



JCT ELECTRONICS LIMITED



Head Office : Thapar House, 124, Janpath, New Delhi-110001
Phone : 3345566; Grams : JAYCEET; Fax : 3367861

28th January, 2013

COURIER

Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra - Kurla Complex
Bandra (E)
Mumbai – 400 051.

Company Code: JCTEL

Subject : Limited Review Report under Clause 41

Dear Sirs,

Enclosed please find herewith the report of the Statutory Auditors' on the Limited review conducted in respect of the unaudited financial results for the quarter ended 31st December, 2012.

Thanking you,

Yours faithfully,
for JCT ELECTRONICS LIMITED

Gopal Krishnan
Company Secretary

Encls : as above

Limited Review Report

We have reviewed the accompanying statement of un-audited financial results of **JCT ELECTRONICS LIMITED**, having its registered office at A-32 Industrial Area, Phase VIII, SAS Nagar, Mohali for the quarter ended 31st December, 2012 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the company's management and has been taken on record by the Board of Directors at their meeting held on 28th January, 2013. Our responsibility is to issue a report on these financial statements based on our review.

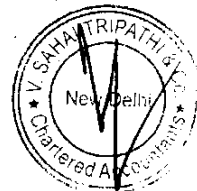
A review of interim financial information consists principally of applying analytical procedures for financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope and assurance than an audit conducted in accordance with the generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. We have not performed an audit and accordingly, we do not express an audit opinion.

We conducted our review in accordance with the Standard on Review Engagement (**ISRE**) 2400 on *Engagement to Review Financial Statements* 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.

The Company has defaulted in payment of principal amount of Loans of Rs 3540.63 Lacs to Banks / Financial Institutions for last seven quarters stating from 1st April, 2011 to 31st December, 2012. This is in contravention of *rehabilitation scheme announced by Board for Industrial and Financial Reconstruction (BIFR) vide its order dated 12th March, 2007. The relevant extract of such scheme is re-produced as under :-*

"If the company commits default towards repayment of principal instalments or payment of interest as per the sanctioned scheme or any combination, FIs / Banks reserves the right to charge interest on the defaulted amount at top of the band together with liquidated damages of 2% p.a. thereon till the date of clearance of default or FIs / Banks shall have the right to convert its entire overdues into fully paid up equity shares of JCTEL during the currency of the loans as per SEBI guidelines, or otherwise but with the permission of Hon'ble BIFR. FIs / Banks also reserves the right to revoke the package of rehabilitation with the prior approval of BIFR and in such event of revocation, the decision of FIs / Banks shall be final and

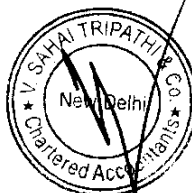


binding on the borrower and/or guarantors. In case of FIs / Banks exercise the right of revocation, the financial rehabilitation sanctioned or granted to JCTEL shall be treated as withdrawn and the terms and the conditions of the original loan agreements or documents shall come into force as if no such financial rehabilitation were ever granted to JCTEL. Further, FIs / Banks shall have the right to adjust payment received under the present package of financial rehabilitation against outstanding dues in terms of the original loan agreements/documents. "

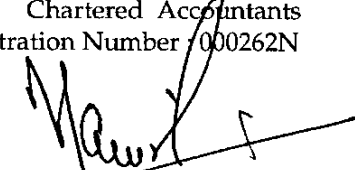
However, The Company has approached IFCI-The Operating Agency with Modified Debt Restructuring Scheme (MDRS) in the month of February, 2012. A meeting of secured lenders was held in the month of April, 2012 & secured lenders whose interest is being affected have given their consent for the proposed Modified Debt Restructuring Scheme (MDRS). IFCI-The Operating Agency has submitted the aforesaid Modified Debt Restructuring Scheme (MDRS) to the Hon'ble BIFR in the month of June, 2012 and again in the month of October, 2012 in prescribed format and the same is under consideration.

*Subject to aforesaid default in payment of principal amount of loan of Rs 3540.63 Lacs to Banks / Financial Institutions for last seven quarters stating from 1st April, 2011 to 31st December, 2012., which is in contravention of BIFR Rehabilitation Scheme and its consequential effects which are not ascertainable as on date and subject to notes attached as per Annexure 'A', nothing has come to our notice that causes us to believe that the accompanying statement of un-audited financial results prepared in accordance with accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of **Clause 41 of the Listing Agreement** including the manner in which it is to be disclosed or that it contains any material misstatement.*

Place : New Delhi
Dated : 28th January, 2013



For V Sahai Tripathi & Co.
Chartered Accountants
Firm's Registration Number : 000262N

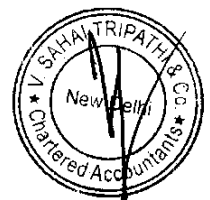

(Manish Mohan)
Partner
M.N.-091607

ANNEXURE A

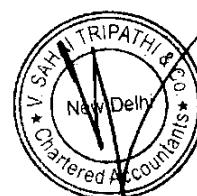
ICT ELECTRONICS LIMITED

Notes to Un-audited Financial Results for the Qtr. Ended 31st December, 2012

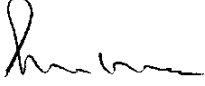
<i>A. Audit qualification in respect of the audited accounts of the previous year ended 31st March, 2012</i>	<i>Manner in which qualifications in respect of the audited accounts for the previous year ended 31st March, 2012 are addressed by the management in the un-audited financial results for the quarter ended 31st December, 2012</i>
1. The Company has entered into a Memorandum of Settlement with the worker's unions at Mohali, Punjab, towards crystallizing their dues in the month of May, 2011. The compensation has been settled at Rs 40 Crores. An application for modification of BIFR scheme has been submitted before Board for Industrial & Financial Reconstruction. Crystallized dues of workers/staff will be settled out of the sale proceeds of the Mohali units as per the sanctioned scheme and hence no provision for the dues to workers/staff has been made in the current year.	Necessary provision for the compensation amount to be paid to the workers shall be done as and when the sale of Mohali assets is completed in terms of BIFR Scheme.
2. As per Sanctioned BIFR Scheme, the revival of the company is dependant on sale of land and building at Mohali. As envisaged in sanctioned scheme, the company's net worth could not turn positive in the 4th year of its implementation due to delay in sale of land & building. On the assumption that the revival of the company will take place in near future, the accounts of the company have been prepared on a "going concern" basis on an assumption made by the management that adequate finances and opportunities would be available in the foreseeable future to enable the	The Hon'ble BIFR has approved rehabilitation scheme for the company which will make the operations viable. The scheme could not be fully implemented as there have been a delay in the sale of land at Mohali on account of various reasons. <i>However, The Company has approached IFCI-The Operating Agency with Modified Debt Restructuring Scheme (MDRS) in the month of February, 2012. A meeting of secured lenders was held in the month of April, 2012 & secured lenders whose interest is being affected have given their consent for the proposed Modified Debt Restructuring Scheme (MDRS). IFCI-The Operating Agency has submitted the aforesaid Modified Debt Restructuring Scheme (MDRS) to the Hon'ble BIFR in the month of June, 2012</i>

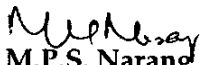


company to operate on a profitable basis. Accordingly, the company has been treated as a going concern.	<i>and again in the month of October, 2012 in prescribed format and the same is under consideration.</i>
3 It is estimated that inventory at Mohali unit which has to be transferred to the Vadodara unit as per the scheme aggregating to Rs. 1,376.44 Lacs contains a substantial loss on impairment which will be estimated and provided for only after these have been shifted to Vadodara Unit. The financial impact of same is not measurable & quantifiable. The losses are understated to this extent.	As the unit is lying closed, the exact impairment if any can be assessed only at the time of shifting of inventory. However a provision of Rs. 32.16 lacs already exist under the head other liabilities.
4. Debtors and creditors balances and other receivables/payables are subject to confirmation and have been shown as per values appearing in the books of accounts and have been treated as good for recovery/payment unless specifically provided for.	Accounts with most of the parties have been reconciled and necessary provisions have been made on 31st March, 2012.
5. Debits to a party's account include Rs. 1244.14 lacs for the recovery of CST from various parties which have been incorporated on the basis of an understanding with the party for which credit notes are anticipated to be received by the management. The financial impact of same is not measurable & quantifiable.	The matter is being followed up with the parties for further recovery/ settlement.



For JCT ELECTRONICS LIMITED

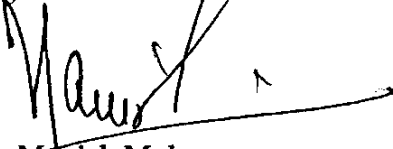

GOPAL KRISHNAN
Sr. Vice President &
Company Secretary


M.P.S. Narang
Vice President
Finance & Accounts

As per our Review Report of even date attached

For & On behalf of
V Sahai Tripathi & CO.
Chartered Accountants
Firm's Registration Number: 000262N




Manish Mohan
Partner
M. N.091607

Place : New Delhi
Dated : 28th January, 2013

JCT ELECTRONICS LIMITED

REGD. OFFICE : A-32, INDUSTRIAL PHASE VIII, SAS NAGAR, MOHALI, PUNJAB

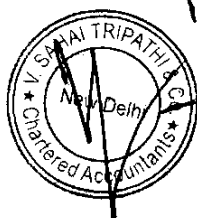
Unaudited Financial Results for the quarter ended 31st December, 2012.

	(Rs. In lacs)
Income from Operations	
a) Net Sales/Income from Operations (Net of excise duty)	7,233
b) Other Operating Income	55
Total Income from Operations (Net)	7,288
Expenditure	
a) Cost of materials consumed	5,158
b) Purchases of stock-in-trade	-
c) Change in inventories of finished goods, work-in-progress and stock-in-trade	379
d) Employee benefits expense	727
e) Depreciation and amortisation expense	385
f) Other expenses	
i) Power & Fuel	728
ii) Others	1,025
Total expenses	8,402
Profit/(loss) from operations before other income, finance cost and exceptional items	(1,114)
Other Income	6
Profit/(loss) from ordinary activities before finance costs and exceptional items	(1,108)
Finance costs	466
Profit/(loss) from ordinary activities after finance costs but before exceptional items	(1,574)
Exceptional Items	-
Profit/(loss) from ordinary activities before tax	(1,574)
Tax expense	-
Net Profit/(loss) from ordinary activities after tax	(1,574)
Extra ordinary items (net of tax expense)	-
Net Profit/(loss) for the period	(1,574)
Minority Interest	-
Net Profit/(loss) after tax after Minority interest	(1,574)
Paid-up equity share capital (face value Rs.1)	7,883
Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-
Earnings Per Share (EPS)	
a) Basic & diluted EPS before extraordinary items	(0.20)
b) Basic & diluted EPS after extraordinary items	(0.20)
Public shareholding	
- No. of Shares	135,686,263
- Percentage of shareholding	17.21%
Promoters and promoter group shareholding	
a) Pledged/Encumbered	
- No. of Shares	4,287,000
- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	0.66%
- Percentage of shares (as a % of the total share capital of the company)	0.54%
b) Non-encumbered	
- No. of Shares	648,283,800
- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	99.34%
- Percentage of shares (as a % of the total share capital of the company)	82.24%

Gopal Krishnan
Sr. Vice President & Co. Secretary

M P S Narang
Vice President
Finance & Accounts

As per our review report of even date attached
for & on behalf of
V Sahai Tripathi & Co.
Chartered Accountants



Manish Mohan
Partner
M.No.091607

Place : New Delhi
Date : 28th January, 2013