26	4,974.10
		17,613.42	23,917.31
Current liabilities			
Short-term Borrowings	8	8,923.62	8,917.33
Trade Payables	9	10,623.70	8,600.82
Other Current Liabilities	10	15,266.12	13,568.57
Short-term Provisions	11	802.51	534.01
		35,615.95	31,620.73
Total		62,680.71	66,983.65
ASSETS			
Non-current assets			
Fixed Assets	12		
Tangible Assets		34,722.05	36,757.77
Intangible Assets		13.46	28.54
Capital Work-in-Progress		315.42	128.13
		35,050.93	36,914.44
Non-Current Investments	13	421.64	421.64
Long-term Loans and Advances	14	522.58	834.28
		35,995.15	38,170.36
Current assets			
Investments	15	10.64	54.96
Inventories	16	16,321.19	16,330.90
Trade Receivables	17	6,713.97	8,020.67
Cash and Bank Balances	18	1,299.13	1,526.48
Short-term Loans and Advances	19	1,637.61	1,411.03
Other Current Assets	20	703.02	1,469.25
		26,685.56	28,813.29
Total		62,680.71	66,983.65
Significant accounting policies	2		
Accompanying notes form an integral part of the financial statements	30 - 32		

V K Singhal
Chief Financial Officer

Nidhi Goel
Company Secretary
(Membership No.26016)

Samir Thapar
Chairman & Managing Director
(DIN 00062287)

As per our Report of even date attached

S P CHOPRA & CO.
Chartered Accountants
Firm Registration No. 000346N
Sanjiv Gupta
Partner
Membership No.83364

Directors

G B Kathuria (DIN 00062088)
A K Doshi (DIN 02298644)
C M Bhanot (DIN 06462056)
A K Mohapatra (DIN 07811921)
Priya Thapar (DIN 06742680)

Place : New Delhi
Dated : 30.05.2017



**STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2017**

				(Rs. in lakhs)	
Particulars	Note No.	Current year		Previous year	
I. Revenue from operations (Gross)	21	84,305.85		91,339.01	
Less: Excise Duty		(3,550.64)	80,755.21	(3,996.16)	87,342.85
II. Other Income	22		1,094.29		1,321.36
III. Total Revenue (I + II)			81,849.50		88,664.21
IV. EXPENSES:					
Cost of materials consumed	23		46,823.37		47,522.14
Other manufacturing expenses	24		12,171.20		15,473.25
Changes in inventories of finished goods and stock-in-process	25		(257.79)		(1,737.76)
Employee benefits expense	26		13,290.21		13,420.52
Finance costs	27		3,679.28		3,917.56
Depreciation and amortisation expense	28		3,082.86		3,045.82
Other expenses	29		5,518.56		6,456.06
Total Expenses			84,307.69		88,097.59
V. (Loss)/Profit for the year from continuing operations before tax (III-IV)			(2,458.19)		566.62
VI. Tax expense					
Income Tax - adjustments relating to previous years			(1.74)		-
VII. (Loss) / Profit for the year from continuing operations (V+VI)			(2,459.93)		566.62
VIII. Profit/(Loss) for the year from discontinued operations	31.7.3		551.53		(23.15)
IX. (Loss) / Profit for the year after tax transferred to Reserves and Surplus (VII+VIII)			(1,908.40)		543.47
X. Earning per share - in Rs. (Nominal value of Rs. 2.50 per share)	31.13				
- Basic			(0.32)		0.09
- Diluted			(0.32)		0.09
Significant accounting policies	2				
Accompanying notes form an integral part of the financial statements	30 - 32				

V K Singhal
Chief Financial Officer

Nidhi Goel
Company Secretary
(Membership No.26016)

Samir Thapar
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Priya Thapar (DIN 06742680)

Place : New Delhi
Dated : 30.05.2017



CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31ST MARCH, 2017

	(Rs. in lakhs)	
	Year ended 31.03.2017	Year ended 31.03.2016
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per Statement of Profit and Loss	(2,458.19)	566.62
Adjustments for:		
Depreciation and Amortisation expense	3,083.12	3,046.19
Fixed Assets written off	0.66	6.43
Provision for advances etc.	22.22	156.41
Bad debts written off (Net of provision)	10.24	0.03
Liabilities/provisions no longer required, written back	(327.04)	(132.57)
Investment written off (Net of provision)	-	40.40
Finance costs	3,679.28	3,917.56
Interest Income	(214.98)	(227.77)
Dividend from current Investments	(0.04)	(0.04)
Profit on sale of fixed assets (net)	(363.56)	(628.54)
	5,889.90	6,178.10
Operating cash profit before working capital changes	3,431.71	6,744.72
Adjustments for working capital changes:		
(Increase)/Decrease in Inventories	9.71	(1,547.89)
(Increase)/Decrease in Trade and Other receivables	2,054.28	(513.03)
Increase/(Decrease) in Trade payables, Other liabilities and provisions	1,993.65	1,169.87
	4,057.64	(891.05)
Cash Inflow/(Outflow) from Operations	7,489.35	5,853.67
Income tax paid/(refund)	35.73	(30.43)
Cash Inflow/(Outflow) from Operating Activities from Continuing Operations	7,453.62	5,884.10
(Loss)/Profit from discontinued operations (Refer Note 31.7.3)	551.53	(23.15)
Net Cash Inflow/(Outflow) from Operating Activities	8,005.15	5,860.95
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets including capital work in progress	(1,449.20)	(1,305.22)
Sale/Disposal of fixed assets	509.40	900.60
Sale/Proceeds from investments	44.32	3,150.92
Interest Income	225.15	245.02
Dividend on current investments	0.04	0.04
Net Cash Inflow/(Outflow) in Investing Activities	(670.29)	2,991.36
C CASH FLOW FROM FINANCING ACTIVITIES:		
Redemption of Preference Shares	-	-
Exchange fluctuations in premium on unpaid FCCBs	(2.78)	(104.39)
Proceeds/(Repayment) from/of Secured long term borrowings	(2,539.73)	(4,976.88)
Proceeds/(Repayment) from Unsecured long term borrowings	(1,421.57)	(1,270.84)
Proceeds/(Repayment) of/from Secured short term borrowings	(37.88)	1,413.68
Proceeds/(Repayment) of/from Unsecured short term borrowings	44.17	36.74
Finance costs	(3,699.55)	(4,013.18)
Net Cash Inflow/(Outflow) in Financing Activities	(7,657.34)	(8,914.87)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(322.48)	(62.56)
Add: Cash and Cash Equivalents at the beginning of the year	807.02	869.58
CASH AND CASH EQUIVALENTS AT THE CLOSING OF THE YEAR (Refer Note 18 (i))	484.54	807.02
Accompanying notes form an integral part of the financial statements		

V K Singhal
Chief Financial Officer

Nidhi Goel
Company Secretary
(Membership No.26016)

Samir Thapar
Chairman & Managing Director
(DIN 00062287)

As per our Report of even date attached

S P CHOPRA & CO.
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C M Bhanot (DIN 06462056)
A K Mohapatra (DIN 07811921)
Priya Thapar (DIN 06742680)

Place : New Delhi
Dated : 30.05.2017

Membership No.83364



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2017

1. GENERAL INFORMATION

JCT Limited (the Company) is primarily a manufacturer of cloth and nylon filament yarn. The Company's manufacturing facilities are located at Phagwara and Hoshiarpur.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Use of Estimates

The preparation of financial statements in conformity with GAAP in India requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of financial statements, and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. On an ongoing basis, estimates are evaluated based on historical experience and on various other assumptions that are believed to be reasonable, the results of which forms the basis for making judgements about the carrying value of assets and liabilities. Difference between the actual result and estimates are recognised in the period in which the results are known/ materialised.

2.3 Fixed Assets

- (a) Fixed assets, except those revalued, are accounted for on historical cost basis (inclusive of the cost of installation and exchange fluctuations on foreign currency loans obtained for acquisition of fixed assets) less accumulated depreciation and impairment loss, if any.
- (b) Expenditure during construction period attributable to the fixed assets incurred upto the date of commercial production are capitalized.
- (c) Expenditure on renovation/ modernisation relating to existing fixed assets is added to the cost of such assets where it increases its performance/life significantly.
- (d) Leasehold improvements are amortised over the primary period of lease.

2.4 Intangible asset

Intangible asset consists of computer software and is stated at cost of acquisition/ implementation less accumulated depreciation. It is amortized over a period of 5 years or license period on straight line basis, whichever is lower.

2.5 Investments

Investments primarily meant to be held over long term period are valued at cost. Provision is made when in the management's opinion there is a decline, other than temporary, in the carrying value of such investments. Current investments are stated at the lower of cost or quoted price.

2.6 Inventory Valuation

- (a) Inventories are valued at the lower of cost and net realisable value.
- (b) In respect of raw materials and stores & spares, cost is computed on weighted average basis. Finished goods and stock in process include cost of inputs, conversion and other costs incurred in bringing the inventories to their present location and condition.
- (c) Obsolete, defective and unserviceable stocks are provided for, wherever required.

2.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cheques, draft on hand/remittance in transit, bank balances and deposits with original maturities of three months or less and that are readily convertible to known amount of cash and cash equivalent and which are subject to an insignificant risk of changes in value.

**2.8 Depreciation**

- (a) Depreciation on Plant & Machinery, Buildings and Data Processing Equipments is provided on straight line method and in case of other assets on written down value method, over the estimated useful life of the assets, in the manner prescribed in Schedule II of the Companies Act, 2013.
- (b) Based on usage pattern, internal assessment and independent technical evaluation carried out by the external valuers/technicians, the management believes that the useful lives as given below best represents the period over which the management expects to use these assets. Hence the useful lives of these assets are different from the lives as prescribed in Schedule II of the Companies Act, 2013.

Asset	Useful life as per Schedule II of the Companies Act 2013 (No. of Years)	Useful life as assessed/estimated by the Company (No. of Years)
Buildings :		
- Factory	30	28
- Other than Factory (RCC Frame Structure)	60	58
Plant & Machinery :		
- Textile Unit	15	22
- Filament Unit (continuous process)	25	18
Date Processing Equipments :		
- Computer Equipments	3	6
Electric Installation including gadgets	10	20
Tools & Implements		
- Textile Unit	7.5	9
- Filament Unit (continuous process)	15	22
Furniture & Fixtures	10	15
Office Equipments	5	20
Vehicles –Cars	8	10
Vehicles –Bus	8	8

Depreciation, useful lives and residual values are reviewed periodically, including at each financial year end.

- (c) Significant improvements / subsequent expenditure related to an item of fixed assets is added to its carrying amount when it is probable that such improvement will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance or increase in useful life of asset and such expenditure can be measured and attributed to the asset reliably. Subsequent expenditures are amortized over the remaining useful life of the asset.
- (d) Depreciation on additions to assets or on sale/discardment of assets, is calculated pro rata from the month of such addition or upto the month prior to date of sale/discardment, as the case may.
- (e) Depreciation on buildings of Textile Unit revalued in earlier years is calculated on the respective revalued figures spread equally over the residual life of the concerned buildings as assessed by the valuer. The difference in depreciation on revalued amount so determined and the depreciation on the original cost of such assets is transferred from Revaluation Reserve to the general reserve.

2.9 Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impaired loss of prior accounting period is increased/ reversed where there has been change in the estimate of recoverable amount. The recoverable value is the higher of the assets' net selling price and value in use.

2.10 Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities in foreign currency existing at balance sheet date are translated at the exchange rate prevailing on that date. Exchange differences in case of borrowed funds and liabilities in



foreign currency for the acquisition of fixed assets from a country outside India are adjusted to the cost of fixed asset. All other exchange differences are recognised in Statement of Profit and Loss. Premium or discount on forward exchange contract is amortised as expense or income over the life of the contract. Exchange difference on such contract is recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates changes. Any profit or loss arising on cancellation or renewal of forward contract is recognised as income and expenditure during the period.

2.11 Revenue Recognition

- a) Sales Revenue from sale of products is recognised on transfer of the significant risks and rewards of ownership of the goods to the buyer and it is reasonable to expect ultimate collection. Sales revenue are inclusive of excise duty/sales tax/VAT and net of trade discounts. Export sales are recognised on the date the Company ships the exported goods as evidenced by their Bill of Lading/Air-way Bill.
- b) Export benefit entitlements under the duty entitlement pass book (DEPB) scheme are recognised in the Statement of Profit and Loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made. Obligation/entitlements on account of advance license scheme for imports of raw materials are accounted for at the time of purchase of raw materials.
- c) Sale of certificates under Renewable Energy Certificates (REC) mechanism is recognized on sale of certificates.
- d) Certified Emission Reduction (CER) is recognised as income on the generation of CER and as certified by the relevant authority.
- e) Other items of revenue are recognised in accordance with the Accounting Standard (AS-9). Accordingly, wherever there are uncertainties in the ascertainment/realisation of income it is not accounted for as revenue.
- f) Profit/loss on sale of revalued fixed assets are stated with reference to the written down value determined on the basis of their historical cost.

2.12 Government Grants

Government grants are recognized when there is a reasonable assurance of compliance with the conditions attached to such grants and where benefits in respect thereof have been earned and it is reasonably certain that the ultimate collection will be made. Government subsidy received for a specific asset is reduced from the cost of the said asset.

2.13 Employee Benefits

- (i) Gratuity to employees is provided for on the basis of actuarial valuation on projected unit credit method at balance sheet date and is managed by a Trust. The deficit, if any, between the actuarial liability and plan assets is recognised/ provided at the year end.
- (ii) Earned Leave which is encashable is considered as long term benefit and is provided on the basis of actuarial valuation on projected unit credit method at balance sheet date.
- (iii) Liability towards Provident Fund is funded through a separate Trust and contributions thereon are made to the Trust
- (iv) The Company has an approved Superannuation Scheme for its Officers not covered under the Payment of Bonus Act, 1965. Contributions are made in accordance with the Scheme and the Trust Rules.

2.14 Provisions and contingent liabilities

- (i) The Company creates a provision when there is a present obligation arising as result of past event that probably requires outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation, at the balance sheet date and are not discounted to its present value.
- (ii) A disclosure for a contingent liability is made when there is a present obligation arising as a result of past event that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.



3. SHARE CAPITAL

(Rs. in lakhs)

	Note No.	As at 31.03.2017	As at 31.03.2016
Authorised:			
70,00,00,000 Equity Shares of Rs. 2.50 each		17,500.00	17,500.00
25,00,000 Redeemable Preference Shares of Rs. 100 each		2,500.00	2,500.00
		20,000.00	20,000.00
Issued, Subscribed and Fully paid up:			
59,81,25,982 (58,47,92,649) Equity Shares of Rs. 2.50 each	3.1-3.3	14,953.15	14,619.82
-Nil-(Previous year: 10,00,000) Optionally Convertible Preference Shares (OCPS) of Rs. 100 each	3.1	-	1,000.00
TOTAL		14,953.15	15,619.82

3.1 During the year, 10,00,000 Optionally Convertible Preference Shares (OCPS) of Rs. 100 each were converted into 1,33,33,333 Equity Shares of Rs. 2.50 per share fully paid up on preferential basis aggregating Rs. 333.33 lakhs at a premium of Rs. 5.00 per share aggregating to another Rs. 666.67 lakhs after requisite approvals. These shares have a lock in period upto 30.05.2019.

3.2 In earlier years the Company allotted:

- 11,59,54,059 Equity Shares of Rs. 2.50 per share fully paid up at par aggregating Rs. 2,898.86 lakhs to Foreign Currency Convertible Bond (FCCBs) holders in settlement of their dues for FCCBs of US\$ 12.93 million on preferential basis.
- 4,08,80,000 Equity Shares of Rs. 2.50 per share fully paid up at par aggregating to Rs. 1,022 lakhs each to secured lenders and a promoter company on preferential basis in terms of the Corporate Debt Restructuring (CDR) Scheme approved on 21.09.2012.
- 2,80,00,000 Equity Shares of Rs.2.50 per share fully paid up aggregating Rs.700 lakhs at a premium of Rs.2.50 per share aggregating to another Rs.700 lakhs. These shares related to 14,00,000 Optionally Convertible Preference Shares (OCPS) of Rs.100 each."

3.3 The rights, powers and preferences relating to equity share and the qualifications, limitations and restrictions thereof are contained in the Memorandum and Articles of Association of the Company. The Company has only one class of equity shares having a par value of Rs. 2.50 per share. The principle rights are as follows:

- Each holder of equity share is entitled to one vote per share.
- The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

3.4 Reconciliation of Shares Outstanding

Particulars	As at 31.03.2017		As at 31.03.2016	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
Equity Shares				
At the beginning of the year	584,792,649	14,619.82	556,792,649	13,919.82
Add: Issued, Subscribed and Fully paid up (Refer note no. 3.1 and 3.2 (c))	13,333,333	333.33	28,000,000	700.00
At the end of the year	598,125,982	14,953.15	584,792,649	14,619.82
OCPS				
At the beginning of the year	1,000,000	1,000.00	1,400,000	1,400.00
Add: Converted into OCPS from OPCPS as per modified terms dated 25.03.2016	-	-	1,000,000	1,000.00
(Less): Converted during the year (Refer note no. 3.1 and 3.2 (c))	(1,000,000)	(1,000.00)	(1,400,000)	(1,400.00)
At the end of the year	-	-	1,000,000	1,000.00



3.5 Details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at 31.03.2017		As at 31.03.2016	
	No. of Shares	% held	No. of Shares	% held
Equity Shares				
Provestment Securities Private Limited	145,427,667	24.31	132,094,334	22.59
KCT Textiles Limited	90,545,111	15.14	90,545,111	15.48
ELM Park Fund Limited, Mauritius	53,819,225	9.00	53,819,225	9.20
Musk Holdings Limited, Mauritius	44,195,092	7.39	44,195,092	7.56
OCPS				
Provestment Securities Private Limited	3.1	-	1,000,000	100.00

4. RESERVES AND SURPLUS (Rs. in lakhs)

	Note No.	As at 31.03.2017		As at 31.03.2016	
Capital Redemption Reserve					
As per last account			165.44		165.44
Share Premium Account					
As per last account		8,020.87		7,425.26	
Add: Premium on conversion of Optionally Convertible Preference Shares (OCPS)	3.1	666.67		700.00	
(Less): Exchange fluctuation on premium on outstanding FCCBs	4.1	<u>(2.78)</u>	8,684.76	<u>(104.39)</u>	8,020.87
Debenture Redemption Reserve					
As per last account		-		2,045.76	
(Less): Transferred to Surplus		<u>-</u>	-	<u>(2,045.76)</u>	-
Capital Reserve					
As per last account			4,861.52		4,861.52
Revaluation Reserve					
As per last account		4,746.14		4,772.20	
(Less): Adjusted on sale of assets		(83.09)		(12.76)	
(Less): Transferred to Surplus		<u>(13.30)</u>	4,649.75	<u>(13.30)</u>	4,746.14
Surplus					
Debit balance in Statement of Profit and Loss					
As per last account		(21,968.18)		(24,570.71)	
Add: Transferred from Debenture Redemption Reserve		-		2,045.76	
Add: Transferred from Revaluation Reserve		13.30		13.30	
Add: (Loss)/ Profit for the year		<u>(1,908.40)</u>	<u>(23,863.28)</u>	<u>543.47</u>	<u>(21,968.18)</u>
TOTAL			(5,501.81)		(4,174.21)

- 4.1 Loss on exchange fluctuation of Rs 2.78 lakhs (Previous year : loss of Rs 104.39 lakhs) on US\$ 2.01 million payable towards redemption premium on matured 2.5% FCCBs of US\$ 8.32 million has been adjusted against share premium account as the said premium had already been provided for and adjusted against share premium account in earlier years / periods.



5. LONG TERM BORROWINGS

(Rs. in lakhs)

	Note No.	As at 31.03.2017		As at 31.03.2016	
		Current	Non-current	Current	Non-current
(a) Secured					
Term Loans from:					
- Banks	5.1.1	2,707.08	6,363.39	2,692.06	8,973.75
- Others	5.1.2	38.14	59.37	10.78	31.12
Total (a)		2,745.22	6,422.76	2,702.84	9,004.87
(b) Unsecured					
Foreign Currency Convertible Bonds (FCCBs) (including premium payable on redemption of Rs. 1,321.74 lakhs, Previous year: Rs. 1,569.53 lakhs)	5.2	6,781.18	-	4,601.42	3,451.06
Fixed Deposits from Public	5.4	130.80	365.84	149.77	497.14
Interest free loan from related Companies		-	585.00	-	585.00
Total (b)		6,911.98	950.84	4,751.19	4,533.20
Total (a + b)		9,657.20	7,373.60	7,454.03	13,538.07
(Less): Amount disclosed under "Other Current Liabilities"	10	(9,657.20)		(7,454.03)	
Net Amount		-	7,373.60	-	13,538.07

5.1 Nature of Security:

5.1.1 Term Loans from Banks :

- a. Rs.8,969.77 lakhs (Previous year: Rs.11,545.87 lakhs) and interest accrued & due of Rs.107.79 lakhs (Previous year: Rs.143.74 lakhs)
- (a) First Charge ranking pari-passu by way of hypothecation of entire movable assets of the Company including plant & machinery, machinery spares, tools and accessories etc. (both present & future) and equitable mortgage, by deposit of title deeds, of all the immoveable properties of the Company (both present & future) including land, buildings, and tenements constructed/to be constructed thereon.
- (b) Second Charge ranking pari-passu by way of hypothecation of entire current assets of the Company including book debts.
- (c) Personal guarantees of Chairman and Managing Director and Sh. M. M. Thapar.
- (d) Pledge of 222,768,457 Equity Shares of Rs.2.50 each of JCT Limited held by promoter and promoter companies.
- b. Rs.100.69 lakhs (Previous year: Rs.119.94 lakhs)
- Secured against hypothecation of specific vehicles.

5.1.2 Term Loans from Others :

Rs.97.51 lakhs (Previous year: Rs.41.90 lakhs)

Secured against hypothecation of specific vehicles etc.

5.2 Foreign Currency Convertible Bonds (FCCBs).

- (a) The Company raised US\$ 30 million through issue of unsecured FCCBs on 08.04.2006 out of which FCCBs of US\$ 17.51 million were settled / converted into Equity Shares. The balance outstanding of US\$ 12.49 million alongwith 20.075% redemption premium became due for redemption on 08.04.2011. As the Company could not pay on due date, the Trustees of FCCB holders filed a winding up petition in Punjab & Haryana High Court at Chandigarh on 29.09.2012. The winding up petition filed by the trustees, The Bank of New York Mellon, of Foreign Currency Convertible Bond Holders (FCCBs), was disposed off by the Hon'ble High Court on 27.01.2015, against which appeal was filed by the trustees and the Company with Sr. Bench of High Court where in consent term were allowed by the Hon'ble High Court on 05.06.2015, pursuant to which the appeal is adjourned *sine a die*.
- (b) The Company complied with all the conditions of consent terms and accordingly it became effective. The Company as per consent terms with FCCB holders has to pay US\$ 19.19 million (principal and redemption premium of US\$ 15.0 million and defaulted interest of US\$ 4.19 million) in 10 installments commencing from 05.10.2015 to 05.12.2017 alongwith interest @ 6% p.a. on reducing balance.
- (c) During the year, the Company has paid US\$ 1.8 million and for the balance of US\$ 15.36 million equivalent to Rs.10,072.92 lakhs (including interest of US\$ 5.02 million equivalent Rs.3,291.73 lakhs). The Company has subsequently received communication from a bondholder for extending date of payment by 05.12.2017. Further, the Company is taking steps to generate additional funds to meet this liability.



(d) 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 upto 05.03.2017 aggregating to US\$ 4.85 million equivalent Rs.3,183.38 lakhs.
- interest accrued but not due of US\$ 0.02 million equivalent to Rs.15.68 lakhs for the period 05.03.17 to 31.03.17.
- In view of the management,it is considered prudent to continue the policy to account for the aforesaid interest on payment basis as the interest has been spread together in installments upto 05.12.2017. As such, no provision has been made for such interest aggregating to US\$ 4.87 million equivalent Rs.3,199.06 lakhs in the Accounts as at 31.03.2017.

5.3 Maturity profile of the long term borrowings

(Rs. in lakhs)

(a) Term Loans from Banks		Year of maturity				Total
Name of Bank	Interest Rate %	2018-19	2019-20	2020-21	2021-22	
Allahabad Bank	BR+3.25	1,151.13	1,200.06	462.52	54.17	2,867.88
Punjab National Bank	BR+3.25	588.63	576.06	222.02	26.01	1,412.72
State Bank of India	BR+3.25	600.00	600.00	113.00	-	1,313.00
State Bank of Patiala	BR+3.25	336.05	336.05	56.11	-	728.21
ICICI Bank Ltd.-Car loans	Fixed EMI	31.90	0.59	-	-	32.49
Axis Bank Ltd.-Car loans	Fixed EMI	9.09	-	-	-	9.09
		2,716.80	2,712.76	853.65	80.18	6,363.39
Term Loans from Others						
Toyota Financial Services India-Car loans	Fixed EMI	3.89	1.68	-	-	5.57
Kotak Mahindra Prime Limited.-Car loans	Fixed EMI	29.41	16.92	4.37	3.10	53.80
		33.30	18.60	4.37	3.10	59.37
(b) Fixed Deposits From Public (Under New Scheme)						
	11.50	71.98	-	-	-	71.98
	12.00	293.86	-	-	-	293.86
		365.84	-	-	-	365.84

5.4 Fixed Deposits from Public:

The Company discontinued the acceptance/renewal of public deposits from 29.09.2015 and is repaying the amounts as and when due.

6. OTHER LONG TERM LIABILITIES

(Rs. in lakhs)

	Note No.	As at 31.03.2017	As at 31.03.2016
Interest accrued but not due on Public fixed deposits		43.60	30.15
Security Deposits	6.1	2,391.38	2,337.26
Trade payables		3,399.58	3,037.73
Total		5,834.56	5,405.14

6.1 Security deposits include Rs.1,948 lakhs (Previous year: Rs. 1,948 lakhs) against 'Leave & License' of certain properties with licensees' option to buy at an agreed price in which eventuality the security deposit would be adjusted against the sale proceeds.

7. LONG TERM PROVISIONS

(Rs. in lakhs)

	Note No.	As at 31.03.2017	As at 31.03.2016
Provision for employee benefits towards gratuity and leave en-cashment		4,180.26	4,327.60
Provision against termination of agreements for sale of land		225.00	646.50
Total		4,405.26	4,974.10


8. SHORT-TERM BORROWINGS

(Rs. in lakhs)

	Note No.	As at 31.03.2017	As at 31.03.2016
(a) Secured			
- Working Capital Loans from Banks	8.1	<u>8,757.14</u>	<u>8,795.02</u>
Total (a)		<u>8,757.14</u>	<u>8,795.02</u>
(b) Unsecured			
- Book overdraft		<u>166.48</u>	<u>122.31</u>
Total (b)		<u>166.48</u>	<u>122.31</u>
Total (a + b)		<u>8,923.62</u>	<u>8,917.33</u>

8.1 "Secured Working Capital Loans" availed from consortium of scheduled banks are secured by:

- First Charge ranking pari-passu by way of hypothecation of entire Current Assets of the Company, namely, stocks of raw materials, stock in process, semi-finished and finished goods, stores & spares, bills receivable and books debts and all other movables, (both present & future) whether now lying loose or in cases or which are now lying or stored in or about or shall hereinafter from time to time during the continuance of the security of these presents be brought into or upon or be stored or be in or about of the Company's factories, premises and godowns pertaining to Textile Unit at Phagwara and Filament Unit at Hoshiarpur, both in the state of Punjab or wherever-else the same may be or be held by any party to the order or disposition of the Company or in the course of transit or on high seas or on order or delivery, howsoever and wherever in the possession of the Company and either by way of substitution or addition.
- Second Charge ranking pari-passu by way of equitable mortgage of all the immovable properties of the Company (both present & future) including land, buildings and tenements constructed/to be constructed thereon and hypothecation of entire moveable fixed assets.
- Personal guarantees of Chairman and Managing Director and Shri M M Thapar.
- Pledge of 222,768,457 Equity Shares of Rs.2.50 each of JCT Limited held by promoter and promoter companies.

9. TRADE PAYABLES

(Rs. in lakhs)

	Note No.	As at 31.03.2017	As at 31.03.2016
Acceptances under letter of credit		<u>2,959.15</u>	<u>1,238.88</u>
Others		<u>7,664.55</u>	<u>7,361.94</u>
TOTAL		<u>10,623.70</u>	<u>8,600.82</u>

9.1 There is no amount outstanding to suppliers under Micro, Small and Medium Enterprises Development Act, 2006 based on available information with the Company.

10. OTHER CURRENT LIABILITIES

(Rs. in lakhs)

	Note No.	As at 31.03.2017	As at 31.03.2016
Current maturities of Long-term borrowings	5	<u>9,657.20</u>	<u>7,454.03</u>
Interest accrued but not due on Public fixed deposits		<u>28.45</u>	<u>12.70</u>
Interest accrued but not due on other borrowings		<u>0.48</u>	<u>0.55</u>
Interest accrued and due on secured borrowings	5.1.1	<u>107.79</u>	<u>143.74</u>
Payable to wholetime directors (including remuneration)		<u>22.30</u>	<u>36.96</u>
Unclaimed fixed deposits and Interest thereon	10.1	<u>5.51</u>	<u>10.68</u>
Unclaimed Preference shares		-	<u>3.83</u>
Security and other deposits		<u>2.45</u>	<u>2.73</u>
Statutory liabilities		<u>355.13</u>	<u>504.11</u>
Advance from customers		<u>836.06</u>	<u>901.78</u>
Accrued expenses		<u>3,692.72</u>	<u>4,218.16</u>
Other payables	10.2	<u>558.03</u>	<u>279.30</u>
TOTAL		<u>15,266.12</u>	<u>13,568.57</u>

10.1 There is no amount due and outstanding to be credited to Investors Education & Protection Fund.

10.2 Includes for machinery and civil works Rs. 13.67 lakhs (Previous year : Rs. 13.08 lakhs).

11. SHORT TERM PROVISIONS

(Rs. in lakhs)

	Note No.	As at 31.03.2017	As at 31.03.2016
Provision for employee benefits towards gratuity, leave encashment and superannuation		<u>802.51</u>	<u>534.01</u>
TOTAL		<u>802.51</u>	<u>534.01</u>



12. FIXED ASSETS

(Rs. in lakhs)

	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at 01.04.2016	Additions during the year	Sales/ disposal/ adjustment during the year	As at 31.03.2017	As at 01.04.2016	For the year	On sales/ disposal/ adjustment during the year	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
(i) Tangible Assets										
Land freehold (Refer Note 12.1(a) & (b))	14,899.80	-	67.56	14,832.24	-	-	-	-	14,832.24	14,899.80
Buildings (Refer Note 12.1 (c))	11,236.54	65.72	13.70	11,288.56	4,799.02	302.29	1.77	5,099.54	6,189.02	6,437.52
Plant & Machinery (Refer Note 12.2(a) & (b))	76,486.92	1,044.08	794.54	76,736.46	61,681.75	2,625.74	686.25	63,621.24	13,115.22	14,805.17
Data processing equipment	525.85	11.53	19.33	518.05	424.16	23.43	16.77	430.82	87.23	101.69
Electric installation including gadgets	625.20	24.74	17.89	632.05	458.81	14.90	11.14	462.57	169.48	166.39
Tools & implements	50.05	2.20	0.41	51.84	45.41	0.70	0.39	45.72	6.12	4.64
Furniture & fixtures	448.96	9.75	10.99	447.72	349.45	19.21	7.72	360.94	86.78	99.51
Office Equipments	20.14	0.65	0.09	20.70	10.90	1.42	0.08	12.24	8.46	9.24
Vehicles	783.50	97.50	101.73	779.27	555.81	75.21	76.53	554.49	224.78	227.69
Leasehold Improvements	30.32	-	-	30.32	24.20	3.40	-	27.60	2.72	6.12
Scrap (value of discarded assets)	-	4.00	4.00	-	-	-	-	-	-	-
Sub Total	105,107.28	1,260.17	1,030.24	105,337.21	68,349.51	3,066.30	800.65	70,615.16	34,722.05	36,757.77
Capital Work-in-progress (Refer note 12.3)	128.13	1,269.51	1,082.22	315.42	-	-	-	-	315.42	128.13
Current year's total	105,235.41	2,529.68	2,112.46	105,652.63	68,349.51	3,066.30	800.65	70,615.16	35,037.47	36,885.90
Previous year's total	104,535.72	1,921.30	1,221.61	105,235.41	65,628.00	3,030.37	308.86	68,349.51	36,885.90	
(ii) Intangible Assets (other than internally generated)										
Computer Software	280.89	1.74	-	282.63	252.35	16.82	-	269.17	13.46	28.54
Current year's total	280.89	1.74	-	282.63	252.35	16.82	-	269.17	13.46	28.54
Previous year's total	275.47	5.42	-	280.89	236.53	15.82	-	252.35	28.54	

12.1 (a) The Company had revalued its certain freehold land held at Tehsil Phagwara on 01.04.2005 and the resultant revalued amount of Rs. 10,417.70 lakhs was substituted for the historical cost in the gross block of land, net block as at 31.03.2017 is Rs.10,391 lakhs. (Previous year: Rs. 10,278.14 lakhs.)

(b) The Company had revalued its freehold land at Village Chohal, Hoshiarpur on 15.03.2010 and the resultant revalued amount of Rs. 4,403.91 lakhs was substituted for the historical cost in the gross block of land, net block as at 31.03.2017 is Rs.4272.16 lakhs. (Previous year: Rs. 4,313.03 lakhs.)

(c) The Company had revalued its building at Tehsil Phagwara on 30.04.1985 and the resultant revalued amount of Rs. 738.41 lakhs was added to the historical cost in the gross block of building of Rs. 1,077.32 lakhs.

The aforesaid revaluations were done based on reports of external valuers at replacement / market value which resulted in net increase of Rs. 15,560.02 lakhs (Previous year: Rs. 15,560.02 lakhs) in the gross block of fixed assets.

12.2 (a) Government grant of Rs. 416.54 lakhs received in 2008-09 was reduced against the cost of specific plant and machinery.

(b) The Company has continued to adjust the foreign currency exchange variation on amounts borrowed (FCCBs) for acquisition of fixed assets to the carrying cost of fixed assets as the related borrowings originated in the year 2006, which is in accordance with para 46 & 46 A of AS-11. This has resulted in decrease in fixed assets by Rs.97.02 lakhs (Previous year: increase of Rs.454.57 lakhs), with corresponding increase (Previous year: increase) in FCCBs borrowing during the year.

12.3 Capital work in progress includes under noted pre-operative expenditure pending allocation on commencement of commercial production:

Particulars	As at 01.04.2016	Additions	Less:Capitalised/ adjusted	As at 31.03.2017
Legal & Professional fees	71.18	0.01	1.52	69.67
Miscellaneous	0.05	0.00	0.00	0.05
Travelling and conveyance	0.00	0.99	0.00	0.99
Total	71.23	1.00	1.52	70.71



13. NON CURRENT INVESTMENTS

(Rs.in lakhs)

	Note No.	As at 31.03.2017		As at 31.03.2016	
		No.	Amount	No.	Amount
(Other Investments)					
(a) In Equity Shares - Quoted, fully paid up					
JCT Electronics Ltd. of Re.1 each	13.1	10,631,900	-	10,631,900	562.55
(Less): Written off			-		(562.55)
			-		-
(b) In Equity Shares - Unquoted, fully paid up					
India International Airways Ltd. of Rs. 10 each		3,630,000	-	3,630,000	537.00
(Less): Written off			-		(537.00)
Preeti Vanijya (P) Ltd. of Rs. 10 each		52,312	418.50	52,312	418.50
Nimbua Greenfield (Punjab) Ltd. of Rs. 10 each		28,125	2.81	28,125	2.81
The New India Cooperative Bank Ltd. of Rs. 10 each		3,260	0.33	3,260	0.33
Mynah Industries Ltd. of Rs. 10 each		4,000	-	4,000	0.40
(Less): Written off			-		(0.40)
Shivalik Video Communication Ltd. of Rs. 100 each		9,200	-	9,200	9.20
(Less): Written off			-		(9.20)
Total			421.64		421.64
(c) In Debentures of Associate Companies - Unquoted, fully paid up					
Optionally Convertible Zero Rate Debentures of Provestment Securities Pvt. Ltd. of Rs. 40 each (Net of redemption)		-	-	2,988,000	1,195.20
(Less): Redeemed during the year		-	-	(2,988,000)	(1,195.20)
		-	-	-	-
Optionally Convertible Zero Rate Debentures of KCT Textiles Ltd. of Rs.70 each (Net of redemption)		-	-	2,872,398	2,010.68
(Less): Redeemed during the year		-	-	(2,793,886)	(1,955.72)
(Less): Transferred to Current Investment		-	-	(78,512)	(54.96)
		-	-	-	-
Total Non Current Investments (unquoted)			421.64		421.64

13.1 In respect of the Company's investment in JCT Electronics Ltd.:

- The Company has given an undertaking to a financial institution and a bank of JCT Electronics Ltd. that the Company would not dispose off, pledge, charge, or create any lien, assign 39,33,000 equity shares having face value of Re.1 each.
- The Company has pledged 42,87,000 equity shares having a face value of Re.1 each with a financial institution for financial facility availed by JCT Electronics Ltd.

14. LONG TERM LOANS AND ADVANCES

(Rs.in lakhs)

	Note No.	As at 31.03.2017	As at 31.03.2016
(Unsecured, considered good)			
Capital Advances		65.34	307.88
Security Deposits		313.27	367.71
Advance Tax/ Tax deducted at source (Net of Provision)		82.02	48.03
Advances to employees		23.00	78.61
Prepaid Expenses		38.95	32.05
TOTAL		522.58	834.28



15. CURRENT INVESTMENTS

(Rs. in lakhs)

	Note No.	As at 31.03.2017 No. Amount	As at 31.03.2016 No. Amount
(At Cost)			
In Debentures of Associate Company - Unquoted, fully paid up			
Optionally Convertible Zero Rate Debentures of KCT Textiles Ltd. of Rs.70 each		78,512 54.96	78,512 54.96
(Less): Redeemed during the year		(63,312) (44.32)	- -
Total Current Investments		15,200 10.64	78,512 54.96

16. INVENTORIES

(Rs. in lakhs)

	Note No.	As at 31.03.2017	As at 31.03.2016
(Valued at lower of cost or net realisable value)			
Raw Materials	16.1	1,994.87	1,766.09
Raw Materials - in transit		499.34	686.04
Stock-in-Process	30.4	5,112.25	4,546.98
Loose stock awaiting packing		1,759.52	1,866.59
Finished Goods		4,840.17	5,033.45
Finished Goods - in transit		43.19	50.32
Stores and Spares		1,979.38	2,264.77
Stores and Spares - in transit		92.47	116.66
TOTAL		16,321.19	16,330.90

16.1 Includes Rs. 448.84 lakhs (Previous year: Rs. 332.27 lakhs) lying with outside parties/creditors.

17. TRADE RECEIVABLES

(Rs. in lakhs)

	Note No.	As at 31.03.2017	As at 31.03.2016
Outstanding for a period exceeding six months			
- Unsecured, considered good		1,732.64	1,233.51
- Unsecured, considered doubtful		180.32	251.69
(Less): Provision for doubtful debts		(180.32)	(251.69)
Others (unsecured, considered good)		4,981.33	6,787.16
TOTAL		6,713.97	8,020.67

18. CASH AND BANK BALANCES

(Rs. in lakhs)

	Note No.	As at 31.03.2017	As at 31.03.2016
(i) Cash and Cash Equivalents			
- Balance with Banks		232.70	656.34
- Fixed Deposit with Bank		10.50	-
- Cheques, draft on hand/ remittance in transit		190.05	137.91
- Cash in Hand		51.29	12.77
(ii) Others			
- Balance with Banks	18.1	0.37	4.23
- Fixed Deposits held as Margin Money	18.2	814.03	715.04
- Post Office Savings Accounts (lodged as security)		0.19	0.19
TOTAL		1,299.13	1,526.48

18.1 Includes Rs.-NIL- (Previous year: Rs. 3.85 lakhs) earmarked for redemption of preference shares and Rs. 0.37 lakhs (Previous year: Rs. 0.38 lakhs) against employees' security deposits.

18.2 Includes Rs 27.81 lakhs (Previous year: 48.38 lakhs) having maturity of more than 12 months.



19. SHORT TERM LOANS AND ADVANCES

(Rs.in lakhs)

	Note No.	As at 31.03.2017	As at 31.03.2016
(Unsecured, considered good)			
Security Deposits		47.34	8.61
Prepaid Expenses		33.26	91.66
Advances to employees		9.55	30.65
Others:			
- Unsecured, considered good	19.1	1,547.46	1,280.11
- Unsecured, considered doubtful		343.27	372.39
- (Less): Provision for doubtful		(343.27)	(372.39)
TOTAL		1,637.61	1,411.03

19.1 Others comprise of advance against raw materials, stores and spares, excise duty recoverable, CENVAT recoverable etc.

20. OTHER CURRENT ASSETS

(Rs.in lakhs)

	Note No.	As at 31.03.2017	As at 31.03.2016
(Unsecured, considered good)			
Interest Subsidy under Technology Upgradation Fund Scheme			
- Unsecured, considered good		329.01	1,081.85
- Unsecured, considered doubtful		783.25	338.44
- (Less): Provision for doubtful		(783.25)	(338.44)
Interest accrued on deposits/advances		79.11	89.28
Land held for disposal	20.1	111.27	149.88
Others			
- Unsecured, considered good	20.2	183.63	148.24
- Unsecured, considered doubtful		2.30	2.30
- (Less): Provision for doubtful		(2.30)	(2.30)
TOTAL		703.02	1,469.25

20.1 The Company had revalued its freehold land at Sriganganagar on 30.4.1985 and the resultant revalued amount of Rs. 134.58 lakhs was substituted for the historical cost in the gross block of land, net block as at 31.03.2017 is Rs. 111.27 lakhs (Previous year: Rs. 149.88 lakhs)

20.2 Others comprise receivables on account of export incentives, CER receivable, DEPB receivable, interest receivable, rent receivable, claims etc.

21. REVENUE FROM OPERATIONS

(Rs.in lakhs)

	Note No.	Current year	Previous year
Sale of Finished Goods (Gross)	30.1	82,376.39	89,739.09
Other operating revenues:			
- Export incentives/ duty draw back		564.23	446.26
- Sale of process waste/ scrap		1,160.16	944.40
- Sale of certified renewable energy certificates		205.07	124.14
- Sale of steam generated		-	85.12
TOTAL		84,305.85	91,339.01



22. OTHER INCOME

(Rs.in lakhs)

	Note No.	Current year	Previous year
Interest Income from:			
-Bank deposits		55.37	55.59
-Income tax refund		1.58	0.88
-Customers and others		158.03	171.30
Dividend from current investments		0.04	0.04
Profit on sale of fixed assets (net)	22.1	363.56	628.54
Liabilities/provisions no longer required written back		327.04	132.57
Profit/(loss) on sale of raw materials / Stores		0.21	2.83
Exchange fluctuation gain (net)		35.56	49.13
Rent		60.40	130.53
Other Miscellaneous Income		92.50	149.95
TOTAL		1,094.29	1,321.36

22.1 Includes Rs. 388.34 lakhs (Previous year-663.43 lakhs) on sale of Surplus land.

23. COST OF MATERIALS CONSUMED

(Rs.in lakhs)

	Note No.	Current year	Previous year
Raw material	30.2 & 30.3		
Opening Stock		1,433.82	1,726.80
Purchases		38,902.33	37,494.83
		40,336.15	39,221.63
Add/ (Less): Adjusments on account of Vat/ Modvat		(9.83)	6.58
(Less) : Closing Stock	16.1	(1,546.03)	(1,433.82)
Other materials (dyes, chemicals, sizing and packing materials)			
Opening Stock		1,063.09	1,101.99
Purchases		8,190.68	9,954.07
		9,253.77	11,056.06
(Less): Adjusments on account of Vat/ Modvat		(328.21)	(265.22)
(Less): Closing Stock		(882.48)	(1,063.09)
TOTAL		46,823.37	47,522.14

24. OTHER MANUFACTURING EXPENSES

(Rs.in lakhs)

	Note No.	Current year	Previous year
Stores & Spares Consumed		704.11	812.35
Power & fuel		9,223.56	12,123.32
Repairs to and maintenance of buildings		167.31	238.90
Repairs to and maintenance of plant & machinery		1,386.15	1,587.98
Processing charges		240.84	350.89
Material handling charges		422.22	367.48
Excise Duty	24.1	27.01	(7.67)
TOTAL		12,171.20	15,473.25

24.1 Represents the difference between excise duty on opening and closing stock of finished goods.



25. CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-PROCESS (INCREASE)/ DECREASE

(Rs.in lakhs)

	Note No.	Current year		Previous year	
Inventories at the end of the year					
Finished Goods		4,840.17		5,033.45	
Finished Goods-in transit		43.19		50.32	
Loose stock awaiting packing		1,759.52		1,866.59	
Stock-in-process	30.4	5,112.25	11,755.13	4,546.98	11,497.34
Inventories at the beginning of the year					
Finished Goods		5,033.45		4,278.14	
Finished Goods-in transit		50.32		21.87	
Loose stock awaiting packing		1,866.59		1,377.18	
Stock-in-process		4,546.98	11,497.34	4,082.39	9,759.58
TOTAL			(257.79)		(1,737.76)

26. EMPLOYEE BENEFITS EXPENSES

(Rs.in lakhs)

	Note No.	Current year		Previous year	
Salaries, wages, bonus, gratuity, allowances etc.		11,733.28		11,838.76	
Contribution to Provident, superannuation and other funds		1,308.89		1,325.03	
Workmen & staff welfare expenses		248.04		256.73	
TOTAL			13,290.21		13,420.52

27. FINANCE COSTS

(Rs.in lakhs)

	Note No.	Current year	Previous year
Interest Expense on:			
- Foreign Currency Convertible Bonds (FCCBs)		57.52	482.52
- Term Loans		1,461.40	1,355.71
- Public fixed deposits and inter-corporate deposits		69.10	78.96
- Borrowing from banks for working capital		947.50	872.21
- Credit from vendors etc.		756.02	799.69
Other borrowing costs		387.74	328.47
TOTAL		3,679.28	3,917.56

28. DEPRECIATION AND AMORTISATION EXPENSE

(Rs.in lakhs)

	Note No.	Current year		Previous year	
Depreciation for the year	12	3,066.30		3,030.37	
(Less): Transfer to discontinued operations	31.7.3	(0.26)	3,066.04	(0.37)	3,030.00
Amortisation for the year	12		16.82		15.82
TOTAL			3,082.86		3,045.82



29. OTHER EXPENSES

(Rs.in lakhs)

	Note No.	Current year	Previous year
Rent		255.04	278.90
Insurance		101.73	108.17
Rates & taxes		52.53	65.72
Directors' fee		23.61	35.00
Directors' remuneration		105.39	82.07
Legal and professional fees		576.26	454.42
Travelling and conveyance		238.48	277.92
Payment to Statutory Auditors			
- For Audit fee	20.00		20.00
- For Certification work	1.00		10.00
- For Reimbursement of expenses	3.73	24.73	2.13
Bad debts written off	113.22		71.94
(Less): Transfer from Provision for bad and doubtful debts	(102.98)	10.24	(71.91)
Provision for advances etc.		22.22	156.41
Investments written off	-		1,109.15
(Less): Transfer from Provision for Diminution on value of Investments	-	-	(1,068.75)
Fixed Assets written off		0.66	6.43
Selling & publicity expenses		251.71	361.05
Commission to dealers/ canvassing agents		518.04	669.58
Freight & cartage (net of recovery)		761.52	983.06
Sales tax & octroi		1,254.83	1,520.32
Cash discount on sales		359.56	346.29
Miscellaneous expenses		962.01	1,038.16
TOTAL		5,518.56	6,456.06

30. Disclosures with respect to additional information to Statement of Profit and Loss

30.1 Particulars of Sale of Finished Goods:

(Rs. in lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Manufactured		
-Cloth	46,150.31	48,797.03
-Nylon filament Yarn	33,887.00	39,011.18
-Polyester/nylon Chips	1,230.51	704.86
-Others	1,108.57	1,226.02
TOTAL	82,376.39	89,739.09


30.2 Details of raw materials consumed:

(Rs. in lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Cotton	12,092.43	11,235.27
Grey cloth	2,731.82	3,545.07
Synthetic fibre	1,318.48	1,186.16
Finished fabrics	880.00	326.96
Blended yarn	4,353.37	4,554.68
Caprolactum	15,366.23	15,595.53
Renol Chips	219.10	220.35
Nylon chips	1,577.47	718.47
Nylon POY & Others	241.39	411.90
TOTAL	38,780.29	37,794.39

30.3 Value of imported raw materials, spare parts and components (excluding stores) consumed and the value of indigenous raw materials, spare parts and components (excluding stores) similarly consumed and the percentage of each to the total consumption:

(Rs. in lakhs)

Particulars	Year ended 31.03.2017		Year ended 31.03.2016	
	Amount	Percentage	Amount	Percentage
(a) Raw materials - imported	4,592.26	11.84	3,398.45	8.99
Raw materials - indigenous	34,188.03	88.16	34,395.94	91.01
Total	38,780.29	100.00	37,794.39	100.00
(b) Spare parts & Components- imported	362.53	23.75	338.27	19.45
Spare parts & Components- indigenous	1,163.70	76.25	1,400.67	80.55
Total	1,526.23	100.00	1,738.94	100.00

30.4 Details of Stock-in Process:

(Rs. in lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Cotton/synthetic fabrics	3,384.74	3,158.81
Nylon filament yarn	1,322.23	1,219.45
Nylon Chips	405.28	168.72
TOTAL	5,112.25	4,546.98

30.5 Value of imports on CIF basis:

(Rs. in lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Raw Materials	3,950.07	2,537.55
Components and spare parts etc.	812.00	455.60
Capital Goods	550.51	559.93
Total	5,312.58	3,553.08


30.6 Expenditure in foreign currency:

(Rs. in lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Repayment of Foreign Currency Convertible Bonds including premium	1,149.95	1,951.28
Interest Paid	51.25	430.33
Commission on export Sales	3.05	2.10
Market Development on export sales	47.82	17.48
Travelling	13.73	32.40
Professional Services	29.56	41.52
Others	43.84	45.43
TOTAL	1,339.20	2,520.54

30.7 Earnings in foreign currency:

(Rs. in lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Export of goods calculated on F.O.B. basis	8,093.63	7,009.66

30.8 No amount has been remitted during the year in foreign currency on account of dividend.

30.9 Prior period expenses aggregating Rs. 427.69 lakhs (net debit) have been accounted for in the respective heads of account [Previous year: Rs. 12.37 lakhs (net debit)]

30.10 Details of Specified bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 are as under:

(Rs. in lakhs)

Particulars	Specified Bank Notes (SBN)	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	36.16	5.73	41.89
Add: Permitted Receipts	--	88.98	88.98
(Less): Permitted payments	3.04	66.52	69.56
(Less): Amount deposited in Banks	33.12	--	33.12
Closing cash in hand as on 30.12.2016	--	28.19	28.19

31. Additional notes to the financial statements for the year ended 31st March, 2017.
31.1 Contingent liabilities and commitments not provided for:

(Rs. in lakhs)

	Particulars	As at 31.03.2017	As at 31.03.2016
(I)	Contingent Liabilities		
(a)	Claims against the Company not acknowledged as debts	112.98	112.98
(b)	Guarantees given by the bankers on behalf of the Company	751.65	596.43
(c)	Unutilised letter of credit	41.56	779.60
(d)	Disputed liabilities not adjusted as expenses in the Accounts for various years being in appeals towards (Refer Note 31.1a)		
	- Sales tax	1,671.08	1,541.55
	- Excise Duty	1,199.43	5,778.82
	- Stamp Duty	187.72	187.72
	- Custom Duty	186.05	186.05
	- Entry Tax	2,049.97	2049.97
	- Others	438.85	466.37
	Total	5,733.10	10,210.48
(II)	Commitments		
(a)	Estimated amount of contracts remaining to be executed on Capital Account and not provided for in the accounts (net of advances)	238.66	341.11
(b)	Export obligation against import of machinery under EPCG Scheme	664.78	19,839.65



31.1a The Company is contesting these demands and the management including its advisor are of the view that these demands may not be sustainable at the appellate level. The management believes that the ultimate outcome of these proceedings will not have any material adverse effect on the Company's financial position and results of its operations.

31.2 The Company had executed a Corporate guarantee of Rs. 400 lakhs towards Equipment Credit Scheme on 01.09.1993 and another towards foreign currency loan of DM 166,566,406 equivalent to Rs.3,580 lakhs as on 27.03.1998 for term loan availed by JCT Electronics Ltd. (an erstwhile Associate Company) from IFCI Ltd. Subsequently, IFCI Ltd. assigned their debt to Asset Reconstruction Company (India) Limited (ARCIL) who have issued notice to the Company on 07.11.2015 for winding up under the then existing sections of the Companies Act, 1956. The Company has disputed the notice with ARCIL and has been legally advised that the demand raised by them is not sustainable.

31.3 The Company has not recorded cumulative deferred tax assets on account of timing differences as stipulated in Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India in view of uncertainty of future taxable income.

31.4 Leases:

The Company has taken premises on lease under cancellable and non cancellable operating lease arrangements with lease terms ranging from 1 to 3 years, which are subject to renewal thereafter at mutual consent. The cancellable arrangements can be terminated by either party after giving due notice. The lease rent expense recognized during the year amounts to Rs. 197.31 lakhs (Previous year : Rs. 223.80 lakhs). There is no future lease payments due in respect of the non- cancellable operating leases

31.5 Disclosure of Derivative Instruments :

- (a) There are no outstanding forward exchange contracts used for hedge against currency exposures as at 31st March, 2017.
- (b) Foreign currency exposures that have not been specifically hedged by a derivative instrument or otherwise as at 31st March, 2017 are given below:

Particulars	Rs. in lakhs		Foreign Currency in millions			
	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017		As at 31.03.2016	
			Currency	Amount	Currency	Amount
Trade Receivables	260.45	580.59	US\$	0.40	US\$	0.77
	111.41	28.81	EURO	0.16	EURO	0.04
Loans and Advances	42.19	29.20	US\$	0.06	US\$	0.44
	13.27	3.99	EURO	0.02	--	--
	3.76	--	YEN	0.01	--	--
Foreign Currency Convertible Bonds	6781.18	8052.48	US \$	10.33	US \$	12.06
Trade and other Payables	616.39	314.04	US \$	1.11	US \$	0.47
	7.60	18.76	EURO	0.01	EURO	0.03
	0.95	0.95	GBP	0.01	GBP	0.01

31.6 Going Concern:

Accumulated losses have resulted in erosion of substantial net worth of the Company. However, the financial statements have been prepared on a going concern basis on the strength of continued support from promoters, bankers / other lenders. Further, the Company is in the process of disposing off some of its non-core fixed assets to reduce its debt and improve its liquidity. The management, considering the future plans for operations and support of the promoters, lenders, business associates and workmen, is hopeful of improvement in its financial position.

31.7 Discontinued Operations:

31.7.1 In earlier years, operations of Textile Mills at Sriganganagar were discontinued. The identified asset being land having net book value of Rs. 111.27 lakhs (Previous year : Rs. 149.88 lakhs) is being carried at book value as expected net realizable value is higher, and is disclosed in Note no. 20.1 as "Land held for disposal".

31.7.2 The Company has recognised gain of Rs 551.53 lakhs (Previous year: Loss of Rs. 23.15 lakhs) as 'Profit from discontinued operations' and disclosed it separately in the 'Statement of Profit and Loss'.



31.7.3 Disclosures as required under 'Accounting Standard 24 – Discontinuing Operations' in respect of Textile Unit at Sriganganagar are as under:

(Rs. in lakhs)		
Particulars	As at 31.03.2017	As at 31.03.2016
Total Assets	166.88	188.92
Total Liabilities excluding corporate funds	14.74	2.47
Other Income (Refer note no.31.7.4)	630.44	1.71
Expenses:		
Depreciation	0.26	0.37
Other expenses	78.65	24.49
Profit/ (Loss) before Tax	551.53	(23.15)
Profit/(Loss) after Tax	551.53	(23.15)
Net Cash Flows attributable to:		
Operating Activities (including change in working capital)	--	--
Investing Activities	--	--

31.7.4 Other income includes gain of Rs.629 lakhs arising on settlement of the litigation wherein 40 bighas of land has been transferred in lieu of advance of Rs.633.50 lakhs received in earlier years. This settlement was taken on record by the Court at Sriganganagar on 12.07.2016.

31.8 The letters have been sent to most of the parties for confirmation of the balances under trade receivables, advances and trade payables. However, due to non receipt of the response from some of the parties, the balances from them are subject to confirmations/reconciliation. The impact, if any, subsequent to the confirmation/ reconciliation will be taken in the year of confirmation/reconciliation.

31.9 In the opinion of the management, the value of assets other than fixed assets and non-current investments, on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

31.10 Related Party Disclosures (AS-18):

A List of Related Parties and relationships

(a) **Key Management Personnel:**

Mr. Samir Thapar : Chairman & Managing Director

(b) **Associates:**

: Provstment Securities Pvt. Ltd.
KCT Textiles Ltd.

(c) **Relatives of Key management Personnel:**

Mr. M. M. Thapar : Father of Mr. Samir Thapar

Ms. Priya Thapar : Whole Time Director and Sister of Mr. Samir Thapar

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

B Transactions with related parties:

(Rs. in Lakhs)

Transactions		Key Management Personnel	Associates	Relatives of Key Management Personnel
(i)	Transactions during the year:			
a.	Proceeds from Redemption of Optionally Convertible Zero Rate Debentures			
	- Provstment Securities Pvt. Ltd.	-	-	-
		(-)	(1195.20)	(-)
	- KCT Textiles Ltd	-	44.32	-
		(-)	(1955.72)	(-)



Transactions		Key Management Personnel	Associates	Relatives of Key Management Personnel
b.	Interest free loan:			
	-KCT Textiles Ltd.	-	-	-
		(-)	(7)	(-)
c.	Loan from Mr. Samir Thapar	-	-	-
		(36)	(-)	(-)
d.	Director's remuneration paid			
	Mr. Samir Thapar	82	-	-
		(58.5)	(-)	(-)
e.	Ms. Priya Thapar	-	-	23.4
		(-)	(-)	(23.57)
f.	Interest paid			
	Mr. Samir Thapar	3.19	-	-
		(2.3)	(-)	(-)
g.	Professional Fees paid			
	Mr. M. M. Thapar	-	-	27.58
		(-)	(-)	(27.34)
(ii) Payables as at 31st March, 2017 :				
a.	Provestment Securities Pvt. Ltd.	-	578	-
		(-)	(578)	(-)
b.	KCT Textiles Ltd.	-	7	-
		(-)	(7)	(-)
c.	Mr. M. M. Thapar	-	-	18.86
		(-)	(-)	(10.39)
d.	Mr. Samir Thapar-	20.43	-	-
		(36.96)	(-)	(-)
e.	Ms. Priya Thapar	-	-	1.87
		(-)	(-)	(-)

Note: (Figures in brackets are for the year ended March, 31, 2016)

31.11 Segment Reporting:

- (a) Identification of segments
 - i) Primary Segments

Business segment: The Company's operating business is organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products. Two identified segments are Textiles and Filament yarn. The products considered as a part of Textile segment are cloth and yarn. The products considered as a part of Filament segment are nylon yarn and chips.
 - ii) Secondary Segment

Geographical Segment: The analysis of geographical segment is based on the geographical location of the customers.
- (b) Inter Divisional transfers of goods, as marketable products produced by separate divisions of the Company, for captive consumption are made as if sales were made to third parties at current market prices and are included in turnover.
- (c) Unallocable Items:

Corporate income, corporate expenses, interest, capital and reserves are considered as part of unallocable items which are not identifiable to any business segment.



Segment information:

(Rs. in lakhs)

Particulars	Textiles		Filament		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
External Sales/ Income	48,550.79	51,054.92	32,204.42	36,287.94	80,755.21	87,342.86
Segment Revenue	48,889.89	51,626.03	32,681.10	36,528.28	81,570.99	88,154.31
Segment Results	(693.60)	1,814.51	1,838.64	2,481.08	1145.04	4,295.59
Segment Assets	41,474.76	45,570.64	19,007.31	17,904.33	60,482.07	63,474.97
Segment Liabilities	19,140.41	18,312.08	14,218.91	12,588.20	33,359.32	30,900.28

Reconciliation of reportable segment with the financial statements:

(Rs in lakhs)

Particulars	Revenues		Net Profit/ (Loss)		Assets		Liabilities	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Total of reportable segments	81,570.99	88,154.31	1145.04	4,295.59	60,482.07	63,474.97	33,359.32	30,900.28
Add: Corporate Unallocated	278.51	509.90	76.05	188.88	2,116.62	3,460.64	24,519.80	29,383.91
Finance costs	-	-	(3,679.28)	(3,917.56)	-	-	-	-
Profit/(Loss) from discontinued operations	-	-	551.53	(23.14)	-	-	-	-
Taxes	-	-	(1.74)	-	82.02	48.03	-	-
As per financial statements	81,849.50	88,664.21	(1,908.40)	543.77	62,680.71	66,983.64	57,879.12	60,284.19

(d) Secondary segment reporting (By geographical segments)

The following is the distribution of the Company's sales by geographical market, regardless where the goods were produced:

(Rs. in lakhs)

Particulars	Current year	Previous year
Sales to domestic market	70,621.00	78,428.83
Sales to overseas market	8,204.75	7,314.10
Total	78,825.75	85,742.93

The Company has common fixed assets for producing goods for domestic and overseas markets. Hence, separate figures for fixed assets/additions to fixed assets cannot be furnished.

31.12 Employee Benefits:

(a) Defined Benefit Plan: Gratuity

Payable on separation as per the Employees Gratuity Act @ 15 days pay for each completed year of service to eligible employees who render continuous service of 5 years or more.

(b) Defined Contribution Scheme:

Company's employees are covered by Provident Fund, Employees State Insurance and Superannuation Schemes etc. to which the Company makes a defined contribution measured as a fixed percentage of salary. During the year, amount of Rs. 1,308.89 lakhs (Previous Year: Rs. 1,325.03 lakhs) have been charged to the Statement of Profit and Loss towards contribution to the above schemes/benefits.

(c) Other Long term Benefits:

Employees of the Company are entitled to accumulate their earned/ privilege leave up to a maximum of 30 days for workers and 90 days for other employees which is payable/ encashable as per the policy on their separation.



(d) Other disclosures as required under Accounting Standard-15 (Revised 2005) on “Employee Benefits” are as under:-

i) **Recognition of opening and closing balances of Defined Benefit obligation:** (Rs.in lakhs)

Particulars	Gratuity (Funded)		Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Defined Benefit obligation at beginning of the year	2,828.53	2,652.57	1,095.66	1,035.71	726.06	648.32
Current Service Cost	191.66	177.01	72.97	68.95	70.23	63.52
Interest cost	224.36	211.53	87.62	82.97	57.27	51.41
Actuarial Loss/(Gain)	262.88	2.28	43.38	(9.40)	78.37	54.88
Benefits Paid	(556.24)	(214.86)	(141.26)	(82.57)	(204.65)	(92.07)
Defined Benefit obligation at end of the year	2,951.19	2,828.53	1,158.37	1,095.66	727.28	726.06

ii) **Reconciliation of opening and closing balances of fair value of plan assets:** (Rs. in lakhs)

Particulars	Gratuity (Funded)	
	Current year	Previous year
Fair value of plan assets at beginning of the year	17.94	102.14
Expected return on plan assets	0.56	5.13
Actuarial gain/(loss)	--	18.75
Benefits paid	(16.00)	(108.08)
Fair value of plan assets at end of the year	2.50	17.94

iii) **Expenses recognized in Employee benefits expenses during the year** (Rs. in lakhs)

Particulars	Gratuity (Funded)		Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Current Service Cost	191.66	177.01	72.97	68.95	70.23	63.52
Interest Cost	224.36	211.53	87.62	82.97	57.27	51.41
Expected return on plan assets	(0.56)	(5.13)	-	-	-	-
Actuarial Loss/ (Gain)	262.88	(16.47)	43.38	(9.40)	78.37	54.88
Amount recognized in Statement of Profit and Loss	678.34	366.94	203.97	142.52	205.87	169.81

iv) **Disclosure of the current year and previous four years/periods as required by paragraph 120(n) of AS-15.**

(Rs. in Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	As at 30.09.2013
Gratuity (Funded)					
Defined Benefit obligation at end of the year	(2,951.19)	(2,828.53)	(2,652.57)	(2,340.24)	(2,184.17)
Fair value of plan assets at end of the year	2.50	17.94	102.14	222.26	250.24
Amount recognized in the Balance Sheet (Liability)	(2948.69)	(2,810.59)	(2550.43)	(2,117.98)	(1,933.93)



Particulars	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014	As at 30.09.2013
Experience Adjustment arising on :					
- The Plan Liabilities / PBO (Loss)/ Profit	1.16	(1.75)	250.49	(121.95)	(734.68)
- The Plan Assets	-	8.81	-	(3.61)	(3.31)
Gratuity (Unfunded)					
Defined Benefit obligation at end of the year	(1,158.37)	(1,095.65)	(1,035.71)	(892.85)	(851.49)
Fair value of plan assets at end of the year	-	-	-	-	-
Amount recognized in the Balance Sheet (Liability)	(1,158.37)	(1,095.65)	(1,035.71)	(892.85)	(851.49)
Experience Adjustment arising on :					
- The Plan Liabilities / PBO (Loss)/ Profit	41.89	12.96	82.31	(14.42)	(108.33)
- The Plan Assets	-	-	-	-	-
Leave Encashment (Unfunded)					
Defined Benefit obligation at end of the year	(727.29)	(726.07)	(648.32)	(605.13)	(609.74)
Fair value of plan assets at end of the year	-	-	-	-	-
Amount recognized in the Balance Sheet (Liability)	(727.29)	(726.07)	(648.32)	(605.13)	(609.74)
Experience Adjustment arising on :					
- The Plan Liabilities / PBO (Loss)/ Profit	(19.19)	(53.27)	(71.70)	(21.39)	(186.31)
- The Plan Assets	-	-	-	-	-

v) Investment Details (For Plan Assets) (% invested)

Particulars	As at 31.03.2017	As at 31.03.2016
Life Insurance Corporation of India	100	100

vi) Actuarial Assumptions:

Particulars	As at 31.03.2017	As at 31.03.2016
Method used	Projected unit credit	
Mortality Table	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
Discount rate (per annum)	7.35	7.93
Expected rate of return on plan assets (per annum)	7.35	7.93
Withdrawal Rate (per annum) upto 30/44 years and above 44 years-Phagwara	8%/3%/7%	
Withdrawal Rate (per annum) upto 30/44 years and above 44 years-Hoshiarpur	17%/9%/7%	
Withdrawal Rate (per annum) upto 30/44 years and above 44 years-Delhi-Corporate Office	0%0%/10%	
Rate of escalation in salary (per annum)	6%	6%

**31.13 Earning per share:**

Particulars	Current year	Previous year
Net (Loss)/ Profit as per Statement of Profit and Loss (Rs. in lakhs)	(1,908.40)	543.47
Weighted average number of equity shares	59,70,14,871	58,47,92,649
Add: Adjustment for option for 10,00,000 Optionally Convertible Preference Shares of Rs. 100/- each	-	1,33,33,333
Weighted average number of equity shares	59,70,14,871	59,81,25,982
Nominal value of Equity Share (Rs.)	2.50	2.50
Basic Earning per share	(0.32)	0.09
Diluted Earning per share	(0.32)	0.09

- 32.** Figures of the previous year have been rearranged and regrouped, wherever necessary, to conform to current year classification.

Signatures to 'Notes 1 to 32'

V K Singhal
Chief Financial Officer

Nidhi Goel
Company Secretary
(Membership No.26016)

Samir Thapar
Chairman & Managing Director
(DIN 00062287)

As per our Report of even date attached

S P CHOPRA & CO.
Chartered Accountants
Firm Registration No. 000346N
Sanjiv Gupta
Partner
Membership No.83364

Directors

G B Kathuria (DIN 00062088)
A K Doshi (DIN 02298644)
C M Bhanot (DIN 06462056)
A K Mohapatra (DIN 07811921)
Priya Thapar (DIN 06742680)

Place : New Delhi
Dated : 30.05.2017

**JCT LIMITED****[CIN – L17117PB1946PLC004565]****Registered Office: Village Chohal, District Hoshiarpur 146 024 (Punjab)****Tel: 01882-258780; FAX: 01882-258059****Website: www.jct.co.in; Email ID: jctsecretarial@jctltd.com****PROXY FORM***[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name of the member (s):	
Registered address:	
E-mail Id:	
Folio No/ Client Id:	
DP ID:	

I/We, being the member (s) of shares of JCT Limited, hereby appoint the following as my/our Proxy to attend vote (for me/us and on my/our behalf at the 68th Annual General Meeting of the Company to be held on Monday, the 14th day of August, 2017 at 11:30 a.m. and at any adjournment thereof.

1. Mr./Mrs. (Name & Address) or failing him/her
2. Mr./Mrs. (Name & Address) or failing him/her
3. Mr./Mrs. (Name & Address) or failing him/her

Resolution No.	Description of Resolution	Optional	
		For	Against
Ordinary Business			
1.	Adoption of audited financial statements for the year ended 31.03.2017 and report of the Board of Directors and Auditors thereon		
2.	Re-appointment of Ms. Priya Thapar, who retires by rotation		
3.	Appointment of Navdeep Singh & Co. Chartered Accountants as Statutory Auditors		
Special Business			
4.	Remuneration to Cost Auditors		

Signed this..... day of August 2017

Affix
Revenue
Stamp

Signature of shareholder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



JCT LIMITED

[CIN – L17117PB1946PLC004565]

Registered Office: Village Chohal, District Hoshiarpur 146 024 (Punjab)

Tel: 01882-258780; FAX: 01882-258059

Website: www.jct.co.in; Email ID: jctsecretarial@jctltd.com

ATTENDANCE SLIP

68th Annual General Meeting, Monday, the 14th day of August, 2017 at 11:30 a.m. at Registered Office of the Company at Village Chohal , District Hoshiarpur-146024, Punjab

Name	
Address	
DP ID/Client ID*	
Folio No.	
No. of shares held	

* Applicable for investor holding shares in Electronic Form

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 68th Annual General Meeting of the Company on Monday, the 14th day of August, 2017 at 11:30 a.m. at Village Chohal, District Hoshiarpur-146024, Punjab.

.....
Signature of Member/Proxy

Note: Please fill this attendance slip and hand it over at the entrance of the hall.

Hoshiarpur Railway Station to JCT Limited

