



JET KNITWEARS LTD.

CIN - L19101UP1996PLC019722

Manufacturers & Exporters of Quality Knitted Undergarments

Ref: 2908/JKL/2019-20

August 29, 2019

To
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra-Kurla Complex
Mumbai-400051

Sub: Submission of Annual Report for the Financial Year 2018-19

*** Symbol: JETKNIT**

Dear Sir/Madam,

In compliance with Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements), 2015, we are enclosing herewith the Annual Report along with Notice of the Annual General Meeting for the Financial Year 2018-19.

The Annual Report containing the Notice is also uploaded on the Company's https://www.jetlycot.com/media/wysiwyg/pdf/Annual_Report_2018-19.pdf

Kindly take the same into your records.

Thanking you,
Yours Faithfully

For JET KNITWEARS LIMITED

(Divya Saxena)

Company Secretary & Compliance Officer



Encl: As Above

- 🏠 119/410, B-1, Darshanpurwa, Kanpur -208012, U.P., INDIA
- ☎ +915122217553 📠 +915122296128
- 🏭 57 A, Dada Nagar, Kanpur, U.P., INDIA
- 🏠 26 A, Appachi Nagar, Kongu Main Road, Tirupur-641607, Tamilnadu
- @ info@jetknit.com 🌐 www.jetlycot.com
- 🛒 Shop online at: www.jetlycot.com





2018-19

23rd ANNUAL REPORT



 Shop online at: www.jetlycot.com

Jet Knitwears Ltd.

Head Office : 119/410, B-1, Darshanpurwa,
Kanpur - 208012 (U.P) India
Tel. : +91 512 2217553 Fax : +91 512 2296128
Unit : Appachi Nagar, 3rd Street, Kongu main road,
Tirupur - 641607 (T.N.)
e-mail : info@jetknit.com



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About Jet Knitwears Limited

Excellence is a tradition at Jet Knitwears Ltd., which has helped it grow manifold. From its humble beginning in 1969, it has grown today to be one of the leading manufacturers of Cotton Hosiery products in Uttar Pradesh with a strong marketing workforce and a Distributor & Wholesalers network along with more than 5000 retailers.

Our long standing tradition of excellence coupled with diligent service and unwavering commitment towards our customers has earned us their trust in such a way that we command a market share of 45%-50% in the markets where we have a presence.

Our in-house facilities conjoined with our experience in the industry have enabled us to develop and deliver breakthrough products that not only make life comfortable but also make the world a better place to live in. Our products have been certified to be “**Skin Friendly & Anti Bacterial**” by Facility for Ecological and Analytical Testing, IIT, Kanpur (A Govt. of India Enterprise) in the year 2002.

Company's Working Policy

- 1—कर्म में आस्था
- 2—उत्पादन प्रक्रिया में निरन्तर सुधार
- 3—उचित मूल्य पर उच्चतम उत्पाद
- 4—ग्राहक की संतुष्टि

NATIONAL AWARDS:-BY GOVT. OF INDIA.

- | | | | |
|----|-----------|---|--|
| 1- | Year 2013 | : | National Award-2011
Ist Prize- Quality Products in Micro & Small Enterprises (Undergarments). |
| 2- | Year 2010 | : | National Awards-2009 For Quality Products (Knitwears). |
| 3- | Year 2009 | : | Rajiv Gandhi National Quality Award-2008.
IInd Prize. |
| 4- | Year 2009 | : | National Awards-2007 For Quality Products (Readymade Garments). |
| 5- | Year 2008 | : | Rajiv Gandhi National Quality Award-2007
(Commendation Certificate) |



- | | | | |
|----|-----------|---|---|
| 6- | Year 2005 | : | National Award for R & D – 2003 |
| 7- | Year 2003 | : | National Award for Excellence in Quality Products-2001 (Knitwears). |
| 8- | Year 1995 | : | National Awards to Small Scale Entrepreneur's-1994. |

STATE AWARDS- BY GOVT. OF U.P.

- | | | | |
|----|-----------|---|--|
| 1- | Year 2018 | : | Laghu Udyami Protsahan State Award- 2017-18. |
| 2- | Year 2017 | : | Laghu Udyami Protsahan State Award- 2016-17 |
| 3- | Year 2016 | : | Dr. Ram Manohar Lohiya Udyami Puraskar- 2014-15. |
| 4- | Year 2013 | : | Laghu Udyami Pradesik Puraskar-2012-13. |
| 5- | Year 2005 | : | State Export Award- 2003-04. |
| 6- | Year 1994 | : | Mandliya Puraskar-1993-94. |

INTERNATIONAL AWARDS:-

- | | | | |
|----|-----------|---|--|
| 1- | Year 2008 | : | International Quality Crown Award (LONDON)-2008 |
| 2- | Year 2012 | : | Honour Certificate Well Known Brand in Asia by ABAS, Hongkong. |

ACHIVEMENTS:-

- | | | | |
|----|-----------|---|--|
| 1- | Year 2002 | : | ISO-9002 From BIS. |
| 2- | Year 2011 | : | Recorded in LIMCA BOOK OF RECORDS- 2011. |
| 3- | Year 2016 | : | Listed in Share Market (NSE) |

It has been a long and motivating journey towards this pinnacle of success and no efforts are being spared to further strengthen the accomplishments of the company.



Company Strategy

- **Purpose:** To be a leader in the Hosiery Undergarments and Casual Wears by providing enhanced services, relationship and profitability.
- **Vision:** To provide quality services that exceeds the expectations of our esteemed customers.
- **Mission statement:** To build long term relationships with our customers and clients and provide exceptional customer services by pursuing business through innovation and advanced technology.
- **Core values:**
 1. We believe in treating our customers with respect and faith.
 2. We grow through creativity, invention and innovation.
 3. We integrate honesty, integrity and business ethics into all aspects of our business functioning
- **Goals:**
 1. Regional expansion in the field of Hosiery Undergarments and Casual Wears and develop a strong base of key customers.
 2. To build good reputation in the field of Hosiery Undergarments and Casual Wears and become a key player in the industry.



MANAGING DIRECTOR'S MESSAGE



DEAR SHAREHOLDER,

It is my privilege to write to you and present the Annual Report for 2018-19 as the Managing Director of the Board of your Company. I'm particularly pleased with how the Company has performed in the domestic market. Despite the disruption due to the impact of the Goods and Service Tax, we continued to execute on our strategy to improve customer advocacy, drive value from our core business and build pathways to future growth. We have taken the change over to the new tax regime in our stride and we welcome the efforts made by the Government to formalize the economy. As business evolves, the biggest challenge of any company is to ensure smooth leadership succession and cultural continuity. I am very proud of and grateful for what your Company has achieved over the past 23 years.

With improved sales performance with right strategy and strong delivery your company generates considerable revenue growth. As we all know that our company has continued to grow as a lean and agile organization in the past years, despite the challenging economic conditions in India but still the performance is satisfactory.

We firmly believe that the strength of our brands underpins our growth momentum. In FY 2018-19, revenue from operations increased to 9.95%. Total revenue stood at ₹4732.85 Lakhs in FY 2018-19 as against ₹4304.59 Lakhs in the previous year. Profit before Tax (PBT) increased to ₹200.67 Lakhs in FY 2018-19 from ₹162.24 Lakhs in FY 2017-18 which shows growth of about 23.69%.

This performance has been achieved through continuous focus on customer centric initiatives, strengthening of network capabilities and widespread deployment of information technology. As you all already know that your Company is having a strong network of more than 5000 retailers, which are being served directly by the Company through various retailers depot of the Company. To give boost to casual wear section, this year we launched our new product of Jeans with the Brand "LYCOT AUSTRALIA" Jeans which is also available online. This product



will be marketed throughout the marketing field of the Company. To support future growth and to give boost to clothing segment we will add more items like Shirts in the range in near future. Your Company is also trying its best efforts to expand its market in other states of the Country to boost up its sales.

The Company firmly believes that the employees are its most valuable asset. This belief is translated into action through a number of initiatives for improving employee engagement, capability building, empowerment and thought leadership to yield consistent growth.

Our Directors, Executives, Managers, Employees work as a team to achieve good practices and with these new guidelines vow to work with more zeal and confidence.

On behalf of the Board, I would like to thank our employees, management team, dealers, customers, suppliers and all other stakeholders for their commitment in the excellent performance during the year. I would also like to take this opportunity to thank my colleagues on the Board for their mature counsel.

Finally, I thank you for your continued trust, confidence and support.

Thanking You

(Balram Kumar Narula)
Managing Director



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Balram Kumar Narula, Managing Director
Mr. Rakesh Kumar Narula, Whole Time Director
Mr. Anil Kumar Narula, Whole Time Director
Mr. Ramesh Chandra, Independent Director
Mr. Ashok Chandra Bajpai, Independent Director
Mrs. Dinesh Parashar, Independent Director

CHIEF FINANCIAL OFFICER

Mr. Ankur Narula

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Divya Saxena

AUDITORS

- **Statutory Auditor**

Rajiv Mehrotra & Associates
3/3A, Vishnupuri
Kanpur- 208002

- **Internal Auditor**

SPK & Co. Chartered Accountants
305, Block C, Shyam Nagar,
Kanpur-208007

- **Secretarial Auditor**

CS Gopesh Sahu, Company Secretaries
205-A, Anand Tower 117/K/13, Sarvodaya Nagar,
Kanpur-208025

BOARD COMMITTEES

- **Audit Committee**

Mr. Ramesh Chandra, Chairman
Mr. Balram Kumar Narula, Member
Mrs. Dinesh Parashar, Member

- **Nomination and Remuneration Committee**

Mr. Ramesh Chandra, Chairman
Mr. Ashok Chandra Bajpai, Member
Mrs. Dinesh Parashar, Member



- **Stakeholders Relationship Committee**

Mr. Ashok Chandra Bajpai, Chairman
Mr. Rakesh Kumar Narula, Member
Mrs. Dinesh Parashar, Member

BANKERS

- HDFC Bank Ltd
- State Bank of India
- Bank of Baroda

WORKS

- 57-A, Dada Nagar, Kanpur- 208022
- 26A, Appache Nagar, Kongu Main Road, Tirupur- 641607

REGISTRAR AND SHARE TRANSFER AGENT

Big Share Services Pvt Ltd

E2/3, Ansa Industrial Estate,
Sakivihar Road,
Sakinaka, Andheri(E),
Mumbai-400072
SEBI Registration No: INR000001385

REGISTERED OFFICE

119/410-B-1 Darshan Purwa Kanpur
Uttar Pradesh - 208012
CIN: L19101UP1996PLC019722
Website: www.jetlycot.com

Email ID: info@jetknit.com
compliance@jetknit.com

Tele No: 0512:2217553,
0512-2296128

BRANCH OFFICE

26A, Appache Nagar, Kongu Main Road,
Tirupur-641607, Tamil Nadu.

Email ID: info@jetknit.com,
anilknarula@gmail.com

Tele No: 0421-2224014,
09362248612

**DIRECTORS' REPORT**

To
The Members of
JET KNITWEARS LIMITED

Your Directors have pleasure in presenting their 23rd Annual Report on the business and operations of the Company and the Audited Financial Statements for the Financial Year ended March 31, 2019.

1.FINANCIAL SUMMARYOR HIGHLIGHTS/STATE OF COMPANY AFFAIRS

The Summarized Standalone Results of your Company is given in the table below:

(₹ In Lakhs)

Particulars	2018-19	2017-18
Total Revenue	4733.50	4306.75
Earning before Finance Costs, Depreciation and amortization Expenses and Taxes	367.43	323.74
Less: Finance Cost	109.59	99.45
Less: Depreciation & Amortization Expenses	57.17	62.05
Profit/ Loss before Tax	200.67	162.24
Less: Tax Expense (including deferred tax and tax adjustment of earlier years)	55.33	42.22
Profit After Tax	145.34	120.02
Add: Balance of profit brought forward	392.72	272.69
Less: Appropriations	-	-
Transfer to General Reserve	-	-
Income Tax Adjustment (Net)	-	-
Balance at end of the Year	538.07	392.72

2. MAJORHIGHLIGHTS OF FINANCIAL PERFORMANCE

The financial year 2018-19 has been successful year for your Company. The major highlights pertaining to the business of the Company for the year 2018-19 are given below:

- The total Revenue from operations of the Company during the financial year 2018-19 was ₹4732.85Lakhs against the revenue from operations of ₹4304.59 Lakhs in the previous financial year 2017-18 and thus showing a marginal growth of 9.95%.
- The Profit before tax is ₹ 200.67Lakhs as compared to ₹162.24 Lakhs for the previous year and thereby showing the growth of about 23.69%.
- The EBITDA increased to ₹ 367.43 Lakhs from ₹ 323.74 Lakhs in the previous year and thus showing growth of about 13.49%.
- The Profit after tax is ₹145.35 Lakhs as compared to ₹ 120.02 Lakhs for the previous year and thereby showing the growth of about 21.10%.



- The Earning per Share has also shot up to ₹ 3.30 as against ₹ 2.89 in the Previous Year.

3. GROWTH STRATEGY

This Year Company has adopted the strategy of market penetration by which we have launched our new Brand “LYCOT AUSTRALIA” Jeans which seeks to have a mass appeal by providing exclusive jeans at very minimal price points. This will help in setting new benchmark in the market and adding more customer base.

4. SUBSIDIARY / ASSOCIATE COMPANY/JOINT VENTURE

Company does not have any Subsidiary / Associate Company. There were no Joint Ventures entered into by the Company during the financial year 2018-19.

5. DIVIDEND

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for promoting its business activities and therefore, do not propose any dividend for the Financial Year ended March 31, 2019.

6. RESERVES

The Company has not transferred any amount to its reserves, the details in respect of which can be verified from the audited financial statement forming part of this report.

7. SHARE CAPITAL

During the year under review, your Company's Authorised Share Capital remained unchanged at ₹ 65 Crore (Rupees Sixty Five Crore Only) comprising 6,50,00,000 Equity Shares of ₹ 10 each. The Paid Up Equity Capital as at March 31, 2019 remained at ₹ 44072000.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Following persons are the Key Managerial Personnel of the Company as on March 31, 2019, pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder:

- Mr. Balram Kumar Narula - Managing Director
- Mr. Anil Kumar Narula - Whole-Time Director
- Mr. Rakesh Kumar Narula - Whole-Time Director
- Mr. Ankur Narula - Chief Financial Officer
- Ms. Divya Saxena - Company Secretary and Compliance Officer

Retirement by Rotation:

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Rules made thereunder, Mr. Anil Kumar Narula (DIN No: 00274462), Whole Time Director of the Company, is liable to retire by rotation at ensuing Annual General Meeting and being eligible has offered himself for re-appointment. The Board recommends his re-appointment.

**Independent Directors Declaration:**

Pursuant to the provisions of Section 149 of the Act, Mr. Ramesh Chandra, Mr. Ashok Chandra Bajpai, and Mrs. Dinesh Parashar are Independent Directors of the Company. They have submitted a declaration that each of them meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as an Independent Director during the year.

Based on the declaration(s) of Independent Directors, the Board of Directors recorded their opinion that all the Independent Directors are independent of the management and have fulfilled the conditions as specified in the Companies Act, 2013 and Rules made there under as well as concerning provisions of SEBI (LODR) Regulations, 2015.

9. EVALUATION OF BOARD'S PERFORMANCE

Your Company being listed on SME Exchange – "NSE Emerge" is exempt under Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, pursuant to the provisions of section 134 (3) (p) of Companies Act, 2013, the Board has carried out annual evaluation of the performance of the Board, its Committees and of individual directors. The manner in which the evaluation has been carried out has been explained in Nomination & Remuneration Policy. Further, the Independent Directors of the Company met once during the year on February 27, 2019 to review the performance of the Executive Directors of the Company and performance of the Board as a whole.

The Company has devised a policy naming (Policy on Nomination & Remuneration and Board Diversity) for performance evaluation of Independent Directors, Board, Committees and other individual directors which includes the criteria and process for the performance evaluation of the Executive/ Non executive Directors and Committees and board as a whole. The policy is available on the website of the Company i.e. www.jetlycot.com.

10. REMUNERATION POLICY

The Company has a Policy relating to appointment of Directors, payment of Managerial Remuneration, Director's qualification, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and is available on the Company's Website (<http://jetlycot.com/policy-of-nomination>).

11. RISK MANAGEMENT POLICY

The Company has business Risk Management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on its business objectives and enhance its competitive advantage. It defines the risk management approach across the Company at various levels including the documentation and reporting. Audit Committee of the Company has been entrusted with responsibility to assist the Board in (a) Overseeing the Company's Risk Management process and controls, risk tolerance and Capital Liquidity and funding (b) Setting Strategic plans and objectives for Risk Management and review of Risk Assessment of the Company (c) Review of the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, product risk and reputational risk as well as the guidelines and processes for monitoring and mitigating such risks. During the period under review, the Company has not identified any element of risk which may threaten its existence or are very minimal.



12. WHISTLE BLOWER POLICY AND VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy establishing Vigil Mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. This Policy provides adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The Policy of Vigil Mechanism is available on the Company's Website (<http://jetlycot.com/whistle-blower>)

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given any Loans or Guarantees covered under the provisions of Section 186 of the Companies Act, 2013. The details of the investments made by the Company are stated in the notes to audited financial statements.

14. INTERNAL FINANCIAL CONTROLS SYSTEM

The Board has adopted policies and procedures for governance of orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The Company's internal control systems commensurate with the nature of its business, the size and complexity of its operations.

15. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Your Company did not have any funds lying unpaid or unclaimed which were required to be transferred to Investor Education and Protection Fund (IEPF) under section 125 of Companies Act, 2013.

16. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented in a separate section, forming part of the Annual Report.

17. HUMAN RESOURCES

The Company believes that people are its most valuable assets. To this extent, the Company provides a fair and inclusive environment that promotes new ideas, respect for the individual and equal opportunity to succeed. Experience, merit and performance, leadership abilities, strategic vision, collaborative mindset, teamwork and result orientation are actively promoted and rewarded through an objective appraisal process.

The number of people employed as on March 31, 2019 was 50 (March 31, 2018 was 59). Your Company wishes to put on record its deep appreciation of the co-operation extended and efforts made by all employees.



18. CORPORATE SOCIAL RESPONSIBILITY

The provisions of section 135 of the Companies Act 2013 were not been applicable on the Company, hence your Company was not required to constitute CSR Committee or to formulate CSR Policy in this regard. However, your Company keeps on contributing on voluntarily basis towards the social welfare schemes of social organizations including donation for providing free Homeopathic Medicines to the poor and needy patients.

19. PARTICULARS OF EMPLOYEES

Disclosure with respect to the remuneration of Directors and employees as required under Section 197 (12) of Companies Act, 2013 and Rule 5(1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as ‘ANNEXURE-I’ to this Report.

20. MATERIAL CHANGES AFFECTING THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business of the Company.

21. AUDITORS AND THEIR REPORT

Statutory Auditor

In terms of the provisions of Section 139 of the Companies Act, 2013, read with provisions of the Companies (Audit and Auditors) Rules, 2014 as amended, M/s. Rajiv Mehrotra & Associates, Chartered Accountants, (FRN: 002253C) Kanpur, was appointed as the Statutory Auditors of the Company in the Annual General Meeting held on 29.09.2017 to hold office till the conclusion of the 26th Annual General Meeting to be held for the financial year ended as on 31st March 2022 in accordance with the provisions of the Companies Act, 2013. As per the Companies (Amendment) Act, 2017, the terms of ratification of appointment and remuneration of the Auditor by the members at every Annual General Meeting had been omitted. Hence, the ratification of appointment and remuneration of the Auditor by the members at every Annual General Meeting shall no more be required.

Audit Report

The notes on financial statement referred to in the auditor’s report are self-explanatory. There are no qualification, reservation or adverse remarks or disclaimer made by the auditors in their report and do not call for any further explanation/comment from the board. No frauds are reported by the Auditors which fall under the purview of sub section (12) of Section 143 of the Companies Act 2013.

The Auditor’s Report for the financial year 2018-19 does not contain any qualification, reservation or adverse remark.

Internal Auditor

M/s SPK & Co. Chartered Accountants, a reputed firm of Chartered Accountants, is the Internal Auditors of the Company. The Audit Committee of the Board of Directors in consultation with the Internal Auditor formulates the scope, functioning, periodicity and methodology for conducting the internal audit.



Secretarial Auditor

The Board had appointed Mr. Gopesh Sahu, Practicing Company Secretary, Proprietor of CS Gopesh Sahu, Practicing Company Secretaries, Membership No. 7100 and C.P. No. 7800 to undertake the Secretarial Audit of the Company for the year ended March 31, 2019.

The Secretarial Audit Report for the financial year ended March 31, 2019 annexed herewith is marked as Annexure II to this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Cost Audit

The provisions of Section 148 of the Companies Act 2013 read with the Companies(Cost and Audit) Rules, 2014 and Rule 14 of the Companies(Audit and Auditor) Rules, 2014 are not applicable to the Company.

22.CHANGE IN THE NATURE OF BUSINESS

During the year, the Company had introduced a new segment in their clothing business by launching Jeans under new Brand “LYCOT AUSTRALIA”. However, there is no change in the nature of business of the Company.

23.CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provisions of Section 134 read with the Companies (Accounts) Rules, 2014 regarding conservation of energy, and technology absorption are furnished hereunder:

Conservation of Energy

S.No	Particulars	Details
1.	The steps taken or impact on conservation of energy	<p>a) The Company uses indigenous winch machines for processing hosiery cloth which uses lower horse power as per industry norms.</p> <p>b) The Company uses more energy efficient IRO knitting machines which consumes less power than ordinary traditional knitting machines.</p> <p>The Company continually takes steps to absorb and adopt the latest technologies and innovations in the Garment Industry. These initiatives should enable the facilities to become more efficient and productive as the company expands, thus helping to conserve energy.</p>
2.	The steps taken by the Company for utilizing alternate sources of energy	The Company has installed 60 KW solar units which completely eliminate the consumption of electricity from the grid and your Company is in the course of assessing more efficient alternate source of energy suitable for our business operation.
3.	The capital investment on energy conservation equipment's	As per financial statement


Technology Absorption, Adaption and Innovation

S.No	Particulars	Details
1.	The efforts made towards technology absorption	<p>A) The Company absorbs and adapts the modern technologies on a continuous basis to meet its specific products needs from time to time. Innovation in process control, product development, cost reduction and quality improvement are being made on a continuous basis looking to the market requirements.</p> <p>B) The Company reuses the water utilized in processing of cloth which results in conserving the water. The Company has installed proper plants for the reuse of said water. The industry norm wash 1 kg of hosiery cloth and our standard machines. The Company is having “Effluent Treatment Plant” to process the effluent in water subsequent to which some of the water is reused.</p>
2.	The benefits derived like product improvement, cost reduction, product development or import substitution	Certified skin friendly and anti bacterial undergarments by IIT, Kanpur.
3.	<p>In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): -</p> <p>a) The details of technology imported: N.A</p> <p>b) The year of import</p> <p>c) Whether the technology been fully absorbed</p> <p>d) If not fully absorbed areas where absorption has not been taken place and the reasons thereof</p>	<p>The Company has not imported any during the last three years reckoned from the beginning of the financial year.</p> <p>N.A</p> <p>N.A</p> <p>N.A</p> <p>N.A</p>
4	The expenditure incurred on Research and Development.	During the year under review the Company has not incurred any material amount of expenditure on research and development activity in Company

Foreign exchange earnings and outgo

During the financial year 2018-19 under review, the foreign exchange earnings and outgo is **NIL**.

24. EXTRACT OF ANNUAL RETURN

As required under section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in MGT 9 forms a part of this Annual Report as ‘**ANNEXURE III**’ and is also available on the Company’s Website www.jetlycot.com under ‘Investor Desk’ Column.



25. BOARD MEETINGS

The Board of Directors of the Company has an optimum composition of Executive and Non-Executive Independent Directors in compliance with the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. As on March 31, 2019, Board of Directors comprise of 6 Directors out of which 3 are Executive Directors and 3 are Non Executive Independent Directors including 1 Woman Director.

The numbers of Independent Directors are 3 which are in compliance with the stipulated one half of the total number of Directors. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company. Every Independent Director at the first meeting of the Board in which he/she participate as a Director and thereafter at the first meeting of the Board in every financial year gives a declaration that he/she meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015.

The Board of Directors met 8 times during the financial year 2018-19. The meetings were held on April 17, 2018, May 07, 2018, May 30, 2018, July 25, 2018, August 27, 2018, October 05, 2018, November 14, 2018 and March 12, 2019. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days.

The following table gives the composition and category of the Directors on the Board, their attendance at the Board Meetings during the year and the last Annual General Meeting, and also the number of Directorships and Committee Memberships / Chairmanships held by them in other Companies:

Name of Directors	Category/Designation	Meetings held during the year	Meetings Attended	Attendance at the last AGM held On September 27, 2018	Number of Directorships and Committee Memberships/Chairmanships		
					Other Directorships (*)	Committee Memberships (*)	Committee Chairmanships (*)
Mr. Balram Kumar Narula	Promoter/ Managing Director	8	8	Yes	-	-	-
Mr. Anil Kumar Narula	Promoter/ Whole Time Director	8	3	Yes	-	-	-
Mr. Rakesh Kumar Narula	Promoter/ Whole Time Director	8	8	Yes	-	-	-
Mr. Ashok Chandra Bajpai	Non Executive Independent Director	8	6	No	-	-	-
Mr. Ramesh Chandra	Non Executive Independent Director	8	8	Yes	-	-	-
Mrs. Dinesh Parashar	Non Executive/Women Director	8	5	No	-	-	-

***Notes:**

1. For the purpose of the above, Directorship in other Public Limited Companies is only considered.
2. In accordance with Regulation 26 of the SEBI (LODR) Regulations, Membership(s)/ Chairmanship(s) of only Audit Committee and Stakeholder Relationship Committees in all Public Limited Companies (excluding Jet Knitwears Limited) have been considered.



26. COMMITTEES OF THE BOARD

The Company has constituted various committees for the smooth functioning of the Board. The composition of all Board Committees is in accordance with the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. Details of committees are as given below:

Audit Committee

Audit Committee of the Board of Directors of the Company has an optimum composition of Executive, Non Executive Independent Director as required under Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

During the Financial Year, Members of Audit Committee met 5 times. Audit Committee Meetings held on April 17, 2018, May 30, 2018, August 27, 2018, November 14, 2018 and March 12, 2019. The Committee reviewed the Related Party Transactions, Statement of Deviation and Variation, Half Yearly and Annual Financial Statements before submission to the Board. The composition of Audit Committee as on March 31, 2019 and the details of Members attendance at the meetings of the Committee are as under:

Chairman and Members	Category	Meetings held during the year	Meetings attended
Mr. Ramesh Chandra	Chairman	05	05
Mr. Balram Kumar Narula	Member	05	05
Mrs. Dinesh Parashar	Member	05	05

Nomination and Remuneration Committee

The Nomination and Remuneration Committee acts in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 read with Regulations of SEBI (LODR) Regulations, 2015.

The members of Nomination and Remuneration Committee met 1 times during the year on October 05, 2018. The composition of Nomination and Remuneration Committee as on March 31, 2019 and the details of Members attendance at the meetings of the Committee are as under:

Chairman and Members	Category	Meetings held during the year	Meetings attended
Mr. Ramesh Chandra	Chairman	01	01
Mr. Ashok Chandra Bajpai	Member	01	01
Mrs. Dinesh Parashar	Member	01	01

Shareholders/Investors Grievance Committee

The Shareholders/Investors' Grievance Committee acts in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 read with Regulation of SEBI (LODR) Regulations, 2015.

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 (if any).

During the Financial year ended as on March 31, 2019, Five (5) Shareholders/Investors' Grievance Committee Meetings were held on April 17, 2018, May 07, 2018, July 25, 2018, November 14, 2018, and March 12, 2019. The composition of the Shareholders/Investors' Grievance Committee as on March 31, 2019 and the details of Members attendance at the meetings of the Committee are as under:



Chairman and Members	Category	Meetings held during the year	Meetings attended
Mr. Ashok Chandra Bajpai	Chairman	5	5
Mr. Rakesh Kumar Narula	Member	5	5
Mrs. Dinesh Parashar	Member	5	5

Committee of Directors

The Board of Directors of the Company has constituted a committee for considering those matters which are not mandatorily required to be taken up in duly convened Board Meetings specified under the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The committee is constituted to take decisions pertaining to day to day business activities of the Company more promptly and to take all the decisions for which board meeting is not specifically required to be conducted as per the provisions of Section 179 of the Companies Act 2013, or other provisions, if any, rules made there under, subject to any amendment, re-enactment or modification thereof. During the Financial Year ended as on March 31, 2019, Two (2) Meetings of Committee of Directors were held on December 24, 2018 and March 27, 2019. The composition of the Committee of Directors as on March 31, 2019 and the details of Members attendance at the meeting of the Committee are as under:

Chairman and Members	Category	Meetings held during the year	Meetings attended
Mr. Balram Kumar Narula	Chairman	2	2
Mr. Rakesh Kumar Narula	Member	2	2
Mr. Ramesh Chandra	Member	2	2

27. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered by the Company during the FY 2018-19 with related parties were on an arm's length basis and in the ordinary course of business. There were no material related party transactions (RPTs) undertaken by the Company during the year that require shareholders' approval under Regulation 23(4) of the SEBI Listing Regulations or Section 188 of the Act. The approval of the Audit Committee was sought for all RPTs. All the transactions were in compliance with the applicable provisions of the Act and SEBI Listing Regulations.

Given that the Company does not have any RPTs to report pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2, the same is not provided.

A policy on related party transactions and dealing with related parties as approved by the Board has been posted on the company's website <http://jetlycot.com/related-party>.

28. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti- Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013. A Complaint Redressal Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. There is zero tolerance towards sexual harassment. Any act of sexual harassment invites serious disciplinary action. No complaints pertaining to Sexual Harassment were received during the Financial Year 2018-19.



29.DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) That in the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013 have been followed along with proper explanation relating to material departures;
- ii) That such accounting policies as mentioned in Notes to the Financial Statements have been selected 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 as at March 31, 2019 and of the profit and loss of the company for that period ended on 31st March 2019;
- iii) That proper and sufficient care has been taken 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;
- iv) That the annual financial statements have been prepared on a going concern basis;
- v) That the proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- vi) Proper systems were devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

30. SHARE PRICE DATA

The details of monthly High Low Price (s) of shares of the Company on National Stock Exchange SME Platform are as under:

Month	High (in ₹)	Low (in ₹)
April' 2018	110.00	91.25
May' 2018	101.00	74.00
June' 2018	71.50	64.65
July' 2018	75.60	68.10
August' 2018	75.00	67.85
September' 2018	67.75	64.40
October' 2018	65.00	53.00
November' 2018	52.50	50.00
December' 2018	60.65	53.20
January' 2019	50.55	48.05
February' 2019	52.90	47.80
March' 2019	55.00	41.50



31. CORPORATE GOVERNANCE

Your Company is committed to maintain good Corporate Governance practices and is committed to the highest standards of compliance. Pursuant to the Regulations 15 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance with the corporate governance provisions as specified in the Regulations 17 to 27 and clauses (b) to (i) of Regulations 46(2) and Para C, D, and E of Schedule V shall not apply to the Company, as the securities of the Company are listed on the SME Exchange.

Therefore, the Corporate Governance Report is not applicable to the Company.

32. SECRETARIAL STANDARDS

The Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

33. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review.

- a) Details relating to deposits covered under Chapter V of the Companies Act 2013.
- b) Issue of equity shares with differential right as to dividend, voting or otherwise.
- c) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Options Plan referred to in this Report.
- d) No significant or material orders were passed by the Regulators or Courts or tribunals which impact the going concern status and Company's operation in future.
- e) No fraud has been reported by the Auditors to the Audit Committee or the Board.

34. ACKNOWLEDGEMENT

Your Directors wish to place on record its sincere appreciation for the assistance and co-operation extended by the employees at all level, customers, vendors, bankers and other associates and look forward to continue fruitful association with all business partners of the company. Your Directors are especially grateful to the shareholders for reposing their trust and confidence in the Company. Our consistent growth is only possible because of their hard work, solidarity, co-operation and support.

For and on behalf of the Board

Place: Kanpur
Date: 17.08.2019

(Balram Kumar Narula)
Managing Director
DIN: 00274566

(Rakesh Kumar Narula)
Whole Time Director
DIN: 00274483



ANNEXURE -I

DISCLOSURE OF INFORMATION UNDER SECTION 197(12) OF COMPANIES ACT 2013 READ WITH RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The information required under section 197 of the Act read along with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory amendments, modifications, if any, are given below:

- (i) **Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19:**

Sr. No.	Name of Director	Designation	Ratio (Remuneration of each Director to Median Remuneration)
1	Balram Kumar Narula	Managing Director	4.77
2	Anil Kumar Narula	Whole Time Director	4.77
3	Rakesh Kumar Narula	Whole Time Director	4.77

- (ii) **Percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary or Manager, if any, in the financial year 2018-19:**

During the year under review, there is an increment in remuneration paid to the Chief Financial Officer. Details of the same are given below:

Sr. No.	Name of Director	Designation	% Increase in remuneration
1	Ankur Narula	Chief Financial Officer	25%

Other than Chief Financial Officer there is no increment in remuneration paid to the Directors and Company Secretary.

- (iii) Percentage increase in the median remuneration of employees in the financial year 2018-19 is **0.41%**.
- (iv) Number of permanent employees on the rolls of Company at the end of the financial year 2018-19 is **50**.
- (v) Average percentage increase made in the salaries of employees other than managerial personnel in the financial year i.e. 2018-19 was **6.39%**, the average increase in remuneration of employees other than managerial personnel is calculated after excluding the managerial personnel and employees who are employed for the part of the year whereas the increase in remuneration of managerial personnel for 2018-19 was **25%**.
- (vi) **Affirmation, that the remuneration is as per the remuneration policy of the Company:** It is hereby affirmed that the remuneration is as per the remuneration policy for Directors, Key Managerial Personnel and other employees.

For and on Behalf of Board

Place: Kanpur

Date: 17.08.2019

(Balram Kumar Narula)
Managing Director
DIN: 00274566



ANNEXURE -II

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2019

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

To,
The Members
JET KNITWEARS LIMITED
Kanpur

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **JET KNITWEARS LIMITED (L19101UP1996PLC019722)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/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 also the 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 on 31st March, 2019 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 M/s **JET KNITWEARS LIMITED** for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Securities and Exchange Board of India (Listing Obligation And Disclosure Requirements) Regulations, 2015 and the rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (not applicable to the company during the Audit period) ;
- (vi) 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, 1992;



- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable to the company during the Audit period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the company during the Audit period);
- (f) 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 (not applicable to the company during the Audit period);
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable to the company during the Audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the company during the Audit period);
- (vi) Other Laws as per the representation given by the company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange.

During the period under review the Company has complied with the provisions of the Act(s), Rules, Regulations, Guidelines, Standards, etc.

I have relied on the information and representation made by the Company and its officers for system and mechanism formed by the company for compliances under other applicable Acts, laws and Regulations to the company.

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. The changes in the composition of the Board of Directors were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance whereas in case of shorter notices prior consent of Board members were taken, 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.

Decisions at the Board Meetings, as represented by the management, were taken unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



I further report that during the audit period, there were no events having a major bearing on the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines etc. Other than that mentioned herein below:

On June 14, 2018, 6,00,060 Equity Shares consisting of 13.62% of paid up equity share capital of the Company has been transferred between Promoter and persons belonging to the Promoter Group by way of an off market inter-se transfer of shares. However, the stated transfer had not impacted the collective holding of Promoters and the Promoter Group, similarly there was no change in the control and management of the Company due to such transfer.

CS GOPESH SAHU

FCS:7100

C.P. No. 7800

Place : Kanpur

Date : 17.08.2019

This report is to be read with our letter of even date which is annexed as Appendix A and forms an integral part of this report.



APPENDIX A

To,
The Members
JET KNITWEARS LIMITED
Kanpur.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the content of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company
4. Where ever required, i have obtained the management Representation about the compliance of laws, rules and regulation and happening of every events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

CS GOPESH SAHU
FCS:7100
C.P. No. 7800

Date : 17.08.2019

**ANNEXURE – III****FORM NO.MGT-9****EXTRACT OF ANNUAL RETURN****As on Financial Year Ended on 31.03.2019**

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS

1.	Name of the Company	JET KNITWEARS LIMITED
2.	CIN	L19101UP1996PLC019722
3.	Registration Date	02/04/1996
4.	Address of the Registered office & contact details	119/410 B 1, Darshan Purwa, Kanpur, Uttar Pradesh-208012 Tel:0512-2217553,0512-2296128 Website: www.jetlycot.com
5.	Category/Sub-category of the Company	Company limited by Shares/Non-Govt Company
6.	Whether listed company	Yes National Stock Exchange of India (EMERGE_SME Platform)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Big Share Services Pvt. Ltd. E2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri(E),Mumbai-400072 Tel: 022-28470652,022-40430200 Website: www.bigshareonline.com
8.	PAN	AAACJ3534B
9.	Email Id and Contact Number	info@jetknit.com, Tel:0512-2217553 , 0512-2296128

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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 Items, other knitted and crocheted apparel including hosiery	143	99.98%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.no	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of Shares Held	Applicable Section
NOT APPLICABLE					


IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

Category wise shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2999990	-	2999990	68.07%	3005990	-	3005990	68.21%	0.14%
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	2999990	-	2999990	68.07%	3005990	-	3005990	68.21%	0.14%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	102500	-	102500	2.33%	51500	-	51500	1.17	(1.16%)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals/ HUF	-	-	-	-	-	-	-	-	-



i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	566700	10	566710	12.86%	560700	10	560710	12.72%	(0.14%)
*ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	685500	-	685500	15.55%	714000	-	714000	16.20%	0.65%
c) Others (Firms and dealers)	-	-	-	-	-	-	-	-	-
Non Resident Indians(Repat)	36000	-	36000	0.82%	36000	-	36000	0.82%	0.00%
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	16500	-	16500	0.37%	39000	-	39000	0.88	0.51%
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	1407200	10	1407210	31.93%	1401200	10	1401210	31.79%	(0.14%)
Total Public Shareholding (B)=(B)(1)+(B)(2)	1407200	10	1407210	31.93%	1401200	10	1401210	31.79%	(0.14%)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4401790	10	4407200	100%	4401790	10	4407200	100%	0.00


) Shareholding of Promoters (including promoter Group)

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	ANIL KUMAR NARULA	304760	6.92%	NIL	445025	10.09%	NIL	3.17%
2	KANCHAN NARULA	285160	6.47%	NIL	428175	9.71%	NIL	3.24 %
3	SANDHYA NARULA	253960	5.76%	NIL	0	0.00%	NIL	-5.76%
4	RAKESH KUMAR NARULA	234860	5.33%	NIL	304595	6.91%	NIL	1.58%
5	USHA NARULA	227480	5.16%	NIL	274145	6.22%	NIL	1.06%
6	JYOTI NARULA	182000	4.13%	NIL	258280	5.86%	NIL	1.73%
7	BALRAM KMAR NARULA	153820	3.49%	NIL	240920	5.47%	NIL	1.98%
8	RAKESH KUMAR NARULA HUF	148100	3.36%	NIL	152100	3.45%	NIL	0.09%
9	ROHIT NARULA	137400	3.12%	NIL	137400	3.12%	NIL	0.00%
10	ANIL KUMAR NARULA HUF	134100	3.04%	NIL	141850	3.22%	NIL	0.18%
11	BALRAM KUMAR NARULA HUF	118340	2.69%	NIL	127840	2.90%	NIL	0.21%
12	BHUSHAN KUMAR NARULA HUF	106700	2.42%	NIL	111700	2.53%	NIL	0.11%
13	GEETA NARULA	93000	2.11%	NIL	95000	2.15%	NIL	0.04%
14	SAURABH NARULA	91100	2.07%	NIL	0	0.00%	NIL	-2.07%
15	SATISH KUMAR NARULA HUF	88100	2.00%	NIL	0	0.00%	NIL	-2.00%
16	ROHIT NARULA HUF	70700	1.60%	NIL	75700	1.72%	NIL	0.12%
17	GAURAV NARULA	68760	1.56%	NIL	0	0.00%	NIL	-1.56%
18	VAIBHAV NARULA	65100	1.48%	NIL	0	0.00%	NIL	-1.48%
19	PRASHANT NARULA	61000	1.38%	NIL	61000	1.38%	NIL	0.00%
20	ANKUR NARULA	59190	1.34%	NIL	61190	1.39%	NIL	0.05%
21	ANKUR NARULA HUF	41120	0.93%	NIL	48870	1.11%	NIL	0.18%
22	ADITYA NARULA	35000	0.79%	NIL	35000	0.79%	NIL	0.00%
23	GAURAV NARULA HUF	33040	0.75%	NIL	0	0.00%	NIL	-0.75%
24	SNEHA NARULA	7100	0.16%	NIL	7100	0.16%	NIL	0.00%
25	MADHU SABBHARWAL	100	0.00%	NIL	100	0.00%	NIL	0.00%


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

SN	Shareholders Name	Shareholding at the beginning of the year		Date	Reason	Increase/Decrease in Shareholding	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of Shares	No. of shares	% of total shares of the company
1.	Balram Kumar Narula	153820	3.49	June 14, 2018	Inter-se Transfer	87100	240920	5.47
2.	Rakesh Kumar Narula	234860	5.33	June 14, 2018	Inter-se Transfer	69735	304595	6.91
3.	Anil Kumar Narula	304760	6.92	June 14, 2018	Inter-se Transfer	140265	445025	10.10
4.	Ankur Narula	59190	1.34	June 14, 2018	Inter-se Transfer	2000	61190	1.39
5.	Jyoti Narula	182000	4.13	June 14, 2018	Inter-se Transfer	76280	258280	5.86
6.	Kanchan Narula	285160	6.47	June 14, 2018	Inter-se Transfer	140015	425175	9.65
7.	Usha Narula	227480	5.16	June 14, 2018	Inter-se Transfer	43665	271145	6.15
8.	Ankur Narula HUF	41120	0.93	June 14, 2018	Inter-se Transfer	7750	48870	1.11
9.	Bhushan Kumar Narula HUF	106700	2.42	June 14, 2018	Inter-se Transfer	5000	111700	2.53
10.	Anil Kumar Narula HUF	134100	3.04	June 14, 2018	Inter-se Transfer	7750	141850	3.22
11.	Balram Kumar Narula HUF	118340	2.69	June 14, 2018	Inter-se Transfer	9500	127840	2.90
12.	Rohit Narula HUF	70700	1.60	June 14, 2018	Inter-se Transfer	5000	75700	1.72
13.	Rakesh Kumar Narula HUF	148100	3.36	June 14, 2018	Inter-se Transfer	4000	152100	3.45
14.	Geeta Narula	93000	2.11	June 14, 2018	Inter-se Transfer	2000	95000	2.16
15.	Gaurav Narula	68760	1.56	June 14, 2018	Inter-se Transfer	(68760)	NIL	NIL
16.	Satish Kumar Narula HUF	88100	2.00	June 14, 2018	Inter-se Transfer	(88100)	NIL	NIL
17.	Saurabh Narula	91100	2.07	June 14, 2018	Inter-se Transfer	(91100)	NIL	NIL
18.	Vaibhav Narula	65100	1.48	June 14, 2018	Inter-se Transfer	(65100)	NIL	NIL
19.	Gaurav Narula HUF	33040	0.75	June 14, 2018	Inter-se Transfer	(33040)	NIL	NIL
20.	Sandhya Narula	253960	5.76	June 14, 2018	Inter-se Transfer	(253960)	NIL	NIL
21.	Kanchan Narula	425175*	9.65*	March 15, 2019 and March 25, 2019	Purchase through Market	1500 and 1500	428175	9.71
22.	Usha Narula	271145*	6.15*	March 12, 2019 and March 19, 2019	Purchase through Market	1500 and 1500	274145	6.22%

* **Note:** No. of Shares and Percentage of total shares of Mrs. Kanchan Narula and Mrs. Usha Narula is shown after taking into effect of Inter-se Transfer.



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

Shareholding pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs):								
Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year (01-04-2018)		Date	Increase/Decrease in the Shareholding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	MUKUL MAHAVIR AGARWAL *	364500	8.27	31.03.2018				
				30.03.2019			364500	8.27
2	MANEESHA NIRANJAN NAIK @	96000	2.18	31.03.2018				
				06.04.2018	-96000	Sale	0	0.00
				30.03.2019			0	0.00
3	GITA KIRTI AMBANI #	0	0	31.03.2018				
				13.04.2018	96000	Purchase	96000	2.18
				30.03.2019			96000	2.18
4	NIDHI BIYANI *	37500	0.85	31.03.2018				
				30.03.2019			37500	0.85
5	DILIP BHIKAJI SHELATKAR *	42000	0.95	31.03.2018				
				30.03.2019			42000	0.95
6	VIJAY RAMVALLABH KHETAN *	31500	0.71	31.03.2018				
				30.03.2019			31500	0.71
7	MANOJ AGARWAL *	12000	0.27	31.03.2018				
				01.06.2018	1500	Purchase	13500	0.31
				08.06.2018	4500	Purchase	18000	0.41
				20.07.2018	-1500	Sale	16500	0.37
				31.08.2018	1500	Purchase	18000	0.41
				26.10.2018	6000	Purchase	24000	0.54
				14.12.2018	-1500	Sale	22500	0.51
				21.12.2018	1500	Purchase	24000	0.54
				15.02.2019	1500	Purchase	25500	0.58
				30.03.2019	3000	Purchase	28500	0.65



8.	WEALTH FIRST PORTFOLIO MANAGERS P L *	27000	0.61	31.03.2018				
				22.03.2019	-1500	Sale	25500	0.58
				29.03.2019	-3000	Sale	22500	0.51
				30.03.2019			22500	0.51
9.	SWAPNEEL A SHAH *	24000	0.54	31.03.2018				
				30.03.2019			24000	0.54
10.	RAJEEV CHITRABHANU HUF #	0	0	31.03.2018				
				29.03.2019	24000	Purchase	24000	0.54
				30.03.2019			24000	0.54
11.	CENTRAL PARK SECURITIES HOLDING PRIVATE LIMITED @	24000	0.54	31.03.2018				
				15.03.2019	-24000	Sale	0	0
				30.03.2019			0	0
12.	MAHENDRA KUMAR KHETSHI SHAH *	19500	0.44	31.03.2018				
				30.03.2019			19500	0.44
13.	CHOICE EQUITY BROKING PRIVATE LIMITED *	19500	0.44	31.03.2018				
				06.04.2018	-4500	Sale	15000	0.34
				20.04.2018	-3000	Sale	12000	0.27
				27.04.2018	-7500	Sale	4500	0.10
				11.05.2018	-1500	Sale	3000	0.07
				18.05.2018	3000	Purchase	6000	0.14
				01.06.2018	-1500	Sale	4500	0.10
				08.06.2018	3000	Purchase	7500	0.17
				15.06.2018	-4500	Sale	3000	0.07
				06.07.2018	-1500	Sale	1500	0.03
				13.07.2018	-1500	Sale	0	0.00
				27.07.2018	1500	Purchase	1500	0.03
				03.08.2018	-1500	Sale	0	0.00
				10.08.2018	1500	Purchase	1500	0.03
				31.08.2018	-1500	Sale	0	0.00
				05.10.2018	3000	Purchase	3000	0.07
				12.10.2018	1500	Purchase	4500	0.10
				09.11.2018	1500	Purchase	6000	0.14
				30.11.2018	-6000	Sale	0	0.00
				21.12.2018	1500	Purchase	1500	0.03



	04.01.2019	1500	Purchase	3000	0.07
	08.02.2019	-1500	Sale	1500	0.03
	15.02.2019	-1500	Sale	0	0.00
	22.02.2019	1500	Purchase	1500	0.03
	01.03.2019	1500	Purchase	3000	0.07
	15.03.2019	-3000	Sale	0	0.00
	22.03.2019	1500	Purchase	1500	0.03
	30.03.2019	1500	Purchase	3000	0.07
	30.03.2019			3000	0.07

* Common top 10 Shareholders as on April 1, 2018 and March 31, 2019.

@ Top 10 Shareholders as on April 1, 2018 and Sell the Shares before March 31, 2019.

Top 10 Shareholders only as on March 31, 2019

v) Shareholding of Directors and Key Managerial Personnel:

S N	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the Year (01-04-18 to 31-03-19)			
		No. of shares	% of total shares of the company	Date	Increase/decrea se in shareholding	No. of shares	% of total shares of the compan y
1.	ANIL KUMAR NARULA (Whole Time Director)	304760	6.92%	June 14, 2018	140265 (Inter-se Transfer)	445025	10.09%
2	RAKESH KUMAR NARULA (Whole Time Director)	234860	5.33%	June 14, 2018	69735 (Inter-se Transfer)	304595	6.91%
3	BALRAM KUMAR NARULA (Managing Director)	153820	3.49%	June 14, 2018	87100 (Inter-se Transfer)	240920	5.47%
4	ANKUR NARULA (Chief Financial Officer)	59190	1.34%	June 14, 2018	2000 (Inter-se Transfer)	61190	1.39%
5	DIVYASAXENA (Company Secretary & Compliance Officer)	0	0.00%	0	0	0	0.00%



V) **INDEBTEDNESS** -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	9,20,99,680	93,01,583-	-	10,14,01,263
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	9,20,99,680	93,01,583	-	10,14,01,263
Change in Indebtedness during the financial year				
* Addition	61,11,256	-	-	61,11,256
* Reduction	-	(57,13,588)	-	(57,13,588)
Net Change	61,11,256	(57,13,588)		3,97,668
Indebtedness at the end of the financial year				
i) Principal Amount	9,82,10,936	35,87,995	-	10,17,98,931
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	9,82,10,936	35,87,995	-	10,17,98,931

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Amount
		Balram Kumar Narula	Rakesh Kumar Narula	Anil Kumar Narula	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	540000	540000	540000	1620000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-----	----	----	-----
	(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 - others, specify...	-----	----	----	-----
5	Others, please specify	-----	----	----	-----
	Total (A)	540000	540000	540000	1620000
	Ceiling as per the Act				


B. Remuneration to other directors; NIL

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	----	
1	Independent Directors	----	----	----	----	
	Fee for attending board committee meetings	----	----	----	----	
	Commission	----	----	----	----	
	Others, please specify	----	----	----	----	
	Total (1)	----	----	----	----	
2	Other Non-Executive Directors	----	----	----	----	
	Fee for attending board committee meetings	----	----	----	----	
	Commission	----	----	----	----	
	Others, please specify	----	----	----	----	
	Total (2)	----	----	----	----	
	Total (B)=(1+2)	----	----	----	----	
	Total Managerial Remuneration	----	----	----	----	
	Overall Ceiling as per the Act	----	----	----	----	

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
			Divya Saxena	Ankur Narula	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	----	2,16,000	6,00,000	8,16,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	----	----	----	----
	(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	----	----	----	----
	others, specify...	----	----	----	----
5.	Others, please specify	----	----	----	----
	Total	----	2,16,000	6,00,000	8,16,000



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-----	----	----	---	---
Punishment	-----	----	----	---	-----
Compounding	-----	----	----	---	-----
B. DIRECTORS					
Penalty	-----	----	----	---	---
Punishment	-----	----	----	---	-----
Compounding	-----	----	----	---	-----
C. OTHER OFFICERS IN DEFAULT					
Penalty	-----	----	----	---	---
Punishment	-----	----	----	---	-----
Compounding	-----	----	----	---	-----



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OVERVIEW

India's diverse economy encompasses traditional village farming, modern agriculture, handicrafts, a wide range of modern industries, and a multitude of services. Slightly less than half of the workforce is in agriculture, but services are the major source of economic growth, accounting for nearly two-thirds of India's output but employing less than one-third of its labour force. India has capitalized on its large educated English-speaking population to become a major exporter of information technology services, business outsourcing services, and software workers. India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 7.2 per cent in 2017-18 and 7 per cent in 2018-19. India has retained its position as the third largest startup base in the world with over 4,750 technology start-ups.

The economy of India is a developing mixed economy. It is the world's seventh-largest economy by nominal GDP and the third-largest by purchasing power parity (PPP). The country ranks 139th in per capita GDP (nominal) with \$2,134 and 122nd in per capita GDP (PPP) with \$7,783 as of 2018. After the 1991 economic liberalization, India achieved 6-7% average GDP growth annually. Since 2014 with the exception of 2017, India's economy has been the world's fastest growing major economy, surpassing China.

India has become a major exporter of IT services, Business Process Outsourcing(BPO) services, and software services with \$154 billion revenue in FY 2017. The IT industry continues to be the largest private-sector employer in India. India is the second-largest start-up hub in the world with over 3,100 technology start-ups in 2018-19.

India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute. India's foreign exchange reserves were US\$ 405.64 billion in the week up to March 15, 2019, according to data from the RBI.

India started recovery in 2013-14 when the GDP growth rate accelerated to 6.4% from the previous year's 5.5%. The acceleration continued through 2014-15 and 2015-16 with growth rates of 7.5% and 8.0% respectively. For the first time since 1990, India grew faster than China which registered 6.9% growth in 2015. However the growth rate subsequently decelerated, to 7.1% and 6.6% in 2016-17 and 2017-18 respectively, partly because of the disruptive effects of 2016 Indian banknote demonetization and the Goods and Services Tax (India). As of October 2018, India is the world's fastest growing economy, and is expected to maintain that status for at least three more years.

India is ranked 77th out of 190 countries in the World Bank's 2018 ease of doing business index, up 23 points from the last year's 100 and up 53 points in just two years. In terms of dealing with construction permits and enforcing contracts, it is ranked among the 10 worst in the world, while it has a relatively favourable ranking when it comes to protecting minority investors or getting credit. The strong efforts taken by the Department of Industrial Policy and Promotion (DIPP) to boost ease of doing business rankings at the state level is said to impact the overall rankings of India.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report; and is estimated to surpass USA to become the second largest



economy in terms of purchasing power parity (PPP) by the year 2040, according to a report by PricewaterhouseCoopers.

The outlook for India's long-term growth is moderately positive due to a young population and corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy. However, long-term challenges remain significant, including: India's discrimination against women and girls, an inefficient power generation and distribution system, ineffective enforcement of intellectual property rights, decades-long civil litigation dockets, inadequate transport and agricultural infrastructure, limited non-agricultural employment opportunities, high spending and poorly targeted subsidies, inadequate availability of quality basic and higher education, and accommodating rural-to-urban migration.

INDUSTRY STRUCTURE AND DEVELOPMENT

TEXTILES

India: Textile Industry

The textile industry in India traditionally, after agriculture, is the only industry that has generated huge employment for both skilled and unskilled labour in textiles. The textile industry continues to be the second-largest employment generating sector in India. It offers direct employment to over 35 million in the country.

India's overall textile exports during FY 2017-18 stood at US\$ 39.2 billion in FY18 and is expected to increase to US\$ 82.00 billion by 2021 from US\$ 31.65 billion in FY19.

The Indian textiles industry, currently estimated at around US\$ 150 billion, is expected to reach US\$ 250 billion by 2019. India's textiles industry contributed seven per cent of the industry output (in value terms) of India in 2017-18. It contributed two per cent to the GDP of India and employs more than 45 million people in 2017-18. The sector contributed 15 per cent to the export earnings of India in 2017-18. The production of raw cotton in India is estimated to have reached 36.1 million bales in FY19.

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 3.09 billion during April 2000 to December 2018.

Some of the major investments in the Indian textiles industry are as follows:

- In May 2018, textiles sector recorded investments worth Rs 27,000 crore (US\$ 4.19 billion) since June 2017.
- The Government of India announced a Special Package to boost exports by US\$ 31 billion, create one crore job opportunities and attract investments worth Rs 800.00 billion (US\$ 11.93 billion) during 2018-2020. As of August 2018, it generated additional investments worth Rs 253.45 billion (US\$ 3.78 billion) and exports worth Rs 57.28 billion (US\$ 854.42 million).



Innerwear Market Size & Growth

The innerwear industry in India holds immense growth potential and it is evident from the entry of large international brands in the Indian market in the last few years. A key factor characterizing the huge growth in the Indian innerwear market is the increasing size of the organized market and the declining share of the unorganized market resulting in growing independent brands taking charge of the market.

The Indian innerwear market continues to be underpenetrated and thereby holds immense business opportunities. The Indian innerwear market is certainly one of the most unique markets amongst the major markets of the world today. A distinctive shift from price sensitivity to brand sensitivity and preference for bold colours and innovative designs are two key trends to have emerged in this segment. Provided the positive macro and demographic fundamentals, the innerwear market has a favourable demand growth outlook over the medium-to-long term. The Indian innerwear market is expected to witness expansion in the near future. However, lesser product portfolio and high costs of brand building are expected to be the challenges for this sector. Brand sensitivity is the major trend in the Indian innerwear industry.

Indian Fashion Retail which is currently estimated at Rs 3,22,209 crore is expected to grow at a CAGR of 7.7 percent over the next decade to reach Rs 6,74,037 crore by 2027. Among all the fashion categories, innerwear has emerged as one of the fastest growing categories in last few decades. A commodity which was earlier depicted as a day-to-day essential has transformed itself into fashion wear with more emphasis on styling and comfort. Traditionally, the innerwear market was largely fragmented and unorganised. But, in last few years the organised innerwear segment has shown promising growth in both men's and women's categories.

The innerwear category, currently estimated to be worth Rs 28,781 crore, accounts for 10 percent of the total apparel market in 2017.

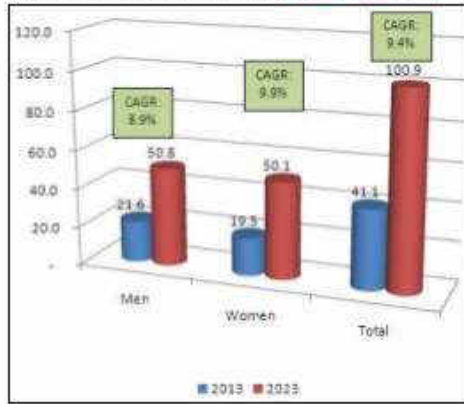
The innerwear market in India is segmented between men and the more fancy-driven women's and both markets are growing significantly. While the global men's innerwear segment is estimated to grow at a CAGR of 5.8 per cent to reach \$13.6 billion by the end of 2024, women's innerwear is projected to grow at a CAGR of 6.4 per cent to reach \$55.83 billion by the end of 2024. Growth is boosted by organised retail penetration and increase in monobrand and multibrand outlets. But Indian



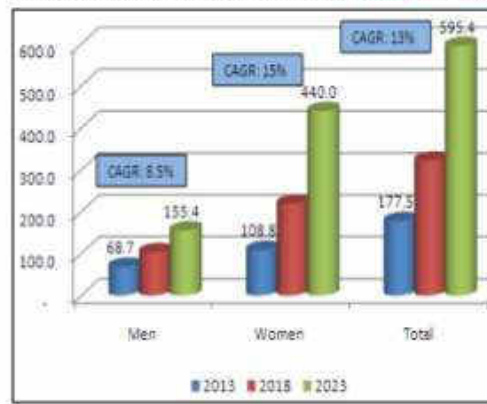
manufacturers are not able to capture its true potential. The segment is growing at an estimated CAGR of 12.2 per cent.

Innerwear segment is a **BLUE EYED GUY** in Indian Apparel Industry

Indian Apparel Industry (USD in billions)



Indian Innerwear Industry (INR in billions)



Women's Innerwear Market

The Indian innerwear market is primarily dominated by women's innerwear which accounts for 64 percent of the total innerwear market and it accounts for 15 percent of the total women's apparel market. Various product categories in women's innerwear are – brassieres, camisoles, panties, tees, nighties, shorts, etc. Brassieres and panties contribute 85 percent of the total women's innerwear segment.

Women's innerwear segment is poised to grow at an impressive growth rate of 12 percent over the next decade to reach Rs 56,364 crore by 2027 from current market size of Rs 18,454 crore.

Branded innerwear contributes 38-42 percent of the total women's innerwear market and this share is expected to grow to 45-48 percent of the total women's market by 2022.

Women are conscious about the brands and styles for their intimate wear. The trend is not restricted to just metros but can be witnessed spreading in Tier I, II and III cities. This adoption of branded lingerie has led to influx of international and domestic innerwear brands.

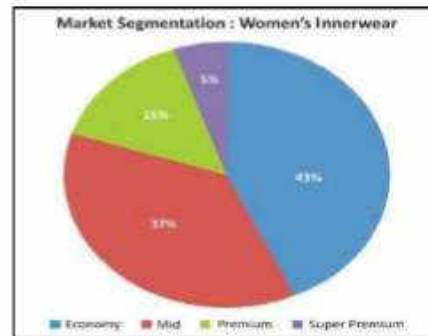
Men's Innerwear Market

The men's innerwear market is currently valued at Rs 9,477 crore and is expected to grow at a CAGR of 7 percent over the next decade to reach Rs 17,894 crore by 2027. It contributes 7 percent of the total men's apparel market.

The market is dominated by a large number of small-scale players making ~60-65 percent of the market fragmented and unorganised. However, the market segment is evolving gradually and moving towards organised retail.



Innerwear Market segmentation



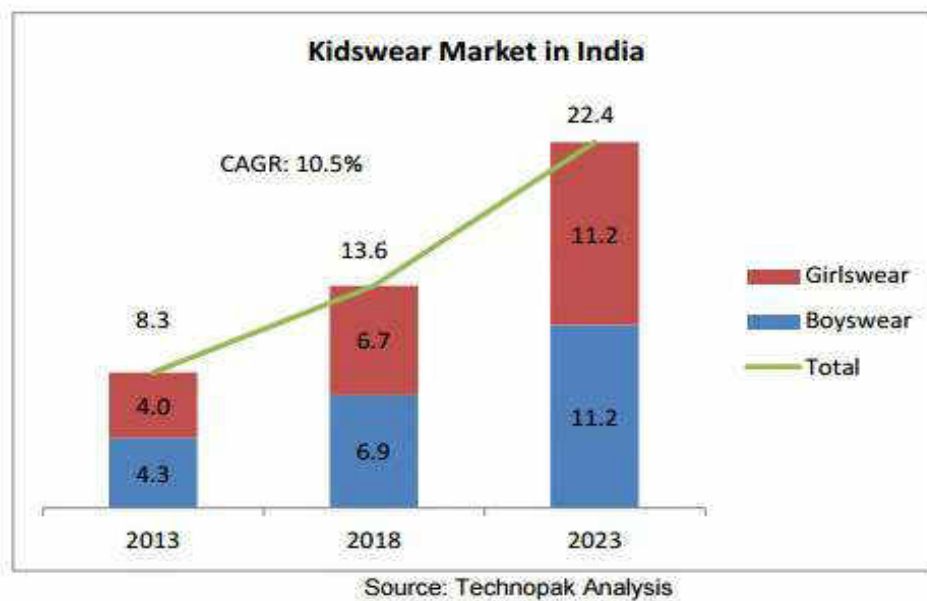
Source: Images Business of Fashion

While Economy segment dominates Male Innerwear market, Mid-Premium products drive Women Innerwear market

Kids wear

The kids segment in the innerwear category is a highly unorganised and fragmented category. Local MBOs and regional players are known for catering to kids' segment of the innerwear market. Although there are some brands for teens' innerwear, they don't have a large assortment. Kids innerwear is estimated to be worth Rs 850 crore in 2017 and is expected to grow at a promising CAGR of 12 percent over the next decade to reach Rs 2,640 crore by 2027.

Till recently, there had been no specialisation in kids' innerwear category. The same players that were manufacturing men's and women's innerwear had extended lines for kids innerwear. But, things are changing and there are specific innerwear brands for kids who are giving plethora of options in kids innerwear segment. Yet, the category holds unexploited potential which gives innerwear brands huge opportunities to tap this segment.



E-Commerce Industry

The e-commerce market has changed the way business is transacted, whether in retail or business-to-business, locally or globally. Prior to the Internet, success in retail was said to hinge on location, location and location. Now, the Internet is a global marketplace, affording even the smallest retailer a national -- if not a global -- presence. Brick-and-mortar locations now have websites, and new companies now sell products that were unthinkable prior to the Internet and the boom in related technology. The scope of the e-commerce marketplace is difficult to measure. The e-commerce market has become such a vital part of the economy that is difficult to pinpoint exactly where e-commerce begins and the old world economy ends.

E-commerce markets are growing at noticeable rates. The online market is expected to grow by 56% in 2015–2020. In 2017, retail e-commerce sales worldwide amounted to 2.3 trillion US dollars and e-retail revenues are projected to grow to 4.88 trillion US dollars in 2021. Traditional markets are only expected 2% growth during the same time. Mortar retailers are struggling because of online retailer's ability to offer lower prices and higher efficiency. Many larger retailers are able to maintain a presence offline and online by linking physical and online offerings.

E-commerce allows customers to overcome geographical barriers and allows them to purchase products anytime and from anywhere. Online and traditional markets have different strategies for conducting business. Traditional retailers offer fewer assortments of products because of shelf space where, online retailers often hold no inventory but send customer orders directly to the manufacture. The pricing strategies are also different for traditional and online retailers. Traditional retailers base their prices on store traffic and the cost to keep inventory. Online retailers base prices on the speed of delivery.

There are two ways for marketers to conduct business through e-commerce: fully online or online along with a brick and mortar store. Online marketers can offer lower prices, greater product selection, and high efficiency rates. Many customers prefer online markets if the products can be delivered quickly at relatively low price. However, online retailers cannot offer the physical experience that traditional retailers can. It can be difficult to judge the quality of a product without the physical experience, which may cause customers to experience product or seller uncertainty. Another issue regarding the online



market is concerns about the security of online transactions. Many customers remain loyal to well-known retailers because of this issue.

Security is a primary problem for e-commerce in developed and developing countries. E-commerce security is protecting business' websites and costumers from unauthorized access, use, alteration, or destruction. The type of threats include: malicious codes, unwanted programs (ad ware, spyware), phishing, hacking, and cyber vandalism. E-commerce websites use different tools to avert security threats. These tools include firewalls, encryption software, digital certificates, and passwords.

E-commerce helps create new job opportunities due to information related services, software app and digital products. It also causes job losses. The areas with the greatest predicted job-loss are retail, postal, and travel agencies. The development of e-commerce will create jobs that require highly skilled workers to manage large amounts of information, customer demands, and production processes. In contrast, people with poor technical skills cannot enjoy the wages welfare. On the other hand, because e-commerce requires sufficient stocks that could be delivered to customers in time, the warehouse becomes an important element. Warehouse needs more staff to manage, supervise and organize, thus the condition of warehouse environment will be concerned by employees.





OPPORTUNITIES AND THREATS

Opportunities

The Indian textile industry has several strengths. First is the availability of low cost labour. The nation has skilled manpower at very low prices which in turn reduces the cost of production. Increasing fashion consciousness and consumers becoming more aspirational, discerning and brand savvy. Another opportunity for the Indian textile industry is elimination of quotas. After the removal quotas there is increase in the exports of textiles and clothing to the United States and European Union but not as much as China. The industry has also taken some steps to improve the brand value of India.

The Company has a range of products such as Innerwears, Socks, T-shirts, Lowers and Thermals which are available in superior cotton fabrics and vibrant styles enabling it to cater to the demands of the consumers of our products in various markets. We are having a wide range of retailer network of more than 5,000 retailers who are served being directly by our sales depots in the different parts of North India. We have been marketing our products through strong brands “JET” and “LYCOT”. “JET” is 30 years old whereas “LYCOT” is 10 years old.

Threats

High competition from other Asian countries like China and other countries pose a risk to the growth prospects of the Indian textile industry. These countries are meeting customer preferences by providing innovative textile products having great design and quality at lower prices. Continuous Quality Improvement is need of the hour as there are different demand patterns all over the world. Your Company faces intense competition between established brands and private labels.

OUTLOOK

The future of the apparel market and the innerwear category appears promising. In anticipation of growing demand, the company has substantially expanded its installed capacity. Your Company operates from Kanpur with having dealers/vendors in North India. Enhancing our presence in additional region will enable us to reach out to a larger population. Further, our Company believes in maintain long term relationship with our customers by adding value through innovations, quality assurance and timely delivery of our products which will ultimately enhance our sales. It has been a long and motivating journey towards this pinnacle of success and no efforts are being spared to further strengthen the accomplishments of the company.

SEGMENT -WISE OR PRODUCT -WISE PERFORMANCE

The company is engaged in the business of manufacturing garments. Therefore there is no separate reportable segment. However, your Company have been marketing our products through strong brands “JET” and “LYCOT”. “JET” is 30 years old whereas “LYCOT” is 10 years old. Your Company believes in providing those products to our consumers that are Skin Friendly and Anti-Bacterial. Your Company markets its products through various brands like “Lycot Australia”, “Jet”, “Jet Eco”, “Fresh- Long”, “Boski” and “Take- off”. Various product manufactured by our Company are Vest, Underwear (including Boxers, Briefs & Trunks), Brassiere, Panties, Socks, T-shirts, Thermals, Lowers, etc. Our Company caters to everyday range of comfortable Innerwear, Socks, T-shirts and Thermals which are available in superior cotton fabrics, vibrant styles and are ideally suited for men and women. Product wise Performance during the year is as under:



(₹In Lakhs)

S.NO	PRODUCT WISE DETAILS	2018-19	2017-18
1.	Hosiery Products	3776.08	3591.34
2.	Winter Garments	392.41	178.55
3.	Ladies Garments	308.72	266.49
4.	Cotton Cloth	228.55	268.21
5.	Jeans	27.08	-
Total		4732.84	4304.59

RISK AND CONCERN

The Company has robust risk management procedures to identify and evaluate risks on an ongoing basis. The Company believes that risks that are well managed can create opportunities, whereas risks that are incorrectly managed could lead to financial and reputation loss. Appropriate steps are taken in consultations with all concerned to mitigate such risks. The following are some of the key risks as perceived by the Company:

- **Availability of Labour**

The ability to retain existing talent and attract new talent assumes crucial importance. The industry is growing at a fast pace, in a highly labour intensive sector and demand for experienced and trained manpower is outstripping supply. The Company has created long term plans with the objective of motivating employees to create a sense of “belonging” and a ‘feel good’ environment. The company is also aggressively taking steps to monitor and improve productivity, which will mitigate the impact of labour and material cost increases to some extent.

- **Economic Uncertainty:**

Slow economic growth in the international or national economies and uncertainties regarding future economic prospects, among other things, could affect consumer discretionary spending and therefore can impact business. Through brand strengthening and expanding presence across the globe the Company endeavours to mitigate the impact of this risk as far as possible.

- **Increase in Input and Labour costs:**

The availability of raw materials at reasonable rates is one of the main concerns of the company. However the company is confident that increases in raw material cost, if and when they occur, can be passed on to consumers because of the strong pricing power of its brands. The company is also aggressively taking steps to monitor and improve productivity, which will mitigate the impact of labour and material cost increases to some extent.

INTERNAL CONTROL SYSTEM AND ADEQUACY

Management has overall responsibility for the Company’s internal control system to safeguard the assets and to ensure reliability of financial records. The Company has an adequate internal control system commensurate with its size and nature of its business. The Company has a detailed budgetary control system and the actual performance is reviewed periodically and decisions taken accordingly. The Company also conducts regular internal audits to test the adequacy and efficacy of its internal control processes and bring out any deviation to internal control procedures.



MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

In order to achieve operational excellence and maintain a competitive edge, the Company invests in building and nurturing a strong talented pool by instituting best practices with respect to its employees. The Company makes substantive and sustained efforts towards building an eco-system which promotes the development and advancement of all its employees and employees feel a sense of belonging to the company and camaraderie with their team, and aspire for individual excellence while contributing to achieve departmental objectives. The Company has strength of about 50 employees as on March 31, 2019.

CAUTIONARY STATEMENT

Statements in the Management Discussion Analysis describing the Company's objectives, projections, estimates and expectations may be considered as "forward looking statements" within the meaning of applicable securities laws and regulations. The Company cannot guarantee that these assumptions are accurate or will be realized. Actual results could differ materially from those expressed or implied. The Company assumes no responsibility in respect to the forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.



INDEPENDENT AUDITORS' OPINION

TO THE MEMBERS OF JET KNITWEARS LIMITED REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the standalone financial statements of Jet Knitwears Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss, and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 31 March 2019, and profit and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER

We draw attention towards the fact that debtors, creditors, Loans and advances are subject to confirmations from the respective parties.

Our opinion is not qualified in respect of the same.

KEY AUDIT MATTERS

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risk of material misstatement of the standalone financial statements. The result of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Substantial Movement of Stock upto production of Finished Goods



The company avails services of over thirty job workers and has inter dependent manufacturing facilities in two States in India. In addition, the company has several depots. The above entails substantial movement of raw material, semi finished materials and finished goods from one location to another; and at any given point of time, the stocks (of various stages) belonging to the company may be found at several locations. The movement of stock is the key to the business and was therefore considered as one of the 'Key Audit Matters'. Verification of the internal controls with respect to inventory management and movement, recording of consumption, valuation of stocks as at the reporting date involved extensive verification procedures and called for making estimates and judgments.

How our audit addressed the key audit matter

For the matter referred to above, our procedures included, among others, procedures of physical examination, end to end verification of stock transfers, other relevant documentation/correspondence, including post balance sheet date events, reports submitted to Banks and other authorities, assessing management's conclusions etc. in view of the laid down accounting and measurement principles.

OTHER INFORMATION

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon. The other information included in the annual report, are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

After the Other Information is made available to us, if, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit 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. 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS



Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 standalone financial statements. 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 standalone financial statements, 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 control 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 adequate internal financial controls with reference to standalone financial statements in place 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 management.
- Conclude on the appropriateness of management's 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 standalone financial statements 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 auditors' 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 standalone financial statements, including the disclosures, and whether the standalone financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



(A) 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 it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.

(B) With respect to the other matters to be included in the Auditors' 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 impact of pending litigations as at 31 March 2019 on its financial position in its standalone financial statements.
- ii. The Company does not have any long term contracts requiring a provision for material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2019.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For RAJIV MEHROTRA & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG.NO.002253C**

Kanpur, 30th May 2019

**(PARTNER)
ASHISH LALWANI
M.No.426684**



ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in Para 1 under ‘Report on Other legal and Regulatory Requirements’ section of our report of even date)

Re: Jet Knitwears Limited, we report that:

- (i) a. The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- b. The company has a regular programme for physical verification of all assets over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, it is reasonable having regard to the size of the company and the nature of its assets.
- c. According to the information and explanations given to us and the records examined by us and based copies on the registered sale deeds/transfer deeds etc. evidencing title in immovable properties which are freehold, we report that the immovable properties capitalized in the books of account of the company are held in its name. The Original title deeds, being pledged against loans secured from the bank, were not in possession of the company and therefore could not be verified.
- (ii) a. As explained to us, the inventory has been physically taken by the management during the year at various locations. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on physical verification of stock verified.
- b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (iii) a. The company has not granted any loans, secured or unsecured to parties covered in the register maintained under section 189 of the Companies Act 2013.
- (iv) In Our opinion and according to the information and explanations given us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any public deposits. As per the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or Tribunal.
- (vi) In our opinion and according to the information and explanations given to us, the company is not liable for maintenance of cost records u/s 148 of the Companies Act, 2013.
- (vii) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including investor education protection fund, income tax, sales tax, wealth tax, service tax, & customs duty and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, customs duty, VAT, cess and other material statutory dues were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.

<u>S. No.</u>	<u>Nature of Dispute</u>	<u>Amount</u>	<u>Period to which it relates</u>
1.	Income Tax Department	236604.13	TDS defaults of previous years
3.	Income Tax Department {(U/s 220(2)}	47814.00	A.Y.2004-05
6.	Income Tax Department {(U/s 220(2)}	111770.00	A.Y.2011-12
7.	Service Tax Department	449823.00	01.04.2007 to 31.07.2011



- (b) As per the information and explanations given to us and on the basis of the verification of the records of the company, the details of statutory dues which have not been deposited on account of disputes are as under:
- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank. The company has not issued debentures.
- (ix) In our opinion and according to the information and explanations given to us, the company has applied term loans for the purposes for which the same were availed.
- (x) According to the information and explanations given to us, no fraud by the company or on the company by its officers or 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, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
- (xii) The company is not a Nidhi Company and hence the reporting under clause (xii) of CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the company has complied with Sections 177 and Section 188 of the Companies Act, 2013, where applicable, for all transactions with related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company. The company has however made a Rights Issue to existing shareholders, which has been covered under clause (ix) above.
- (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 its directors or directors of its subsidiary or associate companies or persons connected with them and hence provisions of section 192 of Companies Act, 2013 are not applicable.
- (xvi) In our opinion the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For RAJIV MEHROTRA & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG.NO.002253C**

Kanpur, 30th May 2019

**(PARTNER)
ASHISH LALWANI
M.No.426684**

**ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT**

(Referred to in Para 2(f) under ‘Report on Other legal and Regulatory Requirements’ section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER SECTION 143(3)(I) OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls with reference to financial statements of Jet Knitwears Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Opinion

In our opinion, to the best of our information, and according to the explanations given to us, the company has, in all material aspects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls over financial reporting were operating effectively as at March 31st 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in Guidance Note of Audit of International Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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 issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements 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, to the extent applicable to an audit of internal financial controls, 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 with reference to Financial Statements were 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 with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements 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 controls based on the assessed risk. The procedures selected depend on the auditor’s judgment, 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 with reference to Financial Statements.

***Meaning of Internal Financial Controls With Reference to Standalone Financial Statements***

A company's internal financial controls with reference to Financial Statements 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 controls with reference to Financial Statements 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Financial Statements, 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For RAJIV MEHROTRA & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG.NO.002253C**

Kanpur, 30th May 2019

**(PARTNER)
ASHISH LALWANI
M.No.426684**



BALANCE SHEET AS AT 31st MARCH 2019

PARTICULARS	NOTE NO.	AS AT 31.03.2019	AS AT 31.03.2018
		` P.	` P.
EQUITY AND LIABILITIES			
SHAREHOLDER'S FUNDS			
Share Capital	2	44,072,000	44,072,000
Reserves and Surplus	3	119,795,832	105,260,990
NON-CURRENT LIABILITIES	4		
Long Term Borrowings		6,274,611	10,766,533
Long Term Provisions		1,432,690	1,152,993
CURRENT LIABILITIES			
Short Term Borrowings	5	95,524,320	90,634,729
Trade Payables	6	51,538,230	32,567,880
Other Current Liabilities	7	15,077,290	14,409,019
Short Term Provisions		5,841,500	4,670,100
T O T A L		339,556,474	303,534,244
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	8	25,166,388	25,778,984
Deferred tax Assets (Net)	9	1,210,200	896,800
Non Current Investments	10	25,000	25,000
CURRENT ASSETS			
Inventories	11	96,296,448	81,144,461
Trade Receivables	12	186,911,112	166,425,833
Cash and Cash Equivalents	13	7,289,018	14,382,418
Short-Term Loans and Advances	14	21,280,363	13,838,804
Other Current Assets	15	1,377,944	1,041,944
T O T A L		339,556,474	303,534,244

Significant Accounting Policies
As Per Our Report of Even Date

1

For and on Behalf of the
Board of Directors of Jet Knitwears Ltd.

For Rajiv Mehrotra & Associates
Firm Reg.No.002253C
Chartered Accountants

ASHISH LALWANI
(PARTNER)
M.No.426684

Balram Kumar Narula
Managing Director

Rakesh Kumar Narula
Whole-Time Director

Kanpur, 30th May 2019

Ankur Narula
Chief Financial Officer

Divya Saxena
Company Secretary

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2019**

PARTICULARS	NOTE NO.	CURRENT YEAR	PREVIOUS YEAR
		` P.	` P.
INCOME			
Revenue From Operations	16	473,284,847	430,459,804
Other Income	17	65,185	216,762
TOTAL		473,350,032	430,676,566
EXPENDITURE			
Cost of Materials Consumed	18	361,189,565	367,159,352
Net (Increase)/Decrease in Stock	19	(12,794,864)	(30,651,164)
Employee Benefit Expense	20	12,335,683	11,405,920
Financial Costs	21	10,959,821	9,945,476
Depreciation and Amortization Expense	8	5,717,195	6,205,792
Other Expenses	22	75,875,191	50,386,728
TOTAL		453,282,591	414,452,105
Profit before exceptional & extraordinary items and tax		20,067,441	16,224,461
Profit Before Tax		20,067,441	16,224,461
Tax Expenses			
Current Tax		5,841,500	4,670,100
Deferred Tax		(313,400)	(499,261)
Tax Adjustment- earlier years		4,550	51,480
Net Profit for The Year		14,534,791	12,002,142
Profit Carried to Balance Sheet		14,534,791	12,002,142
Earnings Per Share (Rs.)			
- Basic (Face Value of Rs.10 each)		3.30	2.89
- Diluted (Face Value of Rs.10 each)		3.30	2.89

Significant Accounting Policies
As Per Our Report of Even Date

1

For and on Behalf of the
Board of Directors of Jet Knitwears Ltd.

For Rajiv Mehrotra & Associates
Firm Reg.No.002253C
Chartered Accountants

ASHISH LALWANI
(PARTNER)
M.No.426684

Kanpur, 30th May 2019

Balram Kumar Narula
Managing Director

Rakesh Kumar Narula
Whole-Time Director

Ankur Narula
Chief Financial Officer

Divya Saxena
Company Secretary


CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

Particulars		Year Ended 31.03.2019	Year Ended 31.03.2018
		Amount (₹)	Amount (₹)
I) CASH FROM OPERATIONS			
A.	PROFIT AFTER TAX	14534842.57	12002141.55
B.	ADJUSTEMENTS:		
	Depreciation	5717195.14	6205792.32
	Finance Costs	10959820.77	9945476.15
	Interest Received	(32904.91)	(116762.04)
	Deferred tax	(313400.00)	(499261.00)
	Provision for Gratuity	279697.00	1152993.40
		31145250.58	28690380.38
Adjustments for Changes in working Capital			
	Decrease/(Increase) in Sundry Debtors	(20485279.49)	(26530880.79)
	Decrease/(Increase) in Loans & Advances	(7441558.61)	4011043.58
	Decrease/(Increase) in Other Current Assets	(336000.00)	768700.00
	Decrease/(Increase) in Inventories	(15151986.70)	(32042788.95)
	Decrease/(Increase) in Non-Current Assets	0.00	0.00
	Increase/(Decrease) in Trade Payables	18970350.35	10505201.51
	Increase/(Decrease) in Current Liabilities	668271.49	129446.03
	Increase/(Decrease) in Short Term Provisions	1171400.00	375600.00
	NET CASH FROM OPERATIONS	(22604802.96)	(14093298.24)
II) CASH FROM INVESTING ACTIVITIES			
	Fixed Assets purchased during the year	(5104599.61)	(9810763.32)
	Interest Received	32904.91	116762.04
	NET CASH FROM INVESTMENT ACTIVITIES	(5071694.70)	(9694001.28)
III) CASH FROM FINANCING ACTIVITIES			
	Increase in Borrowed Funds	397668.66	(12558360.98)
	Finance Costs	(10959820.77)	(9945476.15)
	Increase in Share Capital & Security Premium	0.00	22834500.00
	NET CASH FROM FINANCING ACTIVITIES	(10562152.11)	25447384.83
Net Increase in cash and cash equivalents		(7093399.19)	(1660085.31)
Cash and Cash equivalents as at the beginning of the year		14382417.87	12722332.56
Cash and Cash equivalents as at the end of the year		7289018.68	14382417.87

1. The Cash Flow Statement has been prepared in accordance with the "Indirect Method" specified in the AS-3 of ICAI.

2. Cash & Cash equivalents comprise cash balances and balances with banks, including current deposits only.

The accompanying schedules form an integral part of the accounts.

**Significant Accounting Policies
As Per Our Report of Even Date**
1
**For and on Behalf of the
Board of Directors of Jet Knitwears Ltd.**

For Rajiv Mehrotra & Associates
Firm Reg.No.002253C
Chartered Accountants

ASHISH LALWANI
(PARTNER)
M.No.426684

Balram Kumar Narula
Managing Director

Rakesh Kumar Narula
Whole-Time Director

Kanpur, 30th May 2019

Ankur Narula
Chief Financial Officer

Divya Saxena
Company Secretary



NOTE NO.2
SHARE CAPITAL

PARTICULARS	AS AT 31.03.2019		AS AT 31.03.2018
	₹ P.		₹ P.
Share Capital <u>Authorised Share Capital</u> 65,00,000 Equity Shares Of Rs.10/- Each	65,00,000		65,00,000
<u>Issued, Subscribed & Paid Up Capital</u> 44,07,200 (P.Y.44,07,200) Equity Shares Of Rs.10/- Each Fully Paid Up	44,072,000		44,072,000
	44,072,000		44,072,000

The company has only one class of equity shares .the same are with equal voting rights.

a) Reconciliation of Shares outstanding as at beginning and end of the Reporting Period

Particulars	AS AT 31.03.2019		AS AT 31.03.2018	
	No.	Amount	No.	Amount
Balance at the beginning of the year	4,407,200	44,072,000	4,083,200	40,832,000
Add: Issued during the year	-	-	324,000	3,240,000
Less: Shares Bought Back	-	-	-	-
Balance at the end of the year	4,407,200	44,072,000	4,407,200	44,072,000

b) Terms/rights attached to equity shares

- (a) The Company has only one class of equity shares having a face value of Rs.10/- per share. Each shareholder is entitled to one vote per share.
- (b) The Company has neither paid any interim dividend during the year, nor any dividend been proposed as at the close of the year.
- (c) In the event of liquidation of the company, the net assets available for distribution (after distribution of preferential amounts), shall be distributed to the equity shareholders in proportion of their shareholding.

**c) Details of Shareholding in excess of 5% of the total issued capital of the Company**

Name of the Shareholder	AS AT 31.03.2019		AS AT 31.03.2018	
	%	No. of Shares	%	No. of Shares
KANCHAN NARULA	9.72%	428175.00	6.47%	285160.00
USHA NARULA	6.22%	274145.00	5.16%	227480.00
ANIL KUMAR NARULA	10.10%	445025.00	6.92%	304760.00
BALRAM KUMAR NARULA	5.47%	240920.00	3.49%	153820.00
RAKESH KUMAR NARULA	6.91%	304595.00	5.33%	234860.00
JYOTI NARULA	5.86%	258280.00	4.13%	182000.00
MUKUL MAHAVIR AGRAWAL	8.27%	364500.00	7.01%	309000.00

d) Aggregate number of bonus shares issued during the period of 5yrs immediately preceding the reporting date- Nil

e) Shares reserved for issue under options and contracts for the sale of shares, including terms and amounts- Nil

NOTE NO. 3**RESERVES & SURPLUS**

PARTICULARS	AS AT 31.03.2019	AS AT 31.03.2018
	₹ P.	₹ P.
SECURITIES PREMIUM		
Balance at the beginning of the year	65,988,865	51,375,000
Add: Premium Received during the year	-	21,060,000
Less: Preliminary Expenses Written off	-	(4,980,635)
Less: Expenses on Preferential Allotment	-	(1,465,500)
Balance as at the end of the year	65,988,865	65,988,865
PROFIT & LOSS		
Balance at the beginning of the year	39,272,177	27,269,983
Add: Net Profit for the Year	14,534,791	12,002,142
Balance as at the end of the year	53,806,967	39,272,125
	119,795,832	105,260,990



NOTE NO. 4
LONG TERM BORROWINGS

PARTICULARS	NON CURRENT PORTION		CURRENT MATURITIES	
	As At Mar 31, 2019	As At March 31, 2018	As At Mar 31, 2019	As At March 31, 2018
Term Loans	2,686,616	1,464,950	899,202	374,714
Loans and Advances from Related Parties-Unsecured	3,587,995	9,301,583	-	-
	6,274,611	10,766,533	899,202	374,714

1. Term loans include:

(a) Rupee Term Loan (including their current maturities) of ` 2.25 lakhs from Kotak Mahindra Prime Ltd. which is secured against hypothecation of the Company's Vehicles financed by the Bank. The Rate of interest charged is @ 9.50% p.a.

(b) Rupee Term Loan (including their current maturities) of ` 33.30 lakhs from HDFC Bank Ltd. which is secured against hypothecation of the Company's Vehicles financed by the Bank. The Rate of interest charged is @ 9.50% p.a.

2. The company has not defaulted in repayment of any interest or loans during the year, and there are no continuing defaults in respect of the same.

NOTE NO. 5
SHORT TERM BORROWINGS

PARTICULARS	As at March 31st, 2019	As at March 31st, 2018
Loans Repayable on Demand - Secured Loans From Banks		
(a) Working Capital Limits (Secured against hypothecation of inventories & receivables, as per details below)	94,625,119	90,260,016
(b) Loans against Bank Deposits (Fully secured against term deposits of the company)	-	-
(c) Current Maturities of Term Loan (Fully secured against term deposits of the company)	899,202	374,714
	95,524,320	90,634,729

1. The working capital limit have been availed from HDFC Bank which is secured against inventories and receivables of the company. The Rate of interest charged is @9.5%
2. The company has not defaulted in repayment of any interest or loans during the year, and there are no continuing defaults in respect of the same.



NOTE NO. 6
TRADE PAYABLES

PARTICULARS	As at March 31st, 2019	As at March 31st, 2018
Trade Payables for Goods		
(a) Due to micro and small enterprises	363,356	-
(b) Due to others	36,779,303	18,944,060
Trade Payables for Expenses		
(a) Due to micro and small enterprises	-	-
(b) Due to others	14,395,571	13,623,820
	51,538,230	32,567,880

NOTE NO. 7
OTHER CURRENT LIABILITIES

PARTICULARS	As at March 31st, 2019	As at March 31st, 2018
Advance from Customers	7,601,005	10,007,462
Other Payables (Including statutory dues, establishment expenses due etc.)	5,032,282	1,724,354
Security Deposits received from customers	2,444,003	2,677,203
	15,077,290	14,409,019



NOTE NO. 8																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
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NOTE NO.9
DEFERRED TAX ASSETS (NET)

PARTICULARS	As at March 31st, 2019	As at March 31st, 2018
<i>Deferred Tax Asset</i>		
Accelerated Depreciation for Tax purposes	767,500.00	540,500.00
Deductions claimed for Balance Sheet items		
Expenses allowable on payment basis	442,700.00	356,300.00
Others		
<i>Gross Deferred Tax Assets</i>	<i>1,210,200.00</i>	<i>896,800.00</i>
Net Deferred tax asset	1,210,200.00	896,800.00

NOTE 10- INVESTMENTS

PARTICULARS	As at March 31st, 2019	As at March 31st, 2018
Unquoted equity investments, fully paid up		
Jet Knit Indclus Pvt. Ltd. (2500 Shares)	25,000.00	25,000.00
	25000.00	25000.00

NOTE NO. 11
INVENTORIES

PARTICULARS	As at March 31st, 2019	As at March 31st, 2018
Raw Material	6,462,195	4,105,072
Work-In-Progress	37,573,724	36,230,340
Finished Goods	52,260,529	40,809,049
	96,296,448	81,144,461



NOTE NO. 12
TRADE RECEIVABLES
UNSECURED, CONSIDERED GOOD

PARTICULARS	As at March 31st, 2019	As at March 31st, 2018
Receivables outstanding for a period exceeding six months from the date they are due for payment	74,468,057	56,686,455
Other Receivables	112,443,055	109,739,378
	186,911,112	166,425,833

NOTE NO.13
CASH & CASH EQUIVALENTS

PARTICULARS	As at March 31st, 2019	As at March 31st, 2018
Cash In Hand	5,970,570	11,511,965
Balances With Scheduled Banks - In Current Accounts	1,318,448	2,870,453
	7,289,018	14,382,418

NOTE NO.14
SHORT TERM LOANS & ADVANCES

PARTICULARS	As at March 31st, 2019	As at March 31st, 2018
Unsecured and Considered Good Balances with Revenue Authorities	9,909,790	8,333,822
Prepaid Expenses	294,570	368,039
Other Current Assets	11,076,003	5,136,943
	21,280,363	13,838,804



NOTE NO.15
OTHER CURRENT ASSETS

PARTICULARS	As at March 31st, 2019	As at March 31st, 2018
Unsecured and Considered Good Security Deposits	1,377,944	1,041,944
	1,377,944	1,041,944

NOTE NO.16
REVENUE FROM OPERATIONS

PARTICULARS	Current Year	Previous Year
Sale of Products	487,064,349	450,038,452
	487,064,349	450,038,452
Less: Sale Tax Paid	-	5,827,701
Less: Goods & Service Tax Realised	13,779,502	13,750,947
	473,284,847	430,459,804

NOTE NO.17
OTHER INCOME

PARTICULARS	Current Year	Previous Year
Other Income	32,905	116,762
Interest Received	32,280	-
Profit on Sale of Assets	-	100,000
	65,185	216,762

NOTE NO.18
COST OF MATERIALS CONSUMED

PARTICULARS	Current Year	Previous Year
Opening Stock	4,105,072	2,713,447
Purchases	265,624,441	294,835,312
Direct Expenses	97,922,247	73,715,665
	367,651,760	371,264,424
Less: Closing Stock	6,462,195	4,105,072
Cost of Material Consumed	361,189,565	367,159,352



NOTE NO.19

**INCREASE/(DECREASE) IN FINISHED GOODS/STOCK
& WIP**

PARTICULARS	Current Year	Previous Year
Inventories at the Beginning Of The Year		
Work-In-Progress	36,230,340	33,628,889
Finished Goods	40,809,049	12,759,336
	77,039,389	46,388,225
Inventories at the End Of The Year		
Work-In-Progress	37,573,724	36,230,340
Finished Goods	52,260,529	40,809,049
	89,834,253	77,039,389
Net Increase/Decrease in Stock	(12,794,864)	(30,651,164)

NOTE NO.20

EMPLOYEE BENEFITS EXPENSES

PARTICULARS	Current Year	Previous Year
Salaries and Wages	5,185,875	3,242,618
Staff Welfare Expenses	372,412	406,076
Provision for Gratuity	279,697	1,152,993
Director's Remuneration	1,620,000	1,620,000
Bonus	367,910	277,159
Executive Salary	3,686,166	3,840,000
Stipend	99,347	177,773
Contribution to Provident Fund and other funds	724,276	689,301
	12,335,683	11,405,920

NOTE NO.21

FINANCE COSTS

PARTICULARS	Current Year	Previous Year
Bank & Other Charges	249,378	258,913
Interest Paid to Bank	10,270,696	8,685,988
Interest Paid to Others	439,747	1,000,576
	10,959,821	9,945,476



NOTE NO.22
OTHER EXPENSES

PARTICULARS	Current Year	Previous Year
Payments to Auditors as		
(a) Auditor	250,000	150,000
(b) Taxation Matters	-	-
Repairs & Maintenance	2,682,827	1,738,465
Freight & Cartage Outward	2,078,318	1,171,639
Rent	3,132,382	2,315,529
Printing & Stationery	676,767	618,824
Rebate & Discount	14,092,714	10,410,185
Bad Debts	12,914,581	3,993,139
Miscellaneous Expenses	5,694,959	3,879,604
Security Expenses	863,397	492,271
Sales Promotion	9,317,041	5,484,116
Advertisement & Publicity	9,211,402	6,222,349
Commission	5,316,091	4,045,596
Electricity Expenses	1,533,074	1,557,200
Legal, Professional and Consultancy	346,640	305,180
Charity & Donation	21,300	46,490
Rates and Taxes	229,640	261,618
Travelling Expenses	547,124	654,743
Director's Travelling Expenses	409,130	317,367
Telephone & Telex	544,086	412,298
Vehicle Running & Maintenance	5,387,291	5,685,630
Insurance	626,428	624,486
	75,875,191	50,386,728

Significant Accounting Policies
As Per Our Report of Even Date

1

For and on Behalf of the
Board of Directors of Jet Knitwears Ltd.

For Rajiv Mehrotra & Associates
Firm Reg.No.002253C
Chartered Accountants

ASHISH LALWANI
(PARTNER)
M.No.426684

Balram Kumar Narula
Managing Director

Rakesh Kumar Narula
Whole-Time Director

Kanpur, 30th May 2019

Ankur Narula
Chief Financial Officer

Divya Saxena
Company Secretary



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note no.1

Significant Accounting Policies

(A) (i) Basis of Accounting:

The Financial Statements have been prepared on the accrual basis of accounting, in Accordance with generally accepted accounting principles including the Accounting Standards notified under the Sec.133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014.

The financial statements have been prepared on a historical cost basis. The financial statements are approved for issue by the Company's Board of Directors on May 30, 2019.

(ii) Consistency:

Accounting Policies not specifically referred to otherwise are consistent and are in consonance with generally accepted accounting principles.

(iii) Current v. Non-Current classification:

The Company presents assets and liabilities in the balance sheet based on current/non- current classification.

(a) An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for purpose of trading, or
- Expected to be realized within twelve months after the reporting period.

All other assets are classified as non-current.

(b) A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.



(B) Inventories: Inventories consist of raw materials, packing materials, work-in-progress and finished goods. Inventories are valued at lower of cost and net realizable value. Cost is determined on First-In-First-Out basis.

(i) Cost of raw materials and packing materials includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

(ii) Valuation of Closing Stock of Finished Goods & Work-in-progress:

The inventory at the yearend is valued at Cost or Net Realizable Value whichever is lower.

Cost of work-in-progress and finished goods includes direct materials, labour and proportion of manufacturing overheads based on the normal operating capacity, wherever applicable.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale.

(C) Cash Flow:

Cash Flow Statement has been prepared on the basis of 'Indirect Method' as prescribed under AS-3.

(D) Provisions, Contingent Liabilities and Commitments:

- (i) Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- (ii) The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.
- (iii) If the effect of the time value of money is material, provisions are to be discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is proposed to be used, the increase in provision due to the passage of time is recognized as a finance cost.
- (iv) Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.
- (v) Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- (vi) The company has the following disputed liabilities/demand raised by Income Tax Department as on 31/3/2019.

<u>S. No.</u>	<u>Liability of Dispute</u>	<u>Amount</u>	<u>Period to which it relates</u>
1.	Income Tax Department	236604.13	TDS defaults of previous years
3.	Income Tax Department	47814.00	A.Y.2004-05
6.	Income Tax Department	111770.00	A.Y.2011-12
7.	Service Tax Department	449823.00	01.04.2007 to 31.07.2011



(E) Prior Period Items:

There are no prior period items during the year.

(F) Revenue Recognition:

Sales are recognized at the time when the risks and rewards as regards those goods are transferred to the buyer, and include Excise duty, Education cess duty, Secondary higher education cess, Sales Tax and Goods & Service tax, wherever applicable.

(G) Property, Plant & Equipment AS – 10 :

- i. Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- ii. The initial cost of an asset comprises its purchase price, any costs directly attributable to bringing the asset into its present location and condition, necessary for it to get ready for its intended use.
- iii. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- iv. Spare parts, which meet the definition of Property, plant and equipment, are capitalized as Property, plant and equipment. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit and Loss at the time of consumption.
- v. The residual value and useful lives of Property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revision to accounting estimates. During the year no such review or change was made.
- vi. Depreciation on property, plant and equipment is provided on prorata basis on straight line method using the useful lives of the assets estimated by the company and in the manner prescribed in Schedule II of the Companies Act 2013.

(H) Foreign currency transaction during the current year:

The company has not done any transaction in foreign currency during the current year.

(I) Employee Benefit Expenses:

Short term employee benefits

All employee benefits payable/available within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages and bonus, etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

Provident fund

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees' salary. The Company contributes a part of the contributions to the Government administered Provident/Pension Fund. The Company has no obligation, other than the



contribution payable to the provident fund. The Company recognizes contribution payable through the provident fund scheme as and expense, when an employee renders related services.

Other long term employee benefits

The company does not have any structured Employee's Gratuity Fund Scheme. However the company provides for its gratuity liability as a defined benefit plan. The liabilities with respect to Gratuity Plan are determined on the basis of calculation specified under Payment of Gratuity Act, 1972. The company has not undertaken any actuarial valuation against its gratuity liability.. The Company does not make any yearly/periodic contributions as regards gratuity and meets its liability from its cash accruals as and when a claim for the same arises.

(J) Borrowing Cost:

The company has not incurred any borrowing cost, in terms of AS-16 for the purpose of acquiring land, construction of building or acquiring other Fixed Assets for the pre installation period.

(K) Segment Reporting:

The Company's main business is manufacturing of apparels. There is no separate segment within Company as defined by 'AS – 17 Segment Reporting' issued by the Institute of Chartered Accountants of India.

(L) Related Party Disclosers:

(a) Key Management Personnel

Anil Kumar Narula, Ankur Narula, Balram Kumar Narula, Rakesh Kumar Narula

(b) Enterprises over which Directors and their relatives are able to exercise significant influence:

Anil Kumar Narula HUF, Ankur Kumar Narula HUF, Balram Narula HUF, Bhushan Narula HUF, Gaurav Narula HUF, Rakesh Kumar Narula HUF, Rohit Narula HUF, Satish Narula HUF

(c) Relatives of Key Managerial Personnel:

Gaurav Narula, Jyoti Narula, Kanchan Narula, Madhu Sabbharwal, Meena Narula, Namrata Narula, Prashant Narula, RadhikaNarula, Rohit Narula, Ruchi Narula, Sandhya Narula, Shashi Sabbharwal, Saurabh Narula, Usha Narula, Vaibhav Narula

(Amount in Rs.)

Particulars	Key Management Personnel	Relatives of Key Managerial Personnel	Enterprises over which Directors & their Relatives are able to exercise significant influence
Rent	320400.00	133600.00	-
Remuneration	2220000.00	2220000.00	-
Interest	18415.00	242286.00	119371.00

**(M) Earning per Share:**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share consolidation, without a corresponding change in resources, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares, if any.

The company has not issued any potentially dilutive equity shares.

(N) Tax Expense:

Tax expense for the year comprises of current tax and deferred tax.

- a) **Current Tax:** Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.
- b) **Deferred Tax:** Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
Deferred tax assets and liabilities are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

(O) Several debit and credit balances are subject to confirmation by parties.

(P) Previous Year's figures have been regrouped/rearranged wherever necessary to conform to the figures for the current year.

**As Per Our Report of Even Date
For Rajiv Mehrotra & Associates
Firm Reg.No.002253C
Chartered Accountants**

**ASHISH LALWANI
(PARTNER)
M.No.426684**

Kanpur, 30th May 2019



JET KNITWEARS LIMITED

Reg Office: 119/410-B-1Darshan Purwa Kanpur UP 208012

CIN: L19101UP1996PLC019722, Contact No: 0512-2217553, 2296128

Website: www.jetlycot.com E-mail: info@jetknit.com

NOTICE

Notice is hereby given that the Twenty-Third Annual General Meeting of the Members of the Company will be held on **Friday, September 20, 2019** at **01:00 PM** at **Ruby Hall** at **The Ganges Club Ltd. 9/50-A, Arya Nagar, Kanpur-208002**, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements for the financial year ended on March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in place of Mr. Anil Kumar Narula (DIN:00274462) who retires by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force), and subject to the approval of members or such other approvals as may be required under any law for the time being in force, the Company hereby approves the re-appointment of Mr. Balram Kumar Narula (DIN-00274566) as Managing Director of the Company to exercise powers of day to day management of affairs of the Company as may be entrusted by the Board of Directors of the Company from time to time for a further period of 3 (Three) years from the expiry of his present term of office, i.e. w.e.f May 14, 2020, on such terms and conditions including remuneration as set out in the Explanatory Statement, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/ or remuneration as it may deem fit.

RESOLVED FURTHER THAT where in any Financial Year during the tenure of Managing Director, the Company has no profits or its profits are inadequate, Mr. Balram Kumar Narula, (DIN-00274566) Managing Director shall be entitled to remuneration by way of salary and perquisites, benefits and amenities as specified supra, not exceeding the ceiling laid down in



schedule V of the Companies Act, 2013 as may be decided by the Board of Directors, subject to necessary sanctions and approvals.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, desirable or expedient in this regard to give effect to this resolution.”

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 provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force), and subject to the approval of members or such other approvals as may be required under any law for the time being in force, the Company hereby approves the re-appointment of Mr. Anil Kumar Narula (DIN-00274462) as Whole-Time Director of the Company to exercise powers of day to day management of affairs of the Company as may be entrusted by the Board of Directors of the Company from time to time for a further period of 3 (Three) years from the expiry of his present term of office, i.e. w.e.f May 14, 2020, on such terms and conditions including remuneration as set out in the Explanatory Statement, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/ or remuneration as it may deem fit;

RESOLVED FURTHER THAT where in any Financial Year during the tenure of Whole-Time Director, the Company has no profits or its profits are inadequate, Mr.Anil Kumar Narula (DIN-00274462) Whole-Time Director shall be entitled to remuneration by way of salary and perquisites, benefits and amenities as specified supra, not exceeding the ceiling laid down in schedule V of the Companies Act, 2013 as may be decided by the Board of Directors, subject to necessary sanctions and approvals.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, desirable or expedient in this regard to give effect to this resolution.”

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

“RESOLVED THAT pursuant to provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force), and subject to the approval of members or such other approvals as may be required under any law for the time being in force, the Company hereby approves the re-appointment of Mr. Rakesh Kumar Narula (DIN-00274483) as Whole-Time Director of the Company to exercise powers of day to day management of affairs of the Company as may be entrusted by the Board of Directors of the Company from time to time for a further period of 3 (Three) years from the expiry of his



present term of office, i.e. w.e.f May 14, 2020, on such terms and conditions including remuneration as set out in the Explanatory Statement, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/ or remuneration as it may deem fit;

RESOLVED FURTHER THAT where in any Financial Year during the tenure of Whole-Time Director, the Company has no profits or its profits are inadequate, Mr.Rakesh Kumar Narula, (DIN-00274483) Whole-Time Director shall be entitled to remuneration by way of salary and perquisites, benefits and amenities as specified supra, not exceeding the ceiling laid down in schedule V of the Companies Act, 2013 as may be decided by the Board of Directors, subject to necessary sanctions and approvals.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, desirable or expedient in this regard to give effect to this resolution.”

By the Order of the Board
For JET KNITWEARS LIMITED

Place: Kanpur
Date: 17.08.2019

(Divya Saxena)
Company Secretary & Compliance Officer

**NOTES FOR MEMBERS' ATTENTION:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Rules framed thereunder, in respect of the Special Business under Item Nos. 3, 4 and 5 of the accompanying Notice is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE TWENTY THIRD ANNUAL GENERAL MEETING ('AGM' OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF OR HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS (48) BEFORE THE COMMENCEMENT OF THE MEETING. i.e. BY 01:00 P.M. ON SEPTEMBER 20, 2019. PROXIES SUBMITTED ON BEHALF OF COMPANIES, SOCIETIES, ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION / AUTHORITY, AS APPLICABLE, ISSUED ON BEHALF OF THE NOMINATING ORGANIZATION.**

As per Section 105 of the Companies Act, 2013 and relevant rules made there under, A person can act as proxy on behalf of not more than fifty (50) members and holding in aggregate not more than ten percent (10%) of the total share capital of the company carrying voting rights. A proxy form is annexed herewith. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

3. The relevant details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India (ICSI), in respect of the person seeking re-appointment as a Director under Item No. 2 to 5 is also annexed.
4. The Register of Members and Share Transfer books of the Company shall remain closed from September 14, 2019 to September 20, 2019 (both days inclusive).
5. Members may please note that no gifts, gift coupons, or cash in lieu of gifts will be distributed at meeting, in compliance with Section 118(10) of the Companies Act, 2013 and the Secretarial Standards issued by Institute of Company Secretaries of India.
6. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
7. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or its RTA quoting their Folio number or their Client ID number with DPID number, as the case may be.
8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-



mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agent, Bigshare Services Pvt. Ltd. to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Bigshare Services Pvt. Ltd.

9. Non-resident Indian Members are requested to inform Registrar and Share Transfer Agent, immediately of:
 - i. the change in the residential status on return to India for permanent Settlement.
 - ii the particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code number, if not furnished earlier.
10. 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 the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form shall submit their PAN details to the Company at its Registered Office or to the Registrar and Share Transfer Agent (Bigshare Services Pvt. Ltd.)
11. Members are requested to convert their Share(s) lying in physical form to the Demat form for easy transferability of Shares. For any help, the Shareholders may contact to the Registrar & Transfer Agent at email id investor@bigshareonline.com and to Company Secretary at email id compliance@jetknit.com or info@jetknit.com
12. Equity Shares of the Company are under compulsory demat trading by all the investors. Considering the advantage of scripless trading, members are encouraged to consider dematerialization of their shareholdings so as to avoid inconvenience in future.
13. Members/Proxies are requested to deposit the Attendance Slip duly filled in and signed for attending the Meeting. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution, Power of Attorney or such other valid authorizations, authorizing them to attend and vote on their behalf at the Meeting. Members who hold shares in dematerialized form are requested to bring their DP ID and client ID No.(s) for easier identification of attendance at the Meeting. Members are requested to affix their signatures at the space provided on the attendance slip annexed to the proxy form and hand over the slip at the entrance of the meeting hall.
14. SEBI & Ministry of Corporate Affairs is promoting electronic communication as a contribution to greener environment. Accordingly, as a part of green initiative, soft copy of the Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. Further, in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 136 of the Companies Act, 2013 including Rules made there under for Members who have not registered their E-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2018-19 will also be available on the Company's website www.jetlycot.com.



15. All relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on all working days, upto and including the date of the Meeting. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
16. Members desirous of obtaining any information on Annual Financial Statements of the Company at the Meeting are requested to write to the Company at least 10 (ten) days before the date of the Meeting, so that the information required may be made available at the Meeting.
17. Members may pursuant to section 72 of the Companies Act 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 file nomination in prescribed form SH-13 with the respective depository participant.
18. A route map showing direction to reach the venue of the 23rd Annual General Meeting is given at the end of this notice as per the requirement of Secretarial Standards -2 on General Meeting.
19. Voting system:
 - Pursuant to the provisions of section 108 of the Companies Act, 2013, rules 20 and 21 of the Companies (Management & Administration) Rules 2014 and sub Reg. (1) & (2) of Reg. 44 of SEBI (LODR) Regulations, 2015, the Company is not required to provide mandatorily to its members the electronic facility to exercise their right to vote at the AGM. Therefore, the facility for voting through polling paper shall be made available at the meeting and the members attending the Meeting shall be able to exercise their right at the Meeting through polling paper. A Proxy can vote in the ballot/poll process.
 - A Member present in person or by Proxy shall, on a poll or ballot, have votes in proportion to his share in the paid up equity share capital of the company, subject to differential rights as to voting, if any, attached to certain shares as stipulated in the Articles or by the terms of issue of such shares. A Member who is a related party is not entitled to vote on a Resolution relating to approval of any contract or arrangement in which such Member is a related party.
 - The Members of the Company holding shares on the “cut-off date” of September 13, 2019 are entitled to vote on the resolutions proposed. Cut-off date means the date on which the right of voting of the members shall be reckoned and a person who is not a member as on the cut-off date should treat this notice for information purposes only.
 - The results of the Ballot process will be placed by the company on its website www.jetlycot.com within 48 hours from the conclusion of the AGM and also communicated to the stock exchanges, where the shares of the company are listed.
 - The resolutions proposed will be deemed to have been passed on the date of the AGM subject to the receipt of the requisite number of votes in favour of the resolutions.
 - Mr. Gopesh Sahu, Practicing Company Secretary, (Membership No. FCS 7100) has been appointed as the Scrutiniser to scrutinise the Ballot process.
20. The details required to be given in pursuance of Regulation 36 (3) of the SEBI (LODR), Regulations, 2015 and Clause 1.2.5 of the SS-2 for re-appointment of Directors are as under:

Name of the Director and DIN	Mr. Balram Kumar Narula (00274566)	Mr. Anil Kumar Narula (00274462)	Mr. Rakesh Kumar Narula (00274483)
Designation	Promoter and Managing Director	Promoter and Whole Time Director	Promoter and Whole Time Director
Date of Birth	25/05/1951	30/03/1956	18/01/1958



Qualification	Graduate in Science	Post - Graduate in Commerce	Graduate in Commerce
Date of Original Appointment	April 10, 2009	April 02, 1996	April 02, 1996
No. of Board Meetings attended during the Year	8 out of 8	3 out of 8	8 out of 8
Experience and Expertise	<p>He founded Jet Knitwears Pvt. Ltd. in the year 1996 for the sole purpose of providing exposure of Premium Quality undergarments in a market having very low quality. Our Company under his guidance achieved the quality products benchmarking by winning 11 National Awards from the Government of India, including the most coveted First Prize in Undergarment category in India. With a rich experience of more than 45 years in Manufacturing and Marketing of Undergarments, a premium brand "LYCOT AUSTRALIA" was introduced in 2008 which is a highly admired brand with products ranging from undergarments to garments for all age groups. As a responsible citizen he is involved in various social causes and charity work which has earned him great distinction in the society.</p>	<p>He is a businessman having rich experience of more than 38 years in the marketing and manufacturing of Hosiery Undergarments. He is managing Tirupur Manufacturing Unit of the Company. He is the Member of South India Hosiery Manufacturers Association. He serves his social responsibilities by being an active member of UNICEF (A Body for Child Welfare) and Tirupura Seva Samiti (An Association doing Welfare Work for Poor People).</p>	<p>He is a businessman having rich experience of more than 32 years in hosiery manufacturing specializing in Sales and Production. He has wide experience in stitching, bleaching and knitting.</p>
Relationship between Directors, Manager and other Key Managerial Personnel	<p>Mr. Balram Kumar Narula is the real brother of Mr. Anil Kumar Narula (Whole Time Director) and Mr. Rakesh Kumar Narula (Whole Time Director) and father of Mr. Ankur Narula (Chief Financial Officer)</p>	<p>Mr. Anil Kumar Narula is the real brother of Mr. Balram Kumar Narula (Managing Director) and Mr. Rakesh Kumar Narula (Whole Time Director) and uncle of Mr. Ankur Narula (Chief Financial Officer)</p>	<p>Mr. Rakesh Kumar Narula is the real brother of Mr. Balram Kumar Narula (Managing Director) and Mr. Anil Kumar Narula (Whole Time Director) and uncle of Mr. Ankur Narula (Chief Financial Officer)</p>



Directorship in other Companies	Venus Knitwears Company Private Limited and Jet Knit Indclus Private Limited			Front Line Exports Private Limited			Front Line Exports Private Limited		
No. of Equity Shares held in the company	240920 (Jet Knitwears Limited)			445025 (Jet Knitwears Limited)			304595 (Jet Knitwears Limited)		
Terms and conditions of re-appointment & Remuneration sought for	Refer Item No. 3 to 5 of the Explanatory Statement annexed in the Notice			Refer Item No. 3 to 5 of the Explanatory Statement annexed in the Notice			Refer Item No. 3 to 5 of the Explanatory Statement annexed in the Notice		
Details of remuneration last drawn (2018-19)	5,40,000/-			5,40,000/-			5,40,000/-		
Chairmanship/Membership of Committees in the Board of other Companies	Name of the Company	Name of the Committee	Chairman/Member	Name of the Company	Name of the Committee	Chairman/Member	Name of the Company	Name of the Committee	Chairman/Member
	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

By the Order of the Board
For **JET KNITWEARS LIMITED**

Place: Kanpur
Date: 17.08.2019

(Divya Saxena)
Company Secretary & Compliance Officer


EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013:
ITEM NO. 3 to 5:

The present term of Mr. Balram Kumar Narula, as Managing Director and Mr. Anil Kumar Narula, Mr. Rakesh Kumar Narula as Whole Time Directors is expiring on May 14, 2020. They were appointed for the said post on May 15, 2015. Therefore, the Board of Directors in its meeting held on August 17, 2019 decided to re-appoint them subject to the approval of members and other such authorities as may be required under any law for the time being in force, for a period of 3 years w.e.f. May 14, 2020 and increase in their remuneration from the conclusion of this Annual General Meeting i.e. September 20, 2019. The Board has taken the decision of said re-appointment based on the recommendation of Nomination and Remuneration Committee and subject to the approval of members of the Company.

All Directors mentioned above are satisfies all the conditions set out in Part-I of Schedule V to the Act and also conditions set out under subsection(3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

A brief profile of the said Directors is provided as Annexure – A to the Notice pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements), 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

Broad particulars of the terms of re-appointment and remuneration payable are as under:

Name	Remuneration by way of Salary, Dearness Allowance, Performance Based Bonus, Commission and other Allowance
Mr. Balram Kumar Narula	Not exceeding amount of Rs. 24,00,000/- p.a.
Mr. Anil Kumar Narula	Not exceeding amount of Rs. 24,00,000/- p.a.
Mr. Rakesh Kumar Narula	Not exceeding amount of Rs. 24,00,000/- p.a.

In addition to the Salary, Allowances and Perquisites as above, the Managing Director and the Whole Time Directors shall be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified as above:

- Gratuity- As per the Rules of the Company and applicable statutory provisions, if any, from time to time.
- Leave Encashment- As per the rules of the Company but not exceeding one month for every eleven months of completed service and un-availed leaves will be allowed to be encashed at the end of the tenure.
- Conveyance- The Company shall provide one fully insured car with driver for discharge of official responsibilities by the Director.
- Telephone, Telefax and other communication facilities- The Company shall provide/ reimburse expenses in respect of one or more cellular phones(with handset) for his use, and Telephone connections with STD & ISD facilities, fax connections, Cable Internet connections and other communication facilities at the Director's residence.
- Security- The Company shall provide for round the clock security at the Director's residences.
- Travelling expenses- The Company shall provide travelling expenses for discharge of official responsibilities by the Director.

The approval of members is, therefore, sought for the re-appointment and remuneration of Mr. Balram Kumar Narula as Managing Director and Mr. Anil Kumar Narula, Mr. Rakesh Kumar Narula, as Whole



Time Directors of the Company. Mr. Balram Kumar Narula shall not be liable to retire by rotation as Director of the Company during his tenure of Managing Director of the Company.

None of the Directors of the Company except Mr. Balram Kumar Narula, Mr. Anil Kumar Narula and Mr. Rakesh Kumar Narula are deemed to be concerned or interested in the resolutions relating to their re-appointment as set out in Item Nos. 03 to 5.

The Board commends the Ordinary Resolution set out at Item No. 3 to 5 of the Notice for approval by the members.

By the Order of the Board
For JET KNITWEARS LIMITED

Place: Kanpur
Date: 17.08.2019

(Divya Saxena)
Company Secretary & Compliance Officer



JET KNITWEARS LIMITED

Reg Office: 119/410-B-1Darshan Purwa Kanpur UP 208012
CIN: L19101UP1996PLC019722, Contact No: 0512-2217553, 2296128
Website: www.jetlycot.com E-mail: info@jetknit.com

23rd Annual General Meeting ATTENDANCE SLIP

Master Folio:		DP ID**:	
No. of Shares:		Client ID**:	

I hereby record my presence at the 23rd Annual General Meeting of the Company at **Ruby Hall at The Ganges Club Ltd. 9/50-A, Arya Nagar, Kanpur-208002**, on Friday, September 20, 2019.

I am a shareholder of the Company*

I am a Proxy/Authorised Representative of the shareholders(s)*

Name of Shareholder/Proxy :

Signature of Shareholder/Proxy:

* Please strike off any one which is not applicable.

** Applicable for shareholders holding shares in electronic form.

Note: 1) Shareholder/Proxy wishing to attend the meeting must bring the Attendance Slip at the meeting and hand over the same at the entrance, duly signed.

2) No gifts would be given to Shareholders for attending the AGM, as per SEBI instructions.



JET KNITWEARS LIMITED

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23rd Annual General Meeting

PROXY FORM

Form MGT-11

[Pursuant to section 105(6) of the Companies
 Act, 2013 and rule 19(3) of the Companies
 (Management and Administration) Rules, 2014]

I/We.....
of.....
in the district ofbeing
 a member / members of **JET KNITWEARS LIMITED** hereby appoint
of.....
or failing him/her
as my/our proxy to attend and vote for me/us and on
 my/our behalf at the 23rd Annual General Meeting to be held on Friday, September 20, 2019 at 1.00 PM
 or at any adjournment thereof.

Master Folio:		DP ID**:	
No. of Shares:		Client ID**:	

Resolution No.	Resolutions	Optional*	
		For	Against
ORDINARY BUSINESS			
1	Adoption of Audited Financial Statements and Reports of the Directors and the Auditors.		
2	Appointment of Director in place of Mr.Anil Kumar Narula (DIN: 00274462) who retires by rotation and being eligible, seeks-re-appointment.		
SPECIAL BUSINESS			
3.	Re-appointment of Mr. Balram Kumar Narula (DIN: 00274566) as Managing Director of the Company.		
4.	Re-appointment of Mr. Anil Kumar Narula (DIN: 00274462) as Whole-Time Director of the Company.		



5.	Re-appointment of Mr. Rakesh Kumar Narula (DIN: 00274483) as Whole-Time Director of the Company.		
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Signed this -----day of-----2019
 Signature of Shareholder-----
 Signature of Proxy Holder(s)-----

Affix a ₹
 1/-
 Revenue
 Stamp

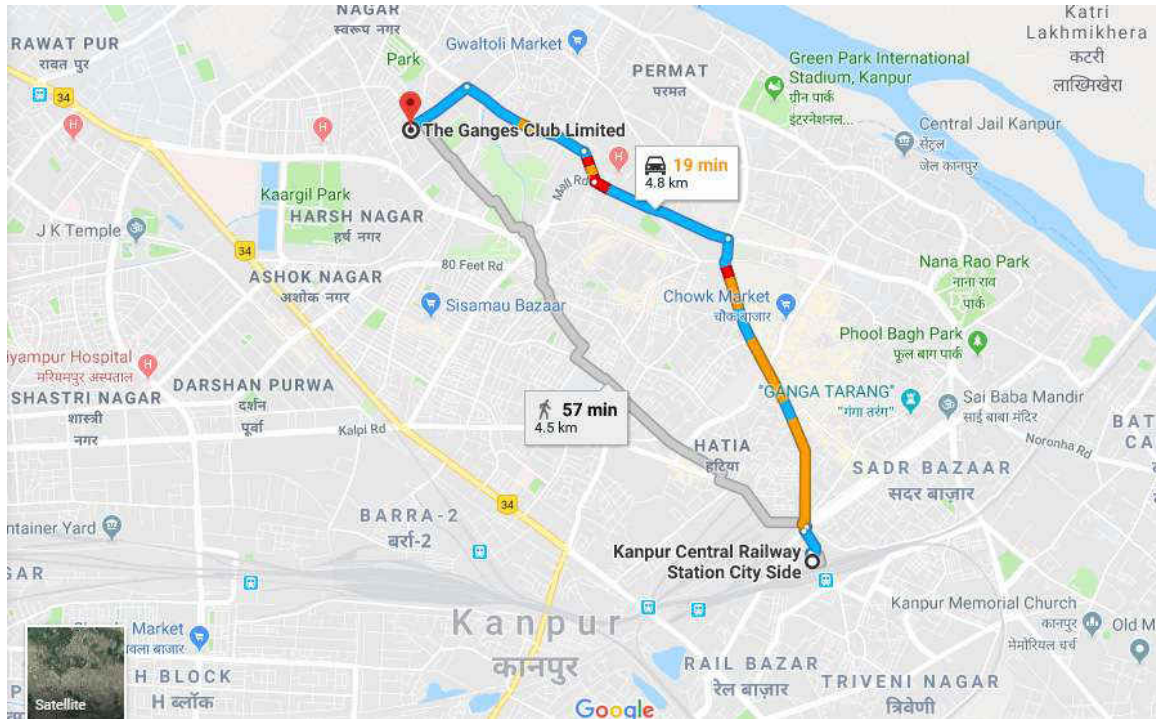
****Applicable for shareholders holding shares in electronic form.**

NOTES:

1. 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.
2. A Proxy need not be a member of the Company.
3. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
5. Appointing proxy does not prevent a member from attending in person if he so wishes.
6. In the case of joint holders, the signatures of any one holder will be sufficient, but names of all the joint holders should be stated.



ROUTE MAP TO THE AGM VENUE



This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



BOOK POST



If Undelivered, Please Return to:

JET KNITWEARS LIMITED

Reg Office: 119/410-B-1 DarshanPurwa
Kanpur UP 208012

Contact No: 0512-2217553, 0512-2296128



plus

QUILTED
THERMAL