

CHATURVEDI & CO.

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF JAGAT TRADING ENTERPRISES LIMITED

Report on the audit of the Financial Results

1. Opinion

We have audited the accompanying financial results ("the Statement") of Jagat Trading Enterprises Limited (hereinafter referred to as "the Company"), for the quarter and the year ended March 31, 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

- a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the quarter and the year ended March 31, 2020.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those SAs are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



3. Management's Responsibilities for the Financial Results

These financial results have been prepared on the basis of the annual financial statements

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

4. Auditor's Responsibilities for the Audit of the financial results

Our objectives are to obtain reasonable assurance about whether the financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place adequate internal financial controls with reference to financial results and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of directors.



Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

5. Other Matter

The Statement include the results for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2020 and March 31, 2019 and the year to date figures upto the third quarter of the current financial year and previous financial year respectively which were subject to limited review by us.

Dubai
July 31, 2020



For CHATURVEDI & CO.
Chartered Accountants
Firm Registration No. 302137E

PANKAJ
CHATURVEDI

Digitally signed by
PANKAJ CHATURVEDI
Date: 2020.07.31
13:21:42 +05'30'

PANKAJ CHATURVEDI
Partner
Membership No. 091239

UDIN: 20091239AAAAAN2977

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www.jtel.co.in, E Mail ID: jagattradingenterpriseslimited@gmail.com
CIN: L74999DL1982PLC014411

(Rs in Thousand except EPS)

Statement of Audited Financial Results for the Quarter and Year Ended March 31, 2020					
Particulars	Quarter Ended			Year Ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Unaudited	Audited	Audited	Audited
	(Refer Note -10)		(Refer Note -10)		
1 Revenue from operations					
a) Interest income	867.66	756.16	697.50	3,095.06	3,430.38
b) Dividend income	201.35	229.92	318.68	457.43	335.91
c) Net gain on fair value changes	-	2,011.78	975.14	-	-
	1,069.01	2,997.86	1,991.32	3,552.49	3,766.29
2 Other income	76.56	13.01	94.72	250.09	276.12
3 Total Income (1+2)	1,145.57	3,010.87	2,086.04	3,802.58	4,042.41
4 Expenses					
a) Finance costs	522.99	456.03	684.26	1,981.76	2,760.96
b) Net loss on fair value changes	14,349.28	-	-	14,945.13	5,945.68
c) Impairment of financial assets	(9.15)	(1,195.20)	(1,390.60)	(1,204.35)	1,147.50
d) Employee benefits expenses	1,153.48	1,561.47	1,238.13	5,033.40	4,748.25
e) Depreciation and amortization	2.57	2.57	12.73	10.29	23.75
f) Other expenses	726.26	394.23	1,131.52	2,161.05	8,459.27
Total Expenses (4)	16,745.43	1,219.10	1,676.04	22,927.28	23,085.41
5 Profit / (Loss) before exceptional items and tax (3-4)	(15,599.86)	1,791.77	410.00	(19,124.70)	(19,043.00)
6 Exceptional items	-	-	-	-	-
7 Profit/(loss) before tax (5-6)	(15,599.86)	1,791.77	410.00	(19,124.70)	(19,043.00)
8 Tax Expense:					
a) Current tax (including tax related to earlier period)	-	-	-	-	68.51
b) Deferred tax	(1,057.53)	818.17	280.18	(567.70)	(506.45)
9 Profit / (loss) for the period (7-8)	(14,542.33)	973.60	129.82	(18,557.00)	(18,605.06)
10 Other Comprehensive Income					
A (i) Items that will not be reclassified to profit or loss	(155.23)	-	-	(155.23)	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	40.36	-	-	40.36	-
Sub Total A)	(114.87)	-	-	(114.87)	-
B (i) Items that will be reclassified to profit or loss	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
Sub Total B)	-	-	-	-	-
Total Other Comprehensive Income (A+B)	(114.87)	-	-	(114.87)	-
11 Total Comprehensive income for the period (9+10) (Comprising profit/ (loss) and other comprehensive income for the period)	(14,657.20)	973.60	129.82	(18,671.87)	(18,605.06)
12 Paid-up equity share capital (Face value of Rs. 10 each)	50,816.40	50,816.40	50,816.40	50,816.40	50,816.40
13 Earnings per equity shares (Face value of Rs. 10 each)					
Basic (Rs.)	(2.86)	0.19	0.03	(3.65)	(3.66)
Diluted (Rs.)	(2.86)	0.19	0.03	(3.65)	(3.66)
	(Not Annualised)	(Not Annualised)	(Not Annualised)	(Annualised)	(Annualised)



(Rs in Thousand)			
Statement of Assets and Liabilities as at March 31, 2020			
	Particulars	As at	As at
		31.03.2020	31.03.2019
		Audited	Audited
<u>ASSETS</u>			
1	Financial Assets		
	a) Cash and cash equivalents	340.80	2,599.13
	b) Loans	23,499.93	18,465.87
	c) Investments	37,472.70	61,617.03
	d) Other Financial Assets	4.00	136.72
	Total	61,317.43	82,818.75
2	Non-Financial Assets		
	a) Current tax assets (net)	888.78	1,600.88
	b) Deferred tax assets (net)	1,258.93	650.88
	c) Property, Plant and Equipment	29,851.35	29,853.74
	d) Other non-financial assets	92.17	75.00
	Total	32,091.23	32,180.50
	Total Assets	93,408.66	114,999.25
<u>LIABILITIES AND EQUITY</u>			
Liabilities			
1	Financials Liabilities		
	a) Payables		
	i. Trade payables		
	- total outstanding dues of micro enterprises and small enterprises	-	-
	- total outstanding dues of creditors other than micro enterprises and small enterprises.	-	-
	b) Borrowings(Other than Debt Securities)	18,180.46	22,365.28
	c) Other financial liabilities	833.17	115.35
	Total	19,013.63	22,480.63
2	Non Financials Liabilities		
	a) Provisions	1,847.62	1,486.06
	b) Other Non-Financial Liabilities	186.72	-
	Total	2,034.34	1,486.06
3	Equity		
	a) Equity Share Capital	50,816.40	50,816.40
	b) Other Equity	21,544.29	40,216.16
	Total	72,360.69	91,032.56
	Total Liabilities and Equity	93,408.66	114,999.25

Notes :

1 The above audited financial results have been reviewed by the audit committee and approved by the Board of Directors at its meeting held on July 31, 2020 and subject to an audit by the statutory auditors.

2 The Company has adopted the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013('the Act') read with the Companies (Indian Accounting Standards) Rules 2015 (as amended) from April 1, 2019 and the effective date of such transition is April 1, 2018. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and the guidelines issued by Reserve Bank of India ('RBI') (collectively referred to as the 'Previous GAAP'). Accordingly impact of transition has been recorded in the opening reserves as at April 1, 2018 and the corresponding figures presented in these results have been restated/ reclassified.

The figures have been presented in accordance with the format prescribed for financial statements for a Non Banking Finance Company ('NBFC') in Division III of Schedule III of the Companies Act, 2013.

3 The novel corona virus (COVID-19) outbreak has disrupted the social, economic and financial structures in the country from the end of February 2020. The Country faced a national lockdown from March 25, 2020 to May 31, 2020. The reduction in the stock markets valuations on account of the COVID-19 pandemic, have impacted the valuation of Company's investments and profitability. During the quarter and year ended March 31, 2020, the sharp decrease in fair value of investments between March 1 to March 31, 2020, as a result of changes in their prices, has resulted in to accounting of net loss on fair value changes of Rs 11074.74 thousands, as at March 31, 2020.The Company will continue to monitor closely any material changes to the future economic conditions on a continuous basis.

4	Reconciliation of net profit for the previous year's corresponding quarter and year ended March 31, 2019 between Previous GAAP and Ind AS is as under:	Quarter Ended	Year Ended
		31.03.2020	31.03.2019
		(Rs in Thousand)	(Rs in Thousand)
	Net Profit after tax as per Previous GAAP	85.86	(16,974.33)
	Change in Fair Value of Investments and Other Financial assets (Net of Tax)	43.96	(1,630.73)
	Total Comprehensive Income as per Ind AS	129.82	(18,605.06)

5	Reconciliation of Other Equity reported in Previous GAAP and Ind AS is as under:	As at
		31.03.2019
		(Rs in Thousand)
	Opening balance of Reserve and Surplus reported in Previous GAAP	40,308.69
	Change in Fair Value of Investments and Other Financial assets (Net of Tax)	(92.53)
	Other Equity reported in Ind AS	40,216.16



- 6 Impairment on loan provided in the earlier years is reversed after recovery of overdue loan amount during the financial year ended March 31, 2020.
- 7 The company is exclusively engaged in Financial and Investment activity. As such there are no reportable segments as per Ind AS 108 - "Operating Segment".
- 8 Previous quarter and year ended figure have been regrouped / rearranged, wherever necessary, to comply with presentation requirement of the applicable India Accounting standard (Ind ASs) and part III of Schedule III of the Companies Act, 2013.
- 9 Other Expenses for the year ended as on March 31, 2020 includes donation of Rs 500 thousand
- 10 Figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2020 and March 31, 2019 and the year to date figures upto the third quarter of the current financial year and previous financial year respectively which were subject to limited review.

Place- New Delhi
Dated- July 31, 2020



For, JAGAT TRADING ENTERPRISES LIMITED

(Praveen Kumar Goel - Chairman)
DIN No: 00021153

A handwritten signature in blue ink, appearing to read "Goel", written over the printed name and DIN number.



Statement of Cash Flow for the year ended on March 31, 2020

(Rs. In Thousands)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
	Audited	Audited
Cash flow from operating activities		
Profit before tax	(19,124.70)	(19,043.00)
Adjustment for :		
Net gain/loss on fair value of Stock in securities	593.62	(477.51)
Dividend Income on Investments	(200.25)	(322.97)
Interest Income on Investments	(120.74)	(63.77)
Profit on sale of Investments	(1,263.88)	(1,753.37)
Net gain/loss on fair value of Investment	6,651.58	2,051.28
fair valuation of financial instruments	(46.56)	136.52
Finance Costs	1,981.76	2,760.96
Depreciation and Amortization	10.29	23.75
Impairment of Loan	(1,204.35)	1,147.50
Operating profit before working capital changes	(12,723.23)	(15,540.61)
Increase/(decrease) in Financial liabilities	717.82	9.38
Increase/(decrease) in Provisions	206.33	239.91
Increase/(decrease) in Non-financial liabilities	186.72	-
(Increase)/Decrease in Stock in securities	12,234.41	(8,834.68)
(Increase)/decrease in Non-financial assets	(17.17)	0.60
Finance expenses paid	(2,666.57)	(395.68)
(Increase)/decrease in Other financial assets	132.71	328.92
Cash generated from operations	(1,928.98)	(24,192.17)
Direct Tax paid (Net of refund)	712.10	981.30
Net cash flow from/ (used in) operating	(1,216.88)	(23,210.86)
(Increase)/Decrease in Loans	(3,783.15)	26,753.17
Net cash flow from/ (used in) operating activities (A)	(5,000.03)	3,542.31
Cash flows from investing activities		
Purchase of Property Plant Equipment	(7.90)	-
(Purchase)/Sale of Investments(net)	5,928.61	1,677.25
Dividend Income on Investments	200.25	322.97
Interest Income on Investments	120.74	63.77
Net cash flow used in investing activities (B)	6,241.70	2,063.99
Cash flows from financing activities		
Repayments of Borrowings	(3,500.00)	(6,500.00)
Net cash flow from financing activities (C)	(3,500.00)	(6,500.00)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(2,258.33)	(893.70)
Cash and cash equivalents at the beginning of the year	2,599.13	3,492.83
Cash and cash equivalents at the end of the year	340.80	2,599.13
Components of cash and cash equivalents		
Cash on Hand	9.30	16.17
Balance with banks	331.50	2,582.96
- on current accounts		
Total cash and cash equivalents	340.80	2,599.13

