INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
The India jute and Industries limited

1. We have reviewed the accompanying statement of unaudited Financial Results of The India Jute and Industries Limited ('the Company') for the quarter and Nine monthsended on 31st December 2018 ('the Statement'). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors and the same has been initialed by us for the purpose of identification. Our responsibility is to issue a report on these financial statements based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Attention is drawn to the following notes of the accompanying results:
   a) Note no. 3 regarding non-provision of liquidated damages aggregating to Rs.95135.135 thousand (including Rs.1547.744 thousand for the period) on excise duty loan and penal interest etc. amounting to Rs. 2798.77 thousand (including Rs.40.69 thousandfor the period) on sales tax loan from West Bengal Industrial Development Corporation of India to the extent ascertained in accordance with Indian Accounting Standard- 37 on "Provisions, Contingent Liabilities and Contingent Assets";

   b) Note no 7 regarding non-provision of interest on unsecured loan aggregating to Rs.30453.77 thousand (including Rs. 272.62 thousand for the period) in accordance with Indian Accounting Standard- 37 on "Provisions, Contingent Liabilities and Contingent Assets";

   c) Note no. 9 regarding non-provision of actuarially ascertained liability (to the extent identified and ascertained) for gratuity aggregating to Rs.1,94,63.29(including Rs Nil for the period) in accordance with Indian Accounting Standard-19 on "Employee Benefits".

      Further the valuation of Gratuity from year ending 31st March 2012 & non-valuation of Liability for compensated absences on the actuarial valuation in accordance with the Indian Accounting Standard-19, the impact of which is presently not ascertainable;

   d) Note no 3 regarding non-ascertainment and extent of dues payable with regard to loan/interest/penal interest, liquidated damages etc. payable to financial institution/assignee/other parties in accordance with Indian Accounting Standard- 37 on "Provisions, Contingent Liabilities and Contingent Assets", the impact of which is presently not ascertainable;

   e) Note no4 regarding shortfall in the book value of security as compared to the amount of secured loan;

   f) Note no. 5 regarding creation of Security in respect of Deferred payment liabilities and charge in respect of Assignee's of Modernisation and Rehabilitation Term Loans is yet to be created/modified; and

   g) Note no 10 regarding non-provision for dues, interest, penalty and other liability for delay / default in payment of statutory / other liabilities/gratuity/listing fees etc.;

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G. P. AGRAWAL & CO. KOLKATA CHARTERED ACCOUNTANTS

h) Note no 12 regarding non-ascertainment and non-provision for impairment of assets in accordance with Indian Accounting Standard- 36 on "Impairment of Assets";

i) Note no 13with regard to non-ascertainment of status and recoverability of fixed deposit for Rs 1320.593 thousand pledged with State Bank of India;

j) Note no14 regarding non-ascertainment of recoverability and non-provision for shortfall in the value of inventories in accordance with Indian Accounting Standard-2 on "Valuation of Inventories" the extent of which cannot be commented upon by us;

k) Note no 15 regarding confirmation of certain balances and consequential reconciliation and adjustments arising regarding eventual shortfall in values and their impact in respect of Security Deposits, Fixed Deposits, Inventories, Trade Receivables and Loans and Advances which is currently not ascertainable;

l) The Company has suffered substantial losses in earlier years leading to erosion of its net worth as on 31st December 2018. For the reasons mentioned in Note no 2 of the results, the accounts of the Company have been prepared on going concern basis. However, the ability of the Company to continue as a going concern is dependent upon the future profitability and viability of operations which presently cannot be commented upon.

4. Based on our review conducted as above, we report that, excepting the possible effect of the matters stated in Para 3 above nothing has come to our attention that causes us to believe that the accompanying statement of the Statement prepared in accordance with applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies generally accepted in India, has not disclosed the required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For G. P. Agrawal & Co.
Chartered Accountants
Firm's Registration No. 302082E

Rakesh Singh
(CA Rakesh Kumar Singh)
Partner
Membership No 066421

Place: Kolkata
Date: 13th February 2019

G. P. AGRAWAL & CO. KOLKATA CHARTERED ACCOUNTANTS

THE INDIA JUTE AND INDUSTRIES LIMITED
CIN: L17119WB1916PLC002720
Registered Office: 4A, Shree Ganesh Business Centre, 216, Acharya J.C. Bose Road, Kolkata - 700 017
Tel No.: +91 033 2287 1640
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Statement of Unaudited Financial Results for the Quarter and Six Months Ended 30/09/2018

Rupees in thousand

	Particulars	3 months ended 30/09/2018	Preceding 3 months ended 30/06/2018	Corresponding 3 months ended in the previous year 30/09/2017	Year to date figures for current period ended 30/09/2018	Year to date figures for previous year ended 30/09/2017	Previous year ended 31/03/2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue from Operations	89,564.08	90,054.40	12,326.27	1,79,618.48	23,872.77	1,43,010.29
II	Other Income	700.46	437.56	25.27	1,138.02	1,110.69	1,558.75
III	Total Income (I+II)	90,264.54	90,491.96	12,351.54	1,80,756.50	24,983.46	1,44,569.04
IV.	Expenses						
	Cost of materials consumed	70,589.25	40,280.26	-	1,10,869.51	-	54,717.85
	Purchase of stock-in-trade	614.40	-	-	-	-	-
	Changes in inventories of finished goods, work in progress and stock-in-trade	(34,125.49)	8,740.04	-	(25,385.45)	3,387.49	(5,353.42)
	Employee benefits expense	17,667.76	8,232.74	9,233.67	25,900.50	16,751.57	36,350.56
	Depreciation and amortisation expense	691.94	684.26	662.74	1,376.20	1,325.48	2,650.95
	Finance cost	2,669.17	2,129.74	1,228.61	4,798.91	2,461.28	4,953.97
	Other expenses	27,853.45	29,463.50	3,987.21	57,316.95	6,831.41	51,437.09
	Total expenses (IV)	85,960.48	89,530.54	15,112.23	1,74,876.62	30,757.23	1,44,757.00
V	Profit/(loss) from before tax (III-IV)	4,304.06	961.42	(2,760.69)	5,879.88	(5,773.77)	(187.96)
VI	Tax expense	-	-	-	-	-	-
	Current taxes	-	-	-	-	-	-
	Deferred taxes	-	-	-	-	-	-
VII	Net Profit/(loss) for the period (V-VI)	4,304.06	961.42	(2,760.69)	5,879.88	(5,773.77)	(187.96)
VIII	Other Comprehensive Income	-	-	-	-	-	-
IX	Total Comprehensive Income for the Period (VII+VIII)	4,304.06	961.42	(2,760.69)	5,879.88	(5,773.77)	(187.96)
X	Paid-up equity share capital (Face value - Rs. 10/-)	2,580.00	2,580.00	2,580.00	2,580.00	2,580.00	2,580.00
XI	Reserves excluding Revaluation reserve						
XI	Earnings Per Share (EPS) of Rs. 10 each						
	Basic (Rs.)	1.67	0.37	(1.07)	2.28	(2.24)	(0.07)
	Diluted (Rs.)	1.67	0.37	(1.07)	2.28	(2.24)	(0.07)

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Statement of Assets and Liabilities as on 30/09/2018

Rupees in Thousands

	Particulars	As at 30/09/2018	As at 31/03/2018
1	ASSETS		
(1)	Non-current assets		
	(a) Property Plant and Equipment	43,639.50	44,490.53
	(b) Financial Assets		
	(i) Investments	6.80	6.80
	(ii) Other Financial Assets	6,236.38	6,141.04
		49,882.68	50,638.37
(2)	Current assets		
	(a) Inventories	84,952.26	34,712.10
	(b) Financial assets		
	(i) Trade receivables	15,435.34	4,869.03
	(ii) Cash and cash equivalents	4,361.19	4,896.94
	(iii) Other financial Assets	4.37	8.98
	(c) Current Tax Assets	1,448.14	1,567.97
	(d) Other Current Assets	29,549.06	15,000.21
		1,35,750.36	61,055.23
	Total Assets	1,85,633.04	1,11,693.60
II	EQUITY AND LIABILITIES		
(1)	Equity		
	(a) Equity Share Capital	25,800.00	25,800.00
	(b) Other Equity	(1,11,006.18)	(1,16,300.49)
		(85,206.18)	(90,500.49)
	Liabilities		
(2)	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	78,499.15	78,499.15
	(ii) Trade Payables	1,646.79	1,646.79
		80,145.94	80,145.94
(3)	Current Liabilities		
	(a) Financial borrowings		
	(i) Borrowings	50,380.00	31,280.00
	(ii) Trade payables	71,251.38	34,115.35
	(iii) Other financial liabilities	13,274.11	10,744.49
	(b) Other current liabilities	31,818.17	22,061.46
	(c) Provisions	23,969.62	23,846.85
		1,90,693.28	1,22,048.15
	Total Equity and Liabilities	1,85,633.04	1,11,693.60

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Segment Wise Revenue, Results, Assets and Liabilities are as follows:

Rupees in thousand

Sl. No	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30/09/2018	30/06/2018	30/09/2017	30/09/2018	30/09/2017	31/03/2018
A.	Segment Revenue						
	Textile	80,545.60	80,655.27	-	1,61,200.87	4,001.54	98,016.45
	Fine Yarn	9,018.48	8,565.61	12,326.27	17,584.09	18,343.05	44,993.84
	Carpet	-	-	-	-	-	-
	Net Revenue from Operations and interdivisional transfers	89,564.08	89,220.88	12,326.27	1,78,784.96	22,344.59	1,43,010.29
	Less:Inter Segment transfers	-	-	-	-	-	-
	Net Revenue from Operations	89,564.08	89,220.88	12,326.27	1,78,784.96	22,344.59	1,43,010.29
B.	Segment Results						
	Textile	6,432.49	2,920.96	(2,912.39)	9,353.45	(3,714.75)	(378.28)
	Fine Yarn	499.88	170.75	1,368.35	670.63	377.14	5,073.25
	Carpet	(13.32)	(13.32)	(13.32)	(26.64)	(26.64)	(53.27)
	Sub-Total	6,919.05	3,078.39	(1,557.36)	9,997.44	(3,364.25)	4,641.70
	Less:Inter Segment transfers						
	Interest expense	2,669.17	2,129.74	1,228.61	4,798.91	2,461.27	4,953.97
	Interest income	(54.19)	(41.60)	(25.27)	(95.79)	(51.74)	(124.31)
	Profit before Tax	4,304.06	990.25	(2,760.70)	5,294.31	(5,773.78)	(187.96)
C.	Segment Assets						
	Textile	1,19,700.24	1,00,054.10	33,461.33	1,19,700.24	33,461.33	74,075.72
	Fine Yarn	48,717.91	20,016.72	25,158.72	48,717.91	25,158.72	19,831.92
	Carpet	7,075.24	7,088.56	7,128.51	7,075.24	7,128.51	7,101.90
	Unallocated/Corporate Assets	10,139.65	1,39,901.27	7,909.20	10,139.65	7,909.20	10,716.09
	Total Segment Assets	1,85,633.04	2,67,060.65	73,657.76	1,85,633.04	73,657.76	1,11,725.63
D.	Segment Liabilities						
	Textile	86,409.23	78,572.93	41,840.18	86,409.23	41,840.18	67,987.44
	Fine Yarn	40,793.99	11,131.98	21,530.85	40,793.99	21,530.85	12,232.26
	Carpet	1,482.75	1,482.75	1,482.75	1,482.75	1,482.75	1,482.75
	Unallocated/Corporate Liabilities	1,42,153.25	1,39,901.27	1,04,903.89	1,42,153.25	1,04,903.89	1,20,523.64
	Total Segment Liabilities	2,70,839.22	2,31,088.94	1,69,757.67	2,70,839.22	1,69,757.67	2,02,226.09

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Notes-

1 The Company is in the process of complying with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('the regulation') and accordingly in connection therewith, the company is required to submit the Quarterly, Year to Date and Annual Financial Results for the period beginning from Quarter ended June 30, 2015 ('the results') subject to limited review by the Statutory Auditor's of the company. The Company has since prepared the aforesaid results for the said period and placed the same before the Board of Directors of the Company in their meeting held on 13th February 2019 for approval thereof. The Statutory Auditor's of the company have carried out a limited review of the results.

2 The Board for Industrial and Financial Reconstruction (BIFR) declared the Company Sick Industrial Company vide its order dated 20th December'1999. BIFR appointed IFCI Ltd as an operating Agency (OA). BIFR vide its orders in several meeting directing OA to submit fully tied up Draft Rehabilitation Scheme (DRS) for consideration of BIFR. OA vide their letter dated 16th May, 2014 forwarded the DRS to the Hon'ble BIFR. The Hon'ble BIFR in its meeting held on 22nd May, 2014 has directed the BIFR's Board office to re-examine the DRS submitted by IFCI (OA) for early circulation, if found viable.
Pending re-examination of DRS by BIFR's Board office the financial statements of the Company for the year has been prepared on a going concern.

3 Licensing agreement with Adinath Cotton & Synthetic Spinners Pvt. Ltd. terminated and company resumed its operation/own production of Textile division w.e.f. 01.08.2019.

3 The operating results have adversly affected due to adverse market conditions and accumulated losses of the company as at 30th September 2018 stands at Rs.11,10,06.18 thousand as against the share capital of Rs.25,800 thousand. Also current liabilities as at 30th September 2018 exceeds current assets by Rs.56,18.160 thousand. The company had already made reference to The Board for Industrial and Financial Reconstruction (BIFR) under section 15 of the Sick Industrial (Special Provisions) Act, 1985 which declared the Company Sick Industrial Company vide its order dated 20th December'1999. BIFR appointed IFCI Ltd as an operating Agency (OA). BIFR vide its orders in several meeting directing OA to submit fully tied up Draft Rehabilitation Scheme (DRS) for consideration of BIFR. OA vide their letter dated 16th May, 2014 forwarded the DRS to the Hon'ble BIFR. The Hon'ble BIFR in its meeting held on 22nd May, 2014 has directed the BIFR's Board office to re-examine the DRS submitted by IFCI (OA) for early circulation, if found viable.
However, the said Act has been repealed on and from 1st December, 2016 on notification of Sick Industrial Companies (Special Provision) Repeal Act, 2003 by the Central Government as published in the official gazattee dated 28th November, 2016. The company has not yet made reference under the new law.
The Company has positive EBIDTA both in the current and the previous financial years and the Management is in the process of rationalizing the expenses as well as considering the measures to generate revenue. Further, with the improvement in the industrial scenario, the company is able to utilise its production capacities and it is expected that the overall financial health of the Company would improve considerably. Accordingly, the Company continues to prepare its accounts on a "Going Concern" basis.

4 Due to continued adverse workings, the Company could not repay the principal amounts due for repayment and interest on secured loans to the Financial Institutions / Assignees / Other Parties. Interest, penal interest, liquidated damages, payable due to such default as per the agreements have been decided to be accounted for as and when paid / settled with the lenders / assignee. Accordingly, liquidated damages estimated by the management based on the available information amounting to Rs.9,35,87,392 (including Rs.15,47,744 for the quarter and Rs. 30,95,488 for six months period) on Excise Duty Loan from the Government of India and penal interest, etc. amounting to Rs.27,58,088 (including Rs.40,689 for the quarter and Rs.81,379 for six months period) on Sales tax loan from West Bengal Development Corporation of India has not been provided. The interest, penal interests, liquidated damages etc. payable to the Financial Institutions / Assignees / Other Parties, the amount of which presently not ascertainable, have also not been provided for in these financial statements since 01st April, 2002.

5 As compared to the amount of secured loan and the value of Security there is a shortfall in the book value of security. Therefore, to the extent there is a shortfall in the value of security the amount of secured loan is not secured.

6 The Company is yet to enter into fresh agreement with the lender/ assignee. In absence of the same, the Loan taken from financial institution has been continued to be considered as default to financial institution in terms of Schedule III of the Companies Act, 2013. Based on the same, the Company has defaulted in the repayment of principal amount of loans. Further the company has defaulted in repayment of interest due on loan from financials institutions/others.

7 Though the loans have been assigned by original lender to others, the charge in respect of assignees except in respect of United Credit Limited is yet to modified. Steps are being taken to modify the same in favour of assignees.

8 Interest accrued upto 31st March, 2018 aggregating to Rs.2,99,08,528 (including Rs. 2,72,625 for the quarter and Rs.5,45,250 for six months period) on unsecured loan amounting to Rs. 63,00,000 as estimated by the management (without considering additional interest, if any, on non-payment of principal interest) has not been provided for and the same will be accounted for as and when paid/settled.

9 Disclosure of Trade payables regarding the status of supplier's as defined under the "Micro, Small & Medium Enterprises Development Act, 2006" (the Act) has not been made since there has been no such confirmation send by the company to their supplier regarding their status. Hence relevant disclosure U/s 22 of the act has not been made.

10 As per consistent policy, no provision has been made in these financial statements for accrued liability for gratuity for the period upto 31st March, 2003 in respect of employees of Fine Yarn and Carpet Division amounting to Rs. 24,30,173 and Rs. 9,99,787 respectively and for employees of Textiles Division and Head Office who are in the service of the company as on 31st March, 2011 amounting to Rs.1,53,23,102 and Rs. 7,10,237 respectively, to the extent identified. From the year ended 31st March, 2012, no actuarial valuation has been carried out in respect of employees existing as on 30th September, 2018 and has been only provided in respect of employees retired during the period. However, in absence of actuarial valuation as per INDAS - 19 on employee benifit has not been ascertained and necessary provision has not been made.

In terms of INDAS-19, no acturial valuation has been carried out in respect of liability for gratuity and compensated absences. Liability for leave encashment has not been provided for.In absence of acturial valuation, the liability that would arise could not be ascertained and necessary disclosure has not been made.

11 Pending ascertainment of the amounts, no provision has been made in these financial statements for dues, interest, penalty or other liability for delay / default in payment of statutory / other liabilities including in respect of provident fund, gratuity, excise duty, sales tax listing fees etc. Due to huge losses and non - availability of sufficient cash, the company is in the process of making payment of statutory dues (including gratuity) as and when the sufficient funds will be available.

12 Due to huge losses and various divisions being run by licensee / third parties under licensing / other agreement the management has not carried out any exercise with regard to measurement and recognition of loss on impairment of assets.

13 Pending confirmation with regard to a fixed deposit of Rs. 13,20,593 pledged with the State Bank of India for utilization of bank guarantee, no adjustment has been made in the financial statements.

14 Inventories as on 30th September 2018 amounting to Rs. 7,95,177 is lying for more than one year. The Company is taking necessary steps to dispose off the same. In the opinion of management there would be no shortfall in their realizable value in the ordinary course of the business. Consequently no further provision have been considered necessary in this regard.

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15 Debit and Credit balances including trade receivables, fixed deposits, Deposit in NLA with IFCI, Security Deposits, Loans and Advances, trade payables, current liabilities including advances from customers, other liabilities, long term borrowings etc. are subject to confirmation/reconciliation with respect to individual details from concerned parties. Necessary adjustments in this respect will be carried out on ascertainment of amount thereof.

16 In view of the management, due to huge carried forward losses, unabsorbed depreciation and current year results, deferred tax assets are in much excess of the deferred tax liability which are not accounted for as there is no virtual certainty that there will be sufficient future taxable income.

17 Previous periods figure have been re-arranged/ re-grouped wherever necessary.

Place : Kolkata
Date: 13/02/2019

THE INDIA JUTE & INDUSTRIES LTD. Kolkata

For the India Jute and Industries Limited

B. K. JALAN
Managing Director
DIN No: 00876208

G. P. AGRAWAL & CO. KOLKATA CHARTERED ACCOUNTANTS