



# JET KNITWEARS LTD.

CIN - L19101UP1996PLC019722

Manufacturers & Exporters of Quality Knitted Undergarments

August 31, 2022

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

Sirs

**Sub: Submission of Annual Report for the Financial Year 2021-22**

**Symbol: JETKNIT**

In compliance with Regulation 34 of SEBI (LODR) Regulations, 2015, we are enclosing herewith the Annual Report for the Financial Year 2021-22 along with Notice convening the Twenty-Sixth (26th) Annual General Meeting of the Company to be held on **Tuesday, September 27, 2022 at 04:00 PM** at Registered Office of the Company at 119/410, B-1, Darshan Purwa, Kanpur – 208012.

The Annual Report containing the Notice is also uploaded on the Company's website <https://www.jetlycot.com/pages/annual-reports>.

Kindly take the same into your records.

Thanking you  
Yours Faithfully

**For JET KNITWEARS LIMITED**

VISHESH  
TIWARI

**(Vishesh Tiwari)**  
**Company Secretary**  
**& Compliance Officer**

Encl: a.a

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🏠 57 A, Dada Nagar, Kanpur, U.P., INDIA

🏠 26 A, Appachi Nagar, Kongu Main Road, Tirupur-641607, Tamilnadu

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PREMIUM DENIM

## Jet Knitwears Ltd.

Head Office: 119/410, B-1, Darshanpurwa,  
Kanpur (U.P) India

Unit: Appachi Nagar, 3rd Street,  
Kongu main road, Tirupur (T.N.)

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 Shop online at: [www.jetlycot.com](http://www.jetlycot.com)

2021-22 —  
26<sup>th</sup> ANNUAL  
REPORT



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## About Jet Knitwears Limited

**Jet Knitwear Ltd** was started in 1969 for the sole purpose of being one of the leading manufacturers of Cotton Hosiery products to deliver quality products. Over the years, with dedication and hard work we have managed to establish a strong marketing workforce and a Distributor & Wholesalers network along with more than 5000 retailers in our home base of Uttar Pradesh.

The result of commitment and hard work led us to be pioneers in our field by being awarded by the Government of India several times on the basis of our Quality products, Research and Development and Entrepreneurship. 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 have helped us to win our customers trust. This trust has made our customers Brand Loyal to an extent wherein generations of our customers and consumers are associated with us. To ensure absolute professionalism in our work ethics our Company has the following work policies:

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

### Company's 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:**
  - We believe in treating our customers with respect and faith.
  - We grow through creativity, invention and innovation.
  - We integrate honesty, integrity and business ethics into all aspects of our business functioning
- **Goals:**
  - To build good reputation in the field of Hosiery Undergarments and Casual Wears and become a key player in the industry.
  - Regional expansion in the field of Hosiery Undergarments and Casual Wears and develop a strong base of key customers.



## MANAGING DIRECTOR'S MESSAGE

### Dear Stakeholders

Ever since we commenced our journey, our prime focus has been to be a part of maximum possible Indian households with a differentiated portfolio of brands. For nearly past two decades, we are pursuing this vision, and have crossed many milestones along the way.

This fiscal year, yet again our country faced the blow of second wave of covid-19 omicron variant beginning in March 2021, with much more devastating effects than the first. Compared to the first wave, the second wave created much more havoc due to shortages of vaccines, hospital beds, oxygen cylinders and other medical supplies in parts of the country.



Unlike the response to the first wave, India adopted a strategy of imposing lockdowns and movement restrictions in a localized manner which helped to limit the impact of second wave on industrial and business activities as compared to the first wave.

We faced many obstacles and hurdles during the year. Extra-ordinary & unusual hikes and frequent fluctuations in prices of cotton & other materials, shortage and price hikes of packaging materials, hike in fuel prices, Russia-Ukraine crisis were all hitting the textile industry. The Russia-Ukraine War has affected the micro, small and medium enterprises (MSMEs) and the textile industry of Tamil Nadu. The cost of raw materials and essential goods had skyrocketed even before the war began. The shortage of cardboard boxes, which is essential for packaging materials was another problem. Further, in order to correct the inverted duty structure, the GST council announced the hike in GST rates on textiles. But owing to the strong opposition on rate hike, the decision was ultimately rolled back and deferred. All these factors lead to severe disruptions in market.

We too, being an MSME with one of our operational unit at Tirupur, Tamil Nadu, were not left untouched by the repercussions of the uncertainties in these times & scenarios. Nevertheless, we displayed great resilience, agility and responsiveness in our operations and we tried our best to stand firmly holding our grounds. To curb these challenges and overcome the hurdles, this year we expanded our clothing range and product horizon. After jeans, now we are also venturing into the market of new products such as sweat shirts, jackets & hoodies opening various doors of opportunities for the Company. Also considering the recent trends, we are planning to opt for e-commerce business model and selling our products via e-commerce portals & websites.

In spite of being an MSME and a regional brand, we try our best to keep up with the national and international players in the Hosiery segment, who are far superior to us in terms of Advertising & marketing budget and also in the global reach to consumers. Given our limited regional reach and our budget constraints, as compared to the other global brands and big players in the market, to be able to survive and sustain in this highly volatile and uncertain business arena is no small achievement. If you compare our level of operations with our peers who are listed on the Main Board of the stock exchanges, whereas we on the other hand are



listed on the SME Board, you'll find that there is no plain level field for us, and thus they enjoy an advantageous position in several ways which are instead barriers for us.

Further, I would like to extend my sincere regards to our shareholders who have posed their faith in our leadership and management. Your faith and support, encourages us and fills our heart with utmost motivation to continue our operations with ultimate passion and a renewed sense of purpose, while progressing towards excellence.

On behalf of the Board, I would like to extend my sincere thanks to the management team, employees, dealers, retailers, suppliers and all other stakeholders for their commitment in the performance during the year. I wish the Jet Knitwears Limited team the very best to continue to operate with more zeal and confidence.

I strongly believe that the worst is behind us and we look forward towards a better and bright future. Our road to success has just began and we have far to go. But, as the wise men have said, *If you want to go fast, go alone. If you want to go far, go together.* Thus, it would only be possible with the blessings and support of you all.

I assure you that we, at Jet Knitwears would leave no stone unturned to create value and wealth for all our stakeholders by reaching newer heights and achieving greater milestones.

Warm Regards

**(Balram Kumar Narula)**  
**Managing Director**



## CORPORATE INFORMATION

### BOARD OF DIRECTORS& MANAGEMENT

**Mr. Balram Kumar Narula**  
Managing Director

**Mr. Rakesh Kumar Narula**  
Whole Time Director

**Mr. Anil Kumar Narula**  
Whole Time Director

**Mrs. Dinesh Parashar**  
Non-Executive Woman Director

**Mr. Ramesh Chandra**  
Independent Director

**Mr. Ashok Chandra Bajpai**  
Independent Director

**Mr. Ankur Narula**  
Chief Financial Officer

**Mr. Vishesh Tiwari**  
Company Secretary And Compliance Officer

### AUDITORS

- **Statutory Auditor**  
M/s Rajiv Mehrotra & Associates  
Chartered Accountants
- **Internal Auditor**  
M/s Rajesh Singhanian & Associates  
Chartered Accountants
- **Secretarial Auditor**  
CS Gopesh Sahu, Practicing Company Secretary

### 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

Website: [www.jetlycot.com](http://www.jetlycot.com)

Email ID: [info@jetknit.com](mailto:info@jetknit.com)  
[compliance@jetknit.com](mailto: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](mailto:info@jetknit.com),  
[anilknarula@gmail.com](mailto:anilknarula@gmail.com)

Tele No : 0421-2224014



# HIGHLY RECOGNIZED AWARDS WON

## INTERNATIONAL AWARD



INTERNATIONAL  
QUALITY CROWN AWARD 2008



## EXPORT AWARD



EXPORT AWARD  
2003-2004

## NATIONAL AWARDS



ALL INDIA 1st QUALITY NATIONAL AWARD  
IN UNDERGARMENTS 2011



1994  
ENTREPRENEURSHIP  
AWARD



2001  
SMALL SCALE QUALITY  
AWARD



2003  
RESEARCH & DEVELOPMENT  
AWARD



2007  
RAJEEV GANDHI QUALITY  
AWARD



2007  
QUALITY PRODUCTS  
AWARD



2008  
RAJEEV GANDHI QUALITY  
AWARD



2009  
QUALITY PRODUCTS  
AWARD

## STATE AWARDS



2012-2013  
QUALITY PRODUCTS  
HOSIERY/GARMENTS



2013-2014  
QUALITY PRODUCTS  
MANUFACTURING SECTOR



2014-2015  
QUALITY PRODUCTS  
MANUFACTURING SECTOR



2016-2017  
QUALITY PRODUCTS  
GARMENTS SECTOR



2017-2018  
QUALITY PRODUCTS  
HOSIERY/GARMENTS

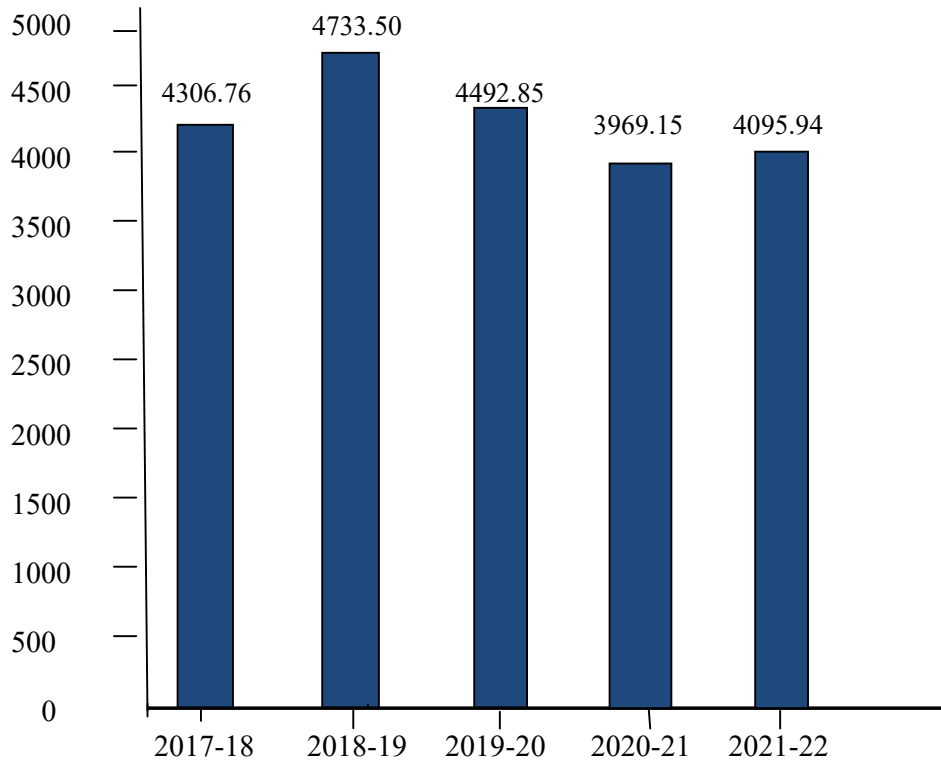
WWW.JETLYCOT.COM



## PERFORMANCE TRENDS

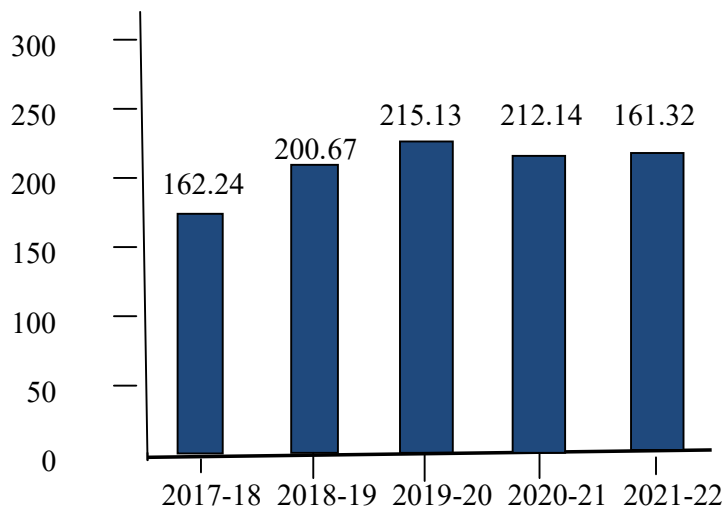
### GROSS INCOME

(₹ In Lakhs)



### PROFIT BEFORE TAX

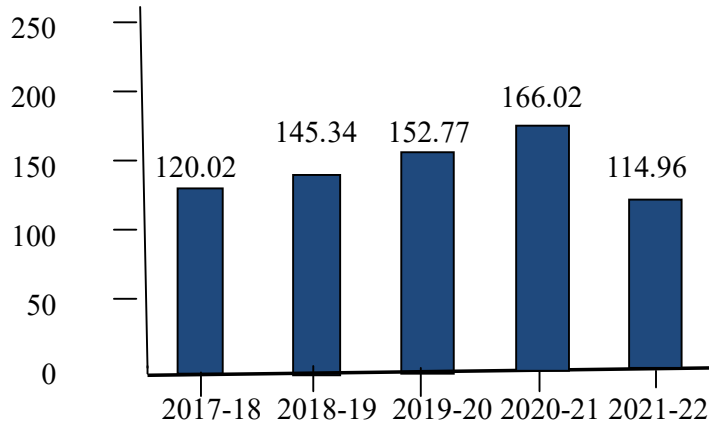
(₹ In Lakhs)





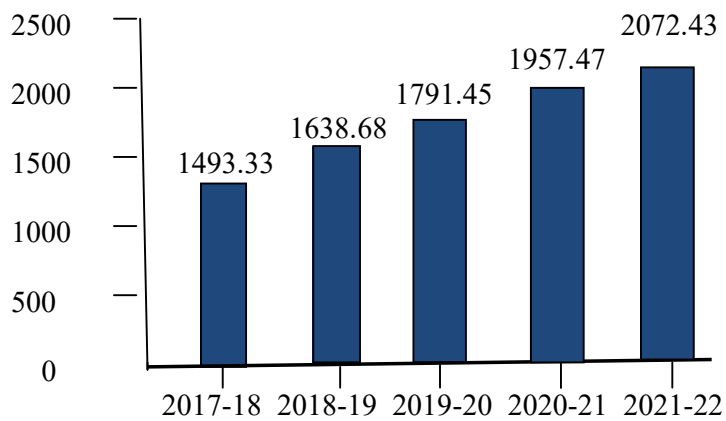
### PROFIT AFTER TAX

(₹ In Lakhs)

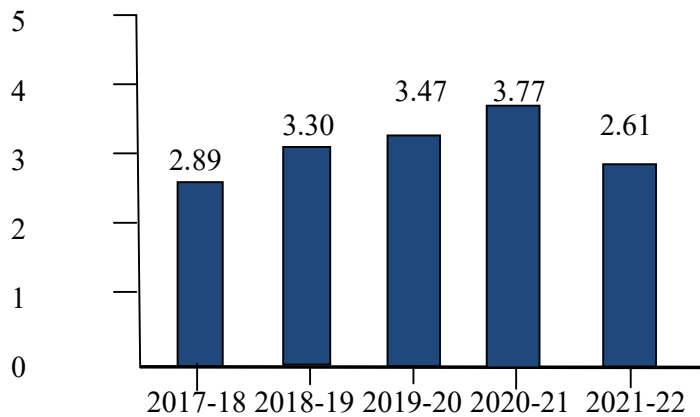


### NET WORTH

(₹ In Lakhs)



### EARNING PER SHARE (₹)





## DIRECTORS' REPORT

To  
The Members of  
**JET KNITWEARS LIMITED**

Your Directors are pleased to present the 26<sup>th</sup> Annual Report on the business and operations of Jet Knitwears Limited (the Company or 'JKL') along with the Audited Financial Statements for the Financial Year ended March 31, 2022.

### 1. FINANCIAL SUMMARY

The Company's standalone financial performance for the year ended 31<sup>st</sup> March, 2022 is summarized as below:

	(₹ In Lakhs)	
Particulars	2021-22	2020-21
<b>Total Income</b>	<b>4095.95</b>	<b>3969.16</b>
Earning before Finance Costs, Depreciation and amortization Expenses and Taxes	324.01	361.14
Less: Finance Cost	104.27	96.01
Less: Depreciation & Amortization Expenses	58.42	52.99
<b>Profit/ Loss before Tax</b>	<b>161.32</b>	<b>212.14</b>
Less: Tax Expense (including deferred tax and tax adjustment of earlier years)	46.36	46.12
<b>Profit After Tax</b>	<b>114.96</b>	<b>166.02</b>
<b>Add: Balance of profit brought forward</b>	<b>856.86</b>	<b>690.84</b>
<b>Less: Appropriations</b>	-	-
<b>Transfer to General Reserve</b>	-	-
<b>Income Tax Adjustment (Net)</b>	-	-
<b>Balance at end of the Year</b>	<b>971.82</b>	<b>856.86</b>

### 2. STATE OF COMPANY AFFAIRS

Your Directors are pleased to report that despite outbreak of second wave of Covid-19, high volatility in market, steep increase in raw material prices and several other challenges, your Company was able to maintain its production and revenue levels during the year under review. The major highlights pertaining to the business and operations of the Company for the year 2021-22 are given below:

- The Revenue from operations stood at **₹4092.89** Lakhs as against **₹3966.46** Lakhs in the previous year showing a *growth of 3.20%*.
- The Profit before tax is **₹161.32** Lakhs as compared to **₹212.14** Lakhs in the previous year thereby showing the decline of about 24%.
- The EBITDA declined to **₹324** Lakhs from **₹361.14** Lakhs in the previous year and thus showing a fall of about 10.30%.
- The Profit after tax for the year stood at **₹114.96** Lakhs as compared to **₹166.02** Lakhs for the previous year thereby showing a fall of about 30.72%.
- The Earning per Share has also declined to **₹2.61** as against **₹3.77** in the Previous Year.



### **3. OBSTACLES FACED DURING THE YEAR**

The second wave of the Covid-19 variant was at a great height in the beginning of the year which again eventually led to slow down of the economic & industrial activities. According to the Covid guidelines, statewide lockdowns and movement restrictions in a localized manner were into effect and the factories, units and offices were working with reduced manpower.

Cotton is the key cost component for your company which has encountered the highest prices increase ever in the history across the globe. Around two folds increase in the cotton prices is observed during the year as compared to previous year. This has impacted adversely our raw material consumption cost.

Further, due to rising inflation in the Country, the purchasing power of the consumers has been reduced significantly leading to stagnancy in demand in the market, especially for regional brands like us. Due to the above factors, the Company could not increase the required selling price of the products as compared to increase in cost of raw materials, in order to maintain the revenue level, which ultimately lead to fall in profitability.

### **4. GROWTH STRATEGY**

Amid second wave of Covid crisis and facing various obstacles as explained above, your Company has taken measures for the growth and expansion of the business. We have expanded our clothing range and now we are not limited to just hosiery products and undergarments but we have also ventured into the market of new products such as sweat shirts, jackets & hoodies etc. which is a complete different segment in itself. This has resulted into the expansion of our product horizon, opening various doors of opportunities for the Company and thereby exposing our reach to a wider market coverage.

### **5. 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 2021-22.

### **6. DIVIDEND**

Keeping in view the current economic uncertainties your directors consider it prudent to plough back the profits and not to recommend any dividend for the financial year 2021-22.

### **7. 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.

### **8. SHARE CAPITAL**

During the year under review, there was no change in either Authorised or paid up Share Capital of your Company.

### **9. COMPOSITION OF BOARD**

The Board of Directors of the Company has an optimum composition of Executive, Non-Executive and Independent Directors in compliance with the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. As on March 31, 2022, Board of Directors comprise of 6 Directors out of which 3



are Executive Directors 1 is Non Executive Non-Independent Woman Director and 2 are Non Executive Independent Directors which is in compliance with the provisions of Companies Act, 2013. All Independent Directors are eminent persons and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company. Following persons comprise the Board:

Category	Name of Director
Executive Directors	Mr. Balram Kumar Narula
	Mr. Anil Kumar Narula
	Mr. Rakesh Kumar Narula
Non-Executive Non-Independent Director	Mrs. Dinesh Parashar
Non-Executive Independent Director	Mr. Ramesh Chandra
	Mr. Ashok Chandra Bajpai

As per provisions of the Companies Act, 2013 the Independent Directors were re-appointed in the 24<sup>th</sup> AGM of the Company held on September 30, 2020 for a second term of 5 (Five) consecutive years commencing from August 01, 2020 to July 31, 2025 and are not liable to retire by rotation.

**10. DECALARATION BY INDEPENDENT DIRECTORS**

The Company has received necessary declarations from Mr. Ramesh Chandra and Mr. Ashok Chandra Bajpai, Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 (“Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Listing Regulations and are independent of the Management.

**11. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**Changes in Directors / KMP:**

Following persons are the Key Managerial Personnel of the Company as on March 31, 2022 pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed there under:

- i) Mr. Balram Kumar Narula - Managing Director
- ii) Mr. Anil Kumar Narula - Whole-Time Director
- iii) Mr. Rakesh Kumar Narula– Whole-Time Director
- iv) Mr. Ankur Narula - Chief Financial Officer
- v) Mr. Vishesh Tiwari - Company Secretary and Compliance Officer

During the year, Ms. Divya Saxena tendered her resignation from the Office of Company Secretary and Compliance Officer w.e.f. April 30, 2021. Subsequent to her resignation, Mr. Vishesh Tiwari was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. May 22, 2021.

**Retirement by Rotation:**

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with Rules made thereunder and the Articles of Association of the Company, Mrs. Dinesh Parashar (DIN: 07270662), Non executive Non Independent Woman Director of the Company, is liable to retire by rotation at ensuing Annual General Meeting and being eligible has offered herself for re-appointment. The Board recommends her



re-appointment. Profile of the Director seeking re-appointment is given in the Statement under Section 102 of the Companies Act, 2013 to the Notice of the ensuing AGM of the Company.

## 12. BOARD MEETINGS

The Board of Directors met 6 times during the financial year 2021-22. The meetings were held on *April 22, 2021, May 22, 2021, June 28, 2021, August 26, 2021, November 14, 2021 and January 14, 2022*. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The attendance of each director in the respective Board Meetings is as follows:

	BM 01/2021-22 22.04.2021	BM 02/2021-22 22.05.2021	BM 03/2021-22 28.06.2021	BM 04/2021-22 26.08.2021	BM 05/2021-22 14.11.2021	BM 06/2021-22 14.01.2022
BALRAM K Narula	P	P	P	P	P	P
RAKESH K NARULA	P	P	P	P	P	P
ANIL K NARULA	P	LOA	P	P	P	P
RAMESH CHANDRA	P	P	P	P	P	P
ASHOK C BAJPAI	P	P	P	LOA	P	P
DINESH PARASHAR	P	LOA	P	LOA	LOA	LOA

Further, the Independent Directors of the Company also met once during the year on *March 19, 2022*, without the presence of executive directors, to review the performance of the Executive Directors and that of the Board as a whole.

## 13. COMMITTEES OF THE BOARD & THEIR MEETINGS

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 Company comprises of two Independent Directors and one Executive Director with Chairman being an Independent Director as required under Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

During the Financial Year 2021-22, Members of Audit Committee met 5 times. Audit Committee Meetings held on *June 28, 2021, August 26, 2021, November 14, 2021, January 14, 2022 and March 09, 2022*. The representatives of Statutory Auditors & Internal Auditors, Executives from Accounts & Finance Department are invited to the meetings of the Committee, as and when required. The Internal Auditor reports directly to the Committee. The Company Secretary acts as the secretary of the Committee. The composition of Audit Committee as on March 31, 2022 and the details of Members attendance at the meetings of the Committee are as under:

Name of Members	Category	Meetings attended
Mr. Ramesh Chandra	Chairman (Independent Director)	5
Mr. Ashok Chandra	Member (Independent Director)	4
Mr. Balram Kumar Narula	Member (Executive Director)	5

All the members of Audit Committee have the requisite qualification for appointment in the Committee and possess sound knowledge of finance, accounting practices and internal controls.



### Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company comprises of two Independent Directors and a Non-Executive Non-Independent Director with the Chairman being an Independent Director which meets with the requirements of Section 178 of the Act read with SEBI (LODR) Regulations, 2015. The Company Secretary of the Company acts as the secretary of the Committee.

The members of Nomination and Remuneration Committee met 2 times during the Financial Year 2021-22 on April 20, 2021 & April 30, 2021. The composition of Nomination and Remuneration Committee as on March 31, 2022 and the details of Members attendance at the meeting of the Committee are as under:

Name of Members	Category	Meetings attended
Mr. Ramesh Chandra	Chairman (Independent Director)	02
Mr. Ashok Chandra Bajpai	Member (Independent Director)	02
Mrs. Dinesh Parashar	Member (Non-Executive Director)	02

### Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Company comprises of three Members, out of which two are Independent Directors and one is Executive Director with Chairman being an Independent Director. The composition of the Committee meets with the requirements of Section 178 of the Act read with SEBI (LODR) Regulations, 2015. The Company Secretary of the Company acts as the secretary of the Committee.

During the Financial Year 2021-22, four Committee Meetings were held on *June 28, 2021, August 26, 2021, November 14, 2021 and January 14, 2022*. The composition of the Stakeholders Relationship Committee as on March 31, 2022 and the details of Members attendance at the meetings of the Committee are as under:

Name of Members	Category	Meetings attended
Mr. Ashok Chandra Bajpai	Chairman (Independent Director)	03
Mr. Ramesh Chandra	Member (Independent Director)	04
Mr. Rakesh Kumar Narula	Member (Executive Director)	04

## 14. 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 based on devised criteria. Furthermore, in a separate meeting of Independent Directors held on March 19, 2022, performance of the Non-Independent Directors and the Board as a whole was also reviewed.

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, Committees and the board as a whole. The policy is available on



the website of the Company i.e. (<https://www.jetlycot.com/pages/policy-of-nomination-remuneration-and-board-diversity>). The evaluation process inter alia consider attendance of Directors at Board and Committee Meetings, acquaintance with business, communicating inter-se Board Members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy. The Directors expressed their satisfaction with the evaluation process.

## 15. 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 (<https://www.jetlycot.com/pages/policy-of-nomination-remuneration-and-board-diversity>).

## 16. RISK MANAGEMENT

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 following matters:

- (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.

## 17. 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 (<https://www.jetlycot.com/pages/copy-of-terms-conditions-of-ids>).

## 18. 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 is stated in the notes to audited financial statements.

## 19. INTERNAL FINANCIAL CONTROLS SYSTEM

The internal control systems commensurate with the size, scale and complexity of the operations of the Company. These have been designed to provide reasonable assurance with regard to recording and



providing reliable financial and operational information, complying with the applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization, and ensuring compliance with corporate policies.

The company has appointed Internal Auditors and the scope & authority of Internal Audit Function is defined in the appointment letter issued to the Internal Auditors. In order to maintain its objectivity and Independence, the internal auditor reports directly to the Chairman of the Audit Committee. Based on the report of the Internal Audit the Company undertakes corrective action in the respective reported areas of concern thereby strengthening the Internal Controls.

The Audit Committee of the Board of Directors, comprising of Independent Directors, reviews the effectiveness of the internal control system across the Company including annual plan, significant audit findings and recommendations, adequacy of internal controls and compliance with accounting policies and regulations.

## **20. 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.

## **21. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

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

## **22. 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, 2022 was 54 (March 31, 2021 was 49). Your Company wishes to put on record its deep appreciation of the co-operation extended and efforts made by all employees.

## **23. CORPORATE SOCIAL RESPONSIBILITY**

The provisions of section 135 of the Companies Act 2013 are not applicable to the Company, hence it was not required to constitute CSR Committee or to formulate CSR Policy in this regard. However, your Company keeps on contributing time to time towards the social welfare schemes of social organizations on voluntarily basis.

## **24. 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.



## 25. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR:

There have been no material changes and commitments, which affect the financial position of the Company which have occurred between the end of the financial period to which the financial statements relate and the date of this Report.

## 26. 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 from time to time, M/s Rajiv Mehrotra & Associates, Chartered Accountants, (FRN: 002253C) Kanpur, were 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 26<sup>th</sup> Annual General Meeting of the Company and are eligible for reappointment for a second term.

Based on the recommendation of the Audit Committee, your Board at its meeting held on August 24, 2022 reappointed M/s Rajiv Mehrotra & Associates, Chartered Accountants, (FRN: 002253C) Kanpur, as the Auditors of the Company to hold the office from the conclusion of the ensuing 26<sup>th</sup> AGM until conclusion of the 31<sup>st</sup> AGM of your Company to be held in the year 2027, subject to approval of members of the Company at the ensuing Annual General Meeting.

The Company has received a certificate from M/s Rajiv Mehrotra & Associates, Chartered Accountants, (FRN: 002253C) confirming their eligibility to continue as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and the rules framed there under. They have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under the provisions of Regulation 33 of the Listing Regulations.

### Audit Report

The notes on financial statement referred to in the Auditor's Report are self-explanatory. No frauds are reported by the Auditors which fall under the purview of sub section (12) of Section 143 of the Companies Act 2013. Further, Disclaimer of Opinion is made by the Auditor in its Audit Report. Details of which are as follows:

**Basis for Disclaimer opinion in the Statutory Audit Report:** The company's trade receivables (classified as unsecured and considered good by the management) are carried at Rs.15,21,57,244, out of which Rs.7,52,59,566 are outstanding for a period more than six months, which is abnormally high as compared to the turnover of the company. Also out of the above, receivables of Rs.1,21,63,160 are aged more than three years. The balances of these parties are subject to confirmation, and as per the management of the company is recoverable. As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded amount of Trade Receivables and the elements making up the statement of Profit and Loss and statement of cash flows.

### Key Audit Matters (KAM): 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.

Response to Audit Observations

The Board of Directors of the company furnish following response to the Disclaimer of Opinion made by the Auditor in their Report dated May 30, 2022 for the Standalone Financial Statements for the year ended March 31, 2022:

Based on the Management analysis and assumptions, we believe that the Profit and Loss Account and Cash Flow Statement for the year ended March 31, 2022 and the Balance Sheet as at March 31, 2022 are materially correct and as per the management the trade receivables are considered good and are recoverable in nature. The company's trade receivables consist of outstanding balances from over 3000 parties, spread across various remote locations within the operational area of the Company and are generally low in value individually, since the supply chain of the company largely consists of small retailers, who were severely impacted by the COVID-19 pandemic.

The Management is making full efforts to recover these trade receivables. More conservative Credit policies are now being implemented and also third party agencies are hired to help in the speedy payment collection and recovery of trade receivables.

Further as is evident, during the year, the trade receivables outstanding for a period exceeding six months have been reduced by around Rs. 33 lakhs and the total trade receivables have been reduced by around Rs. 158 lakhs. Hence, management does not believe there is any material financial impact of the audit qualification.

In respect of Key Audit Matters, the management submits that the internal control systems for data maintenance with respect to inventory management, movement and valuation of stocks as at the reporting date are currently under development. It is pertinent to note that, we have various ranges of products for men, women and children which are manufactured in different sizes for all age groups. And each different product requires different setup and goes through multiple processes and stages. Thus the average production cycle, right from procurement of yarn till the completion of the finished product ready for sale, takes around 50 days; making the internal systems required for tracking the movement and valuation of stock at different stages a tedious and complex task for the management. Nevertheless, we are making full efforts to extend the internal controls throughout all the production stages so that proper information is readily available at all times regarding the movement and valuation of the inventory at several locations and less reliance is to be placed on estimates and judgements.

**Internal Auditor**

M/s Rajesh Singhania & Associates, Chartered Accountants, has been appointed as the Internal Auditors to perform the Internal Audit of the Company for the Financial Year 2021-22. The Audit Committee of the Board in consultation with the Internal Auditor formulates the scope, functioning, periodicity and methodology for conducting the internal audit.

**Secretarial Auditor**

The Board had appointed CS Gopesh Sahu, Practicing Company Secretary (Membership No. 7100, C.P. No. 7800) to undertake the Secretarial Audit of the Company for the Financial Year ended March 31, 2022.



The Secretarial Audit Report for the Financial Year ended March 31, 2022 annexed herewith is marked as **Annexure II** to this Report. The Secretarial Audit Report does not contain any qualification, however, following observation has been made by the Secretarial Auditor in his report:

*I further Report that Company was in receipt of notices and complaints made by the shareholder the same were replied, the company was also in receipt of a requisition Notice in the last week of March, 2022 for convening General meeting of members u/s 100(2) of the Companies Act, 2013 and the same was replied by the company citing reasons for non-convening such meeting.*

Response to Secretarial Audit Observation

The Company was in receipt of a requisition notice u/s 100(2) of the Companies Act, 2013 dated March 25, 2022 from Mr. Manoj Agarwal & M/s Haryana Refractories Pvt. Ltd., who are shareholders holding 385500 & 102000 equity shares respectively, aggregating to 11.06% of the paid-up share capital of the Company, to call an EGM for adopting the resolution for migration of listing of the Company from EMERGE Platform of NSE Limited to Main Board of NSE Limited.

The Board at its meeting held on April 19, 2022 examined the said requisition notice and unanimously concluded that the proposed resolution contained in the Requisition Notice is not valid, as it suffered from various legal infirmities which are summarized as below:

- 1. The proposal for migration of the Company from EMERGE Platform of NSE Limited to Main Board of NSE Limited lacks justification and the necessary authorization from the Board of requisitioner.*
- 2. It is contrary to SEBI (ICDR) Regulations, 2018 as the Company does not meet the requirement which is pre condition for shifting the listing to the Main Board and also the proposed business is to be conducted via Postal Ballot.*

Accordingly, in the best interests of the Company as a whole, including all its shareholders and stakeholders, the Board expressed its inability to convene the EGM on the lines requisitioned by the above mentioned shareholders.

**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.

**27. CHANGE IN THE NATURE OF BUSINESS**

There were no changes in the nature of business activities pursued by the company during the year under review.

**28. 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 continuously takes steps to absorb and adopt the latest technologies and innovations in the Garment Industry. These initiatives 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 solar units which are helpful in reducing 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 is to 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. Cost savings by improvement of design & up gradation of products & process is Company's continuous effort.
3.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): -	The Company has not imported any technology during the last three years reckoned from the beginning of the financial year.



	a) The details of technology imported: b) The year of import c) Whether the technology been fully absorbed d) If not fully absorbed areas where absorption has not been taken place and the reasons thereof	N.A N.A N.A N.A
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. As the most of the production work is done from job work.

#### Foreign exchange earnings and outgo

During the financial year 2021-22 under review, the foreign exchange earnings and outgo is **NIL**.

#### 29. ANNUAL RETURN

The draft Annual Return of the Company for the year ended on March 31, 2022 as approved by the Board is available on the Company's website and can be accessed at <https://www.jetlycot.com/pages/annual-reports>. Please, also note that in accordance with the provisions of the Companies Act, 2013, the final annual return will be hosted on website of the Company at the given link after the conclusion of AGM and requisite certifications.

#### 30. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered by the Company during the FY 2021-22 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 <https://www.jetlycot.com/pages/related-party-transaction-policy>.

#### 31. 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 2021-22.

**32. 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, 2022 and of the profit and loss of the company for the period ended on March 31, 2022;
- 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.

**33. SHARE PRICE DATA**

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

Month	High (in ₹)	Low (in ₹)
April' 2021	18.95	18.05
May' 2021	23.95	19.80
June' 2021	54.20	22.85
July' 2021	54.05	38.10
August' 2021	46	42.95
September' 2021	47.95	42
October' 2021	48	42.75
November' 2021*	-	-
December' 2021	100.20	42
January' 2022	125	83.60
February' 2022	93.45	93.45
March' 2022	98.10	98.10

*\*Note: In the Month of November 2021, there has been no trading in the Shares of the Company as per Historical Data in the NSE Site.*



### **34. CORPORATE GOVERNANCE**

Your Company is committed to maintain good Corporate Governance practices and is committed to the highest standards of compliance. Pursuant to the Regulation 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) & (t) 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 (EMERGE platform NSE). Therefore, the Corporate Governance Report is not applicable to the Company.

### **35. SECRETARIAL STANDARDS**

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

### **36. 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.

### **37. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

No application was made and no proceedings are pending against the company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

### **38. DIFFERENCE IN VALUATION**

During the year under review, there were no instances of one time settlement with any financial institution so the disclosure regarding details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable to the Company.

### **39. INDUSTRIAL RELATIONS**

During the year under review your Company enjoyed cordial relationship with the workers and employees at all levels.

### **40. PREVENTION OF INSIDER TRADING**

Pursuant to SEBI(Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for prevention of insider trading with a view to regulate trading in securities by the Directors and designated persons of the Company. The details of Insider Trading Policy is available on the website of the Company at <https://www.jetlycot.com/pages/policy-on-prevention-of-insider-trading>.



The code requires trading plan, pre-clearance for dealing in the Company's shares by the Directors and designated persons while in possession of UPSI in relation to the Company and during the period when the trading window is closed. However, there were no such instances in the Company during the year 2021-22.

#### **41. 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 of Directors of Jet Knitwears Limited**

**Place: Kanpur  
Date: August 24, 2022**

**(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(12) of the Act read 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 2021-22:**

S. No.	Name of Director	Designation	Ratio
1	Mr. Balram Kumar Narula	Managing Director	<b>6.90</b>
2	Mr. Anil Kumar Narula	Whole Time Director	<b>6.90</b>
3	Mr. Rakesh Kumar Narula	Whole Time Director	<b>6.90</b>
4	Mr. Ramesh Chandra	Independent Director	-
5	Mr. Ashok Chandra Bajpai	Independent Director	-
6	Mrs. Dinesh Parashar	Non-Executive Woman Director	-

- (ii) **Percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary or Manager, if any, in the financial year 2021-22:**

S. No.	Name	Designation	% Increase in remuneration
1	Balram Kumar Narula	Managing Director	-
2	Anil Kumar Narula	Whole Time Director	-
3	Rakesh Kumar Narula	Whole Time Director	-
4	Ankur Narula	Chief Financial Officer	<b>3.80%</b>
5	Vishesh Tiwari	Company Secretary	-

There is no increment in remuneration paid to the Directors during the year. The increment in remuneration of CFO is due to the commission linked to sales being paid to him. Further, Ms. Divya Saxena resigned from her office *w.e.f.* April 30, 2021 and Mr. Vishesh Tiwari was appointed as Company Secretary & Compliance officer of the Company *w.e.f.* May 22, 2021.

- (iii) The percentage increase/decrease in the median remuneration of employees in the financial year 2021-22: **11.50%**
- (iv) Number of permanent employees on the rolls of Company at the end of the financial year 2021-22 is **54**.
- (v) Average percentage increase / decrease made in the salaries of employees other than managerial personnel in the financial year i.e. 2021-22 was **3.73%**, whereas the increase in managerial remuneration for the year was **3.80%**.
- (vi) Affirmation, that the remuneration is as per the remuneration policy of the Company.

**For and on behalf of the  
Board of Directors of Jet Knitwears Limited  
(Balram Kumar Narula)**

**Managing Director**

**DIN: 00274566**

**Place: Kanpur**

**Date: August 24, 2022**



## ANNEXURE -II

UDIN: F007100D000806470

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2022

*[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 read with Regulation 24A of SEBI (LODR), 2015]*

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 (CIN 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, 2022 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, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Securities and Exchange Board of India (Listing Obligation And Disclosure Requirements) Regulations, 2015 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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 (not applicable to the company during the Audit period);
- (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 Regulations entered into by the Company with National Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, 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. There were no changes in the composition of the Board of Directors of the Company.



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

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 Company was in receipt of notices and complaints made by the shareholders the same were replied, the company was also in receipt of a requisition Notice in the last week of March, 2022 for convening General meeting of members u/s 100(2) of the Companies Act, 2013 and the same was replied by the company citing reasons for non-convening such meeting.*

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.

**Place: Kanpur**  
**Date: 17/08/2022**

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

*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 KNITWEAVES 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.

**Place: Kanpur**  
**Date: 17/08/2022**

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



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### ECONOMIC OUTLOOK

#### GLOBAL

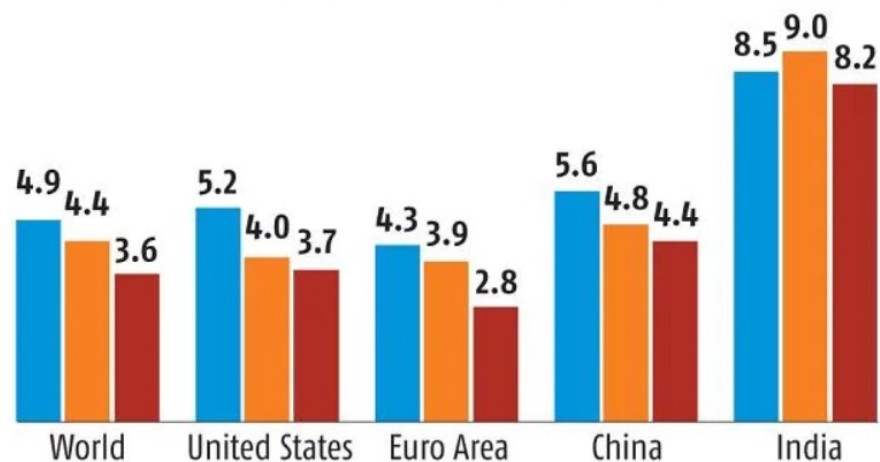
After being hit hard by second wave of COVID-19, the global economy is well on course on the road to recovery. With a wamble global recovery, FY2021-22 witnessed the consumer demand coming back gradually. The economic growth returned on the back of a sustained consumer demand leading to a significant spike in inflation. Almost all the central banks are now taking policy measures to cut down the excess liquidity that was injected in order to support the economy during the pandemic and constricting the monetary policy to control their runaway inflation.

As per World Economic Outlook update by the IMF, Global growth is expected to moderate from 5.9 in 2021 to 4.4 percent in 2022—half a percentage point lower for 2022 than in the October World Economic Outlook (WEO), largely reflecting forecast markdowns in the two largest economies. By contrast, the forecast for advanced economies is revised up. These revisions reflect pandemic developments and changes in policy support. In China, pandemic-induced disruptions related to the zero-tolerance COVID-19 policy and protracted financial stress among property developers have induced a 0.8 percentage-point downgrade.

By the end of the year, the war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. At the same time, economic damage from the conflict also contributed to a significant slowdown in global growth in 2022 and added to inflation. The escalation of the Russia-Ukraine crisis has also had a detrimental effect on the prices of crude oil, gas and other commodities leading to further pressure on the fragile economies. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest. Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023.

#### **4: IMF HAS REVISED ITS 2022 PROJECTIONS AMID WAR**

■ Oct '21 ■ Jan '22 ■ Apr '22 (GDP, y-o-y change, %)



India's projections are for 2022-23

Source: World Economic Outlook



### INDIA ECONOMIC OVERVIEW

As 2021 was coming to a close, there was optimism in the air. India was gearing up for a strong economic recovery. But this optimism received a jolt early this year as a second wave of omicron infections swept through the country leaving even severe impacts than the previous year, and then in February, Russia invaded Ukraine. These events aggravated the pre-existing challenges such as surging inflation, supply shortages, and shifting geopolitical realities across the world with no definite end in sight. And the subsequent confluence of headwinds such as surging commodity prices and disruption in trade and financial transactions quickly deteriorated economic fundamentals that were trending up a few months back. Consequently, this has compelled us to temper our growth expectations.

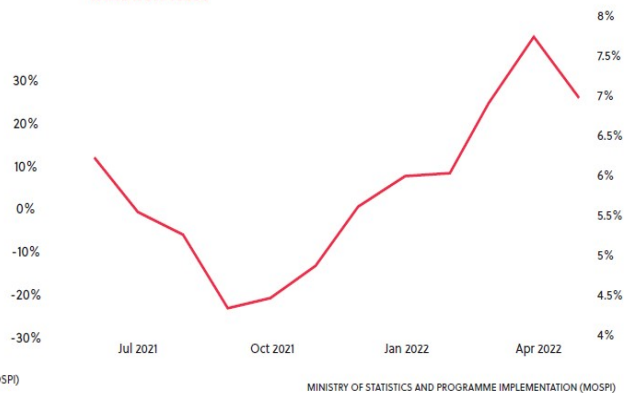
However, we believe the risks are not strong enough to deny India an economic rebound given the domestic demand potential. India’s economic position has shown improvement since the invasion of the second wave of COVID-19 in FY 2021-22, which negatively impacted trade activities globally. With a quick vaccination programme roll-out and the government’s support, India was able to recover from the economic downturn. Several forecasters such as the International Monetary Fund expected growth to exceed 9% this fiscal. India’s GDP growth for FY 2022-23 is estimated at 8 to 8.5%. Given that roughly 80% of the population will be fully vaccinated by the second quarter of 2022, domestic consumption growth shall pick up speed. This will ensure that India reigns as the world’s fastest-growing economy over the next few years, driving world growth even as several major economies brace themselves for a slowdown or possibly a recession.

Investment returned significantly in FY 2021-22, increasing by almost 16%, and is expected to increase by another 7% in FY 2022-23. The Indian economy is expected to gain from supply-side reforms and regulatory simplification, strong export growth, and budgetary space to increase capital spending. Inflation remained at 5.3% in FY 2021-22. Inflation in the CPI is predicted to fall to 4.5% in FY 2022-23. The gross Goods and Services Tax collection for FY 2022-23 reached a new high of `27.07 lacs crore, indicating a robust resurgence in the country’s economic activities. The significant growth in corporation tax and customs contributed to the tax-to-GDP ratio reaching a two-decade high of 11.7%.

GDP Annual Growth Rate



Inflation Rate



V-shaped economic recovery is due to mega vaccination drive, robust recovery in the services sector and growth in consumption and investment coupled with resurgence in high frequency indicators such as power demand, rail freight, GST collection etc. Almost all emerging economies are reeling under these external shocks but India’s underlying economic fundamentals are strong and despite the short-term headwinds, the impact on the long-term outlook will be marginal.



## INDUSTRY STRUCTURE AND DEVELOPMENT

### Textiles & Apparels

The textile industry of India is one of the oldest and also the largest in the world with a large unmatched raw material base and manufacturing strength across the value chain. Both skilled laborers and unskilled officials are needed to run this business smoothly. Thus, the textile industry serves as the platform offering a huge number of employment opportunities to eligible people in India. India is the largest producer of cotton and jute in the world and also the 2nd largest producer of polyester, silk, and fibre in the world. The products of the Indian textile industry with the traditional designs and textures are very popular all over the world. During FY 2021-22, Indian Textile & Apparel Industry achieved its highest ever export of US\$ 41.3 bn which constituted about 10% of the overall merchandise export of India.



Source: DGCIS, Ministry of Commerce, Wazir Analysis, Televisory's Analysis

The People associated with this industry hope to see a great comeback in 2022, overcoming the setback during the past 2 years due to the pandemic situation. The Union Budget for 2022-23 also announced some benefits that can help in the growth of the Indian textile industry. The Government of India is continuously working for the holistic development of the Indian T&A sector and is announcing various policy measures like Production Linked Incentive Scheme (PLI), PM Mega Integrated Textile Region and Apparel Park Scheme, etc. for the same. The Union Ministry of Textiles is more active in developing the textile industry, by constant coordination with business owners of this sector. With the rising per capita income, favorable demographics, increasing domestic demand, and a shift in preference to branded products, Indian domestic Textile & Apparel Industry is likely to outperform in the near future and hence, there is a great opportunity for the foreign investors to come and invest in India.

The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector on the other end. The decentralised power looms/ hosiery and knitting sector forms the largest component in the textiles sector. India's textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country. Exports of textiles (RMG of all textiles, cotton yarns/fabs/made-ups/handloom products, man-made yarns/fabs/made-ups, handicrafts excluding handmade carpets, carpets and jute mfg. including floor coverings) stood at US\$ 29.8 billion between April-December 2021. The Indian textiles market is expected to be worth more than US\$ 209 billion by 2029.



Indian government has allowed 100% FDI in the sector under the automatic route. The Rs. 10,683 crore (US\$ 1.44 billion) PLI scheme is expected to be a major booster for the textile manufacturers. The scheme proposes to incentivise MMF (man-made fibre) apparel, MMF fabrics and 10 segments of technical textiles products.

In March 2022, the Bihar government submitted a proposal to the Union Textiles Ministry to set up a mega hub under the PM Mitra Mega Textile Park and Tamil Nadu Chief Minister Mr. MK Stalin announced that the State Industries Promotion Corporation of Tamil Nadu Ltd (SIPCOT) will set up a mega textile park in the Virudhunagar district. Under Union Budget 2022-23, the total allocation for the textile sector was Rs. 12,382 crore (US\$ 1.62 billion). Out of this, Rs.133.83 crore (US\$ 17.5 million) is for Textile Cluster Development Scheme, Rs. 100 crore (US\$ 13.07 million) for National Technical Textiles Mission, and Rs. 15 crore (US\$ 1.96 million) each for PM Mega Integrated Textile Region and Apparel parks scheme and the Production Linked Incentive Scheme.

For the export of handloom products globally, Handloom Export Promotion Council (HEPC) is participating in various international fairs/events with handloom exporters/weavers to sell their handloom products in the international markets under NHDP. The Ministry of Textiles has also been implementing Handloom Marketing Assistance (HMA), a component of the National Handloom Development Programme (NHDP), all across India. HMA provides a marketing platform to the handloom weavers/agencies to sell their products directly to the consumers, and develop and promote the marketing channel through organizing expos/events in domestic as well as export markets.

Union Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal announced a mega handloom cluster in Manipur and a handloom and handicraft village at Moirang in Bishnupur. The mega cluster will be set up at an estimated cost of Rs. 30 crore (US\$ 4.03 million) under the National Handloom Development Programme (NHDP). He also announced the creation of 100 textile machinery champions in the country and to promote it in the global market. Through this, the government aims to make India a global player in textiles machinery. In October 2021, the Ministry of Textiles approved continuation of the comprehensive handicrafts cluster development scheme with a total outlay of Rs. 160 crore (US\$ 21.39 million). Through this scheme, the government aims to support domestic SMEs and local artisans. The government also introduced SAMARTH training at 75 training centers across the country, to accelerate the scheme's coverage among artisans. Defence Research and Development Organisation (DRDO) is helping the Indian textile industry to produce yarns and eliminate dependence on import of Chinese and other foreign clothing for military uniforms. Indian defence sector has expressed support towards the Indian technical textile sector.

### **Innerwear Market Segment**

Rapid urbanization across India is one of the key factors driving the growth of the market. With the increasing female workforce participation and rising expenditure capacities, consumer preference is shifting toward trendy intimate wear, sports, bridal, and regular lingerie products. Over the years, innerwear had only been considered as an essential commodity, but there has been a significant shift in trend due to the increasing fashion consciousness among the millennials; it transformed into a fashion statement. As a result of this shift, industry players have placed greater emphasis on widening its innerwear product range – both men's as well as women's. The growing availability of premium, customizable, and economical lingerie variants, coupled with the extensive celebrity collaborations and brand promotion activities on social media to expand the consumer base, are primarily driving the India innerwear market.

The global innerwear market has been bifurcated in terms of product type, material type, end user, age group, category type, distribution channel, and region. According to product type, the market has been segregated into top innerwear, bottom innerwear, and shapewear. Over the last few years, the premium



innerwear market has also been gaining significant traction with the entry of global players in collaboration with Indian brands. Higher discretionary spending, rise in number of working women, and the increasing fashion consciousness among the populace, especially the millennials, and the increasing number of middle-class households is projected to catalyse the demand for the inner wear industry. Moreover, the increasing adoption of organized retail channels is providing a thrust to the lingerie market growth. Product manufacturers and vendors are widely utilizing e-commerce platforms to provide premium-quality branded lingerie to consumers with enhanced convenience.



(Source:technavio)

Additionally, various product innovations, such as the integration of online retail platforms with artificial intelligence (AI) and big data solutions, are acting as other growth-inducing factors. These solutions enable the product manufacturers to monitor the shopping habits of the consumers and provide personalized experiences to the shoppers. In line with this, the launch of innovative nursing brassieres and seamless briefs is also contributing to the growth of the market. Other factors, including extensive celebrity collaborations and brand promotional activities on social media to attract a wider consumer base, along with the increasing preference for lingerie products among males, are anticipated to drive the market toward growth. We expect the India lingerie market to exhibit a CAGR of 18% during 2022-2026.

## OPPORTUNITIES AND THREATS

### Opportunities

- The government has launched an Emergency Credit Line Guarantee Scheme. The aim of this scheme is to provide funds to micro and small textile business owners. This will help them to invest in increasing their production and minimize the effect of the pandemic. This scheme will be available till March 2023, with a huge guarantee cover.
- The Indian government has several portals for the welfare of laborers. Udyam, NCS, e-Shram, and ASEEM are the government portals that help people in finding employment in various MSMEs. All these portals are now interlinked to help business owners in finding manpower.



- Scheme for Capacity Building in Textile Sector (SCBTS) is launched by the Cabinet Committee on Economic Affairs. An estimated expense of Rs 1300 crore was designated for this scheme, for the skill development in the textile industry.
- The Union Finance Minister has emphasized the development of infrastructure and the setting of centralized Effluent treatment plants for the textile industry. So, funds are allotted in the current budget for these purposes, for the best interest of this industry in India.
- Production-linked incentive (PLI) scheme is launched for promoting the apparel industry, as stated by the Secretary of Textiles Ministry Upendra Prasad Singh.
- Prime Minister Mega Integrated Textile Region and Apparel (PM MITRA) is another beneficial scheme created for the betterment of the infrastructure of the textile industry.
- Growth in organized retail providing a large opportunity for branded play and increase in fashion and brand consciousness making consumers more aspirational and discerning; increasing urban women population and women corporate workforce shall prove to be beneficial for women segment of apparel market.
- In-house Manufacturing and a robust supply network of more than 5000 retailers help the brand ensure adequate supply.

### Threats & challenges

- In the last financial year also, the pandemic was still at a great height that eventually led to the slow down of the commercial and industrial activities. These factory owners were working with reduced manpower. The lack of funds to buy raw materials for production was another drawback in this industry. The probability of third or future waves of the variant virus puts severe affects on business, especially retail trade and msme(s).
- In order to correct the inverted duty structure, the GST council announced the hike in GST rates on textiles. But owing to the strong opposition on rate hike, the decision was ultimately rolled back and deferred. Therefore, business owners are quite agitated due to its negative impact.
- Political tensions or militant activities in some places hinder the smooth operations of the textile industry there. Many textile companies face severe labor shortages and a lack of regular transportation if their factories are located in remote places.
- Cotton textile is the major player in the Indian textile industry. The price of cotton has risen too much now, which is a major setback for textile industry owners. They find it hard to maintain their supply chain due to this price hike.
- The inflation in the Indian economy results in frequent demands among laborers for salary hikes. Thus, industry owners do not find the means to expand their business and compete with global textile leaders from other countries.
- The high cost of power in India is another hindrance to textile production. Most modern machines are power-driven, which raises the overall production costs for business owners.

### 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 products through strong brands “JET” and “LYCOT”. “JET” is 35 years old whereas “LYCOT” is 15 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	2021-22	2020-21
1.	Hosiery Products	1422.67	3313.74
2.	Winter Garments	240.14	323.18
3.	Ladies Garments	318.61	291.76
4.	Cotton Cloth	2069.95	6.06
5.	Jeans	41.51	31.72
	<b>Total</b>	<b>4092.89</b>	<b>3966.46</b>

## 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.

## OUTLOOK

The future of the textile 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 Uttar Pradesh. 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.

#### 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 54 employees as on March 31, 2022.

#### DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

- Our Revenue from operations has increased from ₹39.66 crore (F.Y. 2020-21) to Rs. ₹40.92 crore during the financial year 2021-22.
- The Depreciation and amortization expense has increased from ₹53 lacs (FY 2020-21) to ₹58.42 lacs (FY 2021-22).
- Our Operating, Administrative and other expenses have been increased from ₹37.04 crore (FY 2020-21) to ₹ 38.70 crore (FY 2021-22).
- Net profit has decreased from ₹1.66 crore (FY 2020-21) to ₹1.15 crore (FY 2021-22).

#### DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS ALONG WITH EXPLANATION

In compliance with the requirement of the Listing Regulations, the key financial ratios of the Company along with explanation for significant changes (i.e., for change of 25% or more as compared to the immediately previous financial year will be termed as ‘significant changes’), has been provided hereunder:

S.no.	Particulars	FY 2021-22	FY 2020-21	% Variance	Reason for variation of more than 25%
(i)	Debtors Turnover	2.50	2.38	5.04	-
(ii)	Inventory Turnover	2.34	3.08	-24.03	-
(iii)	Interest Coverage Ratio	3.15	3.74	-15.77	-
(iv)	Current Ratio	2.27	2.21	2.71	-
(v)	Debt Equity Ratio	0.89	0.87	2.30	-
(vi)	Operating Profit Margin (%)	6.58%	7.77%	-15.31	-



(vii)	Net Profit Margin (%)	2.81%	4.19%	<b>-32.93</b>	<b>The gross margin of the company has reduced by 1.05% due to remarkable increase in raw material cost and hence the overall profitability has been affected.</b>
(viii)	Return on Net Worth (%)	15.84%	18.35%	-13.70	

### 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.

*(Sources & References: Ministry of Textiles, Indian Textile Journal, Department of Industrial Policy and Promotion, Press Information Bureau, KPMG Deloitte analysis, Pib, Ibef, fashinza )*



## **INDEPENDENT AUDITORS' REPORT**

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

#### ***DISCLAIMER OF OPINION***

We were engaged to audit the accompanying standalone financial statements of Jet Knitwears Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2022, 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").

We do not express an opinion on the accompanying standalone financial statements of the company. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these standalone financial results.

#### ***BASIS FOR DISCLAIMER OF OPINION***

The company's trade receivables (classified as unsecured and considered good by the management) are carried at Rs.15,21,57,244 out of which Rs.7,52,59,566 are outstanding for a period more than six months, which is abnormally high as compared to the turnover of the company. Also out of the above, receivables of Rs. 1,21,63,160 are aged more than three years. The balances of these parties are subject to confirmation, and as per the management of the company is recoverable.

As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded amount of Trade Receivables and the elements making up the statement of Profit and Loss and statement of cash flows.

#### ***EMPHASIS OF MATTER***

We draw the attention towards the followings

1. We have not verified the physical inventory and cash position as on 31<sup>st</sup> March 2022, and have relied upon the physical verification reports provided by the management in this behalf.
2. The records relating to the WIP Stock are not commensurate with the magnitude of data relating to the same, as more than 30 job workers and 4 different stages are involved. As per the management, a system for data maintenance of the same currently under development.
3. The Company has called for the information from the creditors regarding their registration as Micro /Small enterprises under MSMED Act, 2006, therefore the disclosure made in Balance Sheet under Trade Payables (Note No 6) are to the extent of the information received from some creditors.
4. We draw attention towards clause (L) to Note no 1 describing the transactions with the related parties. Our opinion is not modified in respect of the same.
5. The Balances of Trade Payables appearing in Note No.6 to the Audited Financial Statements are subject to confirmation.



6. The Balances of Trade Receivables appearing in Note No.13 to the Audited Financial Statements are subject to confirmation.
7. Loans and advances are subject to confirmations from the respective parties.
8. Further, the company have been sanctioned a new Skill Development Project under Deen Dayal Upadhyay - Grameen Kaushalya Yojna (DDU GKY Scheme) of Assam State Rural Livelihoods Mission (ASRLM) to train 1000 Candidates in projects (Rural Youth as defined in guidelines of DDU-GKY) with placement linkage by setting up a training/skill center at Majuli and Karimganj for the State of Assam.

We did not audit the financial statements and other financial information, in respect of this scheme. Amounts received and expended under this scheme is subject to audit by a separate auditor, which financial statement and other financial information and auditor's reports have been furnished to us by the management. Our opinion on the financial statements, in so far as it relates to the amounts and disclosures included in respect of this scheme and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid scheme is based solely on the report of such other auditor.

Our opinion is not qualified in respect of the above.

#### **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.

#### ***INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON***

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.

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.

The 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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**

- (A) As required by the Companies (Auditors' Report) Order, 2020("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.
- (B) 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 31<sup>st</sup> March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2022 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**".
  - g) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V 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.
  - h) 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 2022 on its financial position in its standalone financial statements.
    - ii. The Company does not have any long term contracts including derivative 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. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(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 read with Schedule V 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, 30<sup>th</sup> May 2022  
UDIN: 22451027AKFZUY3669**

**(PARTNER)  
FAHED RASHID  
M.No.451027**



**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. (A) As per information provided to us by the management of the company, the company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets, however the same has not been provided to us for the verification therefore we are unable to comment on the same.  
(B) As per information and explanations given to us, all the intangible assets have been completely amortized in the books of the company and as on the date of the financial statements the written down value of the same is zero.
- 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, we report that the immovable properties capitalized in the books of account of the company consists of Building which consists of Leasehold improvements only. No other immovable properties requiring title deed are capitalized in the books of account of the company.
- d. The company has not revalued any of its property, plant and equipment (including right-to-use assets) and intangible assets during the year.
- e. No proceedings have been initiated during the year or are pending against the company as at March 31<sup>st</sup> 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made thereunder.
- (ii) a. As explained to us, the inventory has been physically taken by the management during the year at all the factory and accompanying warehouses of the company. In our opinion, the coverage and procedures of such verification by the management are appropriate. On the basis of the report of physical stock verification conducted by the Management of the company, we report that no discrepancy of 10% or more were noticed, and the minor discrepancies noticed on such verification were properly dealt with in the books of account.
- b. The company has been sanctioned working capital limits in excess of rupees five crores, in aggregate from banks and financial institutions on the basis of security of current assets. On verification of the monthly stock and book debt statements submitted by the Company to such banks/financial institutions with the books of account of the Company, we are of the opinion that the same contains minor differences due to the following reasons:
1. Stock of Tirupur location has been excluded while submitting statement to bank.
  2. Creditors of Tirupur location have been excluded while submitting statement to bank.
  3. Also, Creditors for Goods are only included in the statement submitted to bank.
- (iii) The Company has not made investments in subsidiary companies during the year.
- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any companies, firms, Limited Liability Partnerships or other entity during the year, and hence reporting under clause 3(iii)(a) parts (A) and (B) of the Order are not applicable.



- (b) In our opinion, the investments are, prima facie, not prejudicial to the Company’s interest.
  - (c) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any companies, firms, Limited Liability Partnerships or other entity during the year, and hence reporting under clause 3(iii)(c), (d), (e) and (f) of the Order are not applicable.
- (iv) In Our opinion and according to the information and explanations given us, there is no non-compliance with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees. 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.
- (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 as it is registered under the Micro, Small and Medium Enterprises Development Act, 2006.
- (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 31<sup>st</sup> March 2022 for a period of more than six months from the date they became payable.
- (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:

<u>Nature of Dispute</u>	<u>Amount</u>	<u>Period to which it relates</u>
Income Tax Department	100617.38	TDS defaults of previous years

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43of1961).
- (ix) (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of any loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, the company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (c) 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.



- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the company has not raised loans during the year on pledge of securities held in its subsidiaries.
- (x) (a) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanations given to us, no whistle blower complaints were received by the Company during the year (and upto the date of this report) and hence reporting under clause 3(xi)(c) of the Order is not applicable
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the 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) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit report for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.



- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of sec 135 of Company's Act 2013 are not applicable to the company since the company does not meet the monetary thresh-holds as per the said section. Accordingly clause 3(xx) of the Order is not applicable to the company.
- (xxi) Provisions of consolidated financial statements and group companies are not applicable in case of this company.

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

**Kanpur, 30<sup>th</sup> May 2022  
UDIN: 22451027AKFZUY3669**

**(PARTNER)  
FAHED RASHID  
M.No.451027**



**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, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

***Management’s Responsibility for Internal Financial Controls***

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls 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 authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

***Inherent Limitations of Internal Financial Controls 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.

***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 31<sup>st</sup> 2022, 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.

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

**Kanpur, 30<sup>th</sup> May 2022  
UDIN: 22451027AKFZUY3669**

**(PARTNER)  
FAHED RASHID  
M.No. 451027**

**JET KNITWEARS LIMITED**

CIN: L19101UP1996PLC019722

REGISTERED OFFICE: 119/410-B-1 DARSHAN PURWA KANPUR UTTAR PRADESH UP 208012

CONTACT DETAILS:- info@jetknit.com ; Ph.No. 0512-2217553

**BALANCE SHEET AS AT 31ST MARCH 2022**

PARTICULARS	NOTE NO.	AS AT 31.03.2022 (` in lacs)	AS AT 31.03.2021 (` in lacs)
<b>EQUITY AND LIABILITIES</b>			
<b>(1) SHAREHOLDER'S FUNDS</b>			
(a) Share Capital	2	440.72	440.72
(b) Reserves and Surplus	3	1,631.72	1,516.75
(c) Money received against share warrants		-	-
<b>(2) SHARE APPLICATION MONEY PENDING ALLOTTMENT</b>			
		-	-
<b>(3) NON-CURRENT LIABILITIES</b>			
(a) Long Term Borrowings	4	305.71	262.07
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		19.99	18.86
<b>(4) CURRENT LIABILITIES</b>			
(a) Short Term Borrowings	5	1,055.93	1,052.32
(b) Trade Payables	6	472.58	388.90
(c) Other Current Liabilities	7	137.20	150.88
(d) Short Term Provisions		-	-
<b>TOTAL</b>		<b>4,063.85</b>	<b>3,830.52</b>
<b>ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment and Intangible Assets	8		
(i) Property, Plant and Equipment		175.64	213.70
(ii) Intangible Assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non Current Investments	9	0.25	0.25
(c) Deferred tax Assets (Net)	10	20.95	15.59
(d) Long-Term Loans and Advances	11	79.80	79.80
(e) Other Non-Current Assets		-	-
<b>(2) CURRENT ASSETS</b>			
(a) Current Investments		-	-
(b) Inventories	12	1,993.54	1,503.79
(c) Trade Receivables	13	1,521.57	1,699.93
(d) Cash and Cash Equivalents	14	141.57	199.61
(e) Short-Term Loans and Advances	15	115.80	103.34
(f) Other Current Assets	16	14.74	14.50
<b>TOTAL</b>		<b>4,063.85</b>	<b>3,830.52</b>
<b>Significant Accounting Policies</b>	1		
<b>As Per Our Report of Even Date</b>			
<b>For Rajiv Mehrotra &amp; Associates</b> Firm Reg.No.002253C Chartered Accountants  (PARTNER) Fahed Rashid M.No.451027		<b>Rakesh Kumar Narula</b> (Director) (DIN:00274483)	<b>Balram Narula</b> (Managing Director) (DIN: 00274566)
Kanpur, 30th of May, 2022 UDIN: 22451027AKFZUY3669		<b>Ankur Narula</b> (Chief Fin. Officer)	<b>Vishesh Tiwari</b> (Company Secretary)

**JET KNITWEARS LIMITED**

CIN: L19101UP1996PLC019722

REGISTERED OFFICE: 119/410-B-1DARSHAN PURWA KANPUR UTTAR PRADESH UP 208012

CONTACT DETAILS:- info@jetknit.com ; Ph.No. 0512-2217553

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2022**

<b>PARTICULARS</b>	<b>NOTE NO.</b>	<b>Figures as at the end of the Current Reporting Period (' in lacs)</b>	<b>Figures as at the end of the Previous Reporting Period (' in lacs)</b>
<b>INCOME</b>			
(a) Revenue From Operations	<b>17</b>	4,092.89	3,966.46
(b) Other Income	<b>18</b>	3.06	2.70
(c) Total Income (a+b)		<u>4,095.95</u>	<u>3,969.16</u>
<b>EXPENDITURE</b>			
(d) Cost of Materials Consumed	<b>19</b>	3,412.11	3,219.15
(e) Purchase of Stock-In-Trade	<b>20</b>	-	68.06
(f) Changes in inventories of finished goods, work-in-progress and Stock-In-Trade	<b>21</b>	(420.64)	(429.91)
(g) Employee Benefit Expense	<b>22</b>	126.09	128.02
(h) Finance Costs	<b>23</b>	104.27	96.01
(i) Depreciation and Amortization Expense	<b>8</b>	58.42	53.00
(j) Other Expenses	<b>24</b>	647.62	622.69
(k) Total Expenses		<u>3,927.87</u>	<u>3,757.01</u>
<b>Profit/(Loss) before exceptional, extraordinary, prior period items and tax (c-k)</b>		168.08	212.14
Exceptional Items		-	-
<b>Profit before extraordinary &amp; prior period items and tax</b>		168.08	212.14
Extraordinary Items		-	-
Prior Period Items		6.76	-
<b>Profit before Tax</b>		161.32	212.14
<i>Tax Expenses</i>			
Current Tax		51.68	55.34
Deferred Tax		(5.36)	(1.75)
Tax Adjustment- earlier years		0.04	(7.48)
<b>Profit/(Loss) for the period from continuing operations (l)</b>		114.96	166.02
Profit/(Loss) for the period from discontinuing operations		-	-
Tax expense for discontinuing operations		-	-
<b>Profit/(Loss) for the period from discontinuing operations (after Tax) (m)</b>		-	-
<b>Profit/(Loss) for the period (l+m)</b>		<u>114.96</u>	<u>166.02</u>
Earnings Per Equity Share (Rs.)			
- Basic (Face Value of Rs.10 each)		2.61	3.77
- Diluted (Face Value of Rs.10 each)		2.61	3.77
<b>Significant Accounting Policies</b>	<b>1</b>		
<b>As Per Our Report of Even Date</b>		<b>For and on Behalf of the Board of Directors of Jet Knitwears Ltd.</b>	
<b>For Rajiv Mehrotra &amp; Associates</b> Firm Reg.No.002253C Chartered Accountants		<b>Rakesh Kumar Narula</b> (Director) (DIN:00274483)	<b>Balram Narula</b> (Managing Director) (DIN: 00274566)
(PARTNER) Fahed Rashid M.No.451027		<b>Ankur Narula</b> (Chief Fin. Officer)	<b>Vishesh Tiwari</b> (Company Secretary)
Kanpur, 30th of May, 2022 UDIN: 22451027AKFZUY3669			

**JET KNITWEARS LIMITED**

CIN: L19101UP1996PLC019722

REGISTERED OFFICE: 119/410-B-1DARSHAN PURWA KANPUR UTTAR PRADESH UP 208012

CONTACT DETAILS:- info@jetknit.com ; Ph.No. 0512-2217553

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MAR 2022**

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
	Amount (` in lacs)	Amount (` in lacs)
<b>I) CASH FROM OPERATIONS</b>		
A. PROFIT AFTER TAX	114.96	166.02
B. ADJUSTEMENTS:		
Depreciation	58.42	53.00
Finance Costs	104.27	96.01
Deferred tax	(5.36)	(1.75)
Provision for Gratuity	1.13	1.18
	<u>158.46</u>	<u>1.18</u>
	273.42	314.47
<b>Adjustments for Changes in working Capital</b>		
Decrease/(Increase) in Sundry Debtors	178.36	(1.25)
Decrease/(Increase) in Loans & Advances	(12.46)	(85.55)
Decrease/(Increase) in Other Current Assets	(0.24)	0.33
Decrease/(Increase) in Inventories	(489.75)	(435.54)
Increase/(Decrease) in Trade Payables	83.68	85.74
Increase/(Decrease) in Current Liabilities	(13.69)	(86.60)
Increase/(Decrease) in Short Term Provisions	0.00	(3.50)
<b>NET CASH FROM OPERATIONS</b>	<u>19.33</u>	<u>(211.90)</u>
<b>II) CASH FROM INVESTING ACTIVITIES</b>		
Fixed Assets purchased during the period	(20.36)	(32.71)
<b>NET CASH FROM INVESTMENT ACTIVITIES</b>	<u>(20.36)</u>	<u>(32.71)</u>
<b>III) CASH FROM FINANCING ACTIVITIES</b>		
Increase in Borrowed Funds	47.25	259.74
Finance Costs	(104.27)	(96.01)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<u>(57.02)</u>	<u>163.72</u>
Net Increase in cash and cash equivalents	(58.04)	(80.89)
Cash and Cash equivalents as at the beginning of the period	199.61	280.50
Cash and Cash equivalents as at the end of the period	141.57	199.61

## Notes :

- The Cash Flow Statement has been prepared in accordance with the "Indirect Method" specified in the AS-3 of ICAI.
- Cash & Cash equivalents comprise cash balances and balances with banks, including current deposits only.

**Significant Accounting Policies**

1

As Per Our Report of Even Date

For and on Behalf of the  
Board of Directors of Jet Knitwears Ltd.For Rajiv Mehrotra & Associates  
Firm Reg.No.002253C  
Chartered AccountantsFAHED RASHID  
(PARTNER)  
M.No.451027Rakesh Kumar Narula  
(Director)  
(DIN:00274483)Balram Narula  
(Managing Director)  
(DIN: 00274566)Kanpur, 30th of May, 2022  
UDIN: 22451027AKFZUY3669Ankur Narula  
(Chief Fin. Officer)Vishesh Tiwari  
(Company Secretary)

**NOTE NO.2****SHARE CAPITAL**

PARTICULARS	AS AT		AS AT
	31.03.2022 (` in lacs)		31.03.2021 (` in lacs)
Share Capital <u>Authorised Share Capital</u> 65,00,000 Equity Shares Of Rs.10/- Each	650.00		650.00
<u>Issued, Subscribed &amp; Paid Up Capital</u> 44,07,200 (P.Y.44,07,200) Equity Shares Of Rs.10/- Each Fully Paid Up	440.72 440.72		440.72 440.72

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

**a) Shareholding of Promoters**

Shares held by promoters at the end of the year			% Change during the year
Promoter name	No. of Shares	%of total shares	
1. ANIL KUMAR NARULA	445,025	10.10%	0.00%
2. KANCHAN NARULA	428,175	9.72%	0.00%
3. RAKESH KUMAR NARULA	304,595	6.91%	0.00%
4. USHA NARULA	274,145	6.22%	0.00%
5. JYOTI NARULA	258,280	5.86%	0.00%
6. BALRAM KUMAR NARULA	240,920	5.47%	0.00%
7. RAKESH KUMAR NARULA HUF	152,100	3.45%	0.00%
8. ANIL KUMAR NARULA HUF	141,850	3.22%	0.00%
9. ROHIT NARULA	137,400	3.12%	0.00%
10. BALRAM KUMAR NARULA HUF	127,840	2.90%	0.00%
11. BHUSHAN KUMAR NARULA HUF	111,700	2.53%	0.00%
12. GEETA NARULA	95,000	2.16%	0.00%
13. ROHIT NARULA HUF	75,700	1.72%	0.00%
14. ANKUR NARULA	61,190	1.39%	0.00%
15. PRASHANT NARULA	61,000	1.38%	0.00%
16. ANKUR NARULA HUF	48,870	1.11%	0.00%
17. ADITYA NARULA	35,000	0.79%	0.00%
18. SNEHA NARULA	7,100	0.16%	0.00%
19. MADHU SABBARWAL	100	0.00%	0.00%
Total	3,005,990	68.21%	-

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

Particulars	AS AT 31.03.2022		AS AT 31.03.2021	
	No.	Amount(` in lacs)	No.	Amount(` in lacs)
Balance at the beginning of the year	4,407,200	440.72	4,407,200	440.72
Add: Issued during the year	-	-	-	-
Less: Shares Bought Back	-	-	-	-
Balance at the end of the year	4,407,200	440.72	4,407,200	440.72

**c) 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 has 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.

**d) Details of Shareholding in excess of 5% of the total issued capital of the company**

Name of the Shareholder	AS AT 31.03.2022		AS AT 31.03.2021	
	%	No.of Shares	%	No.of Shares
KANCHAN NARULA	9.72%	428,175	9.72%	428,175
USHA NARULA	6.22%	274,145	6.22%	274,145
ANIL KUMAR NARULA	10.10%	445,025	10.10%	445,025
BALRAM NARULA	5.47%	240,920	5.47%	240,920
JYOTI NARULA	5.86%	258,280	5.86%	258,280
RAKESH KUMAR NARULA	6.91%	304,595	6.91%	304,595
HARYANA REFRACTORIES PVT LTD	2.31%	102,000	5.17%	228,000
MANOJ AGARWAL	8.75%	385,500	3.13%	138,000

- e) Aggregate number of bonus shares issued during the period of 5yrs immediately preceding the reporting date - Nil**
- f) Shares reserved for issue under options and contracts for the sale of shares, including terms and amounts - Nil**



<b>NOTE NO. 3</b>			
<b>RESERVES &amp; SURPLUS</b>			
<b>PARTICULARS</b>	<b>AS AT 31.03.2022</b>		<b>AS AT 31.03.2021</b>
	<b>(` in lacs)</b>		<b>(` in lacs)</b>
<b>SECURITIES PREMIUM</b>			
Balance at the beginning of the year	659.89		659.89
Add: Premium Received during the year	-		-
Balance as at the end of the year	659.89		659.89
<b>PROFIT &amp; LOSS</b>			
Balance at the beginning of the year	856.87		690.84
Add: Net Profit for the Year	114.96		166.02
Balance as at the end of the year	971.83		856.87
	<b>1,631.72</b>		<b>1,516.75</b>

<b>NOTE NO. 4</b>				
<b>LONG TERM BORROWINGS</b>				
<b>PARTICULARS</b>	<b>NON CURRENT PORTION</b>		<b>CURRENT MATURITIES</b>	
	<b>AS AT 31.03.2022</b>	<b>AS AT 31.03.2021</b>	<b>AS AT 31.01.2022</b>	<b>AS AT 31.03.2021</b>
	<b>(` in lacs)</b>			
<b>Secured Loans</b>				
<u>From Banks</u>				
Term Loans	266.29	230.07	97.04	66.03
<u>From Others</u>	-	-	-	-
<b>Unsecured Loans</b>				
<u>From Banks</u>	-	-	-	-
<u>From Others</u>				
Loans and Advances from Related Parties- Unsecured	39.42	32.00	-	-
	<b>305.71</b>	<b>262.07</b>	<b>97.04</b>	<b>66.03</b>

1. Term loans include:

- (a) Rupee Term Loan (including their current maturities) of ` 200. lakhs from HDFC Bank Ltd. under the scheme of Guaranteed Emergency Credit Line (GECL) announced by the Honourable Finance Minister on 20th May 2020 under which a term loan of 20% of the outstanding of Working Capital Limit as on 29th Feb 2020 was provided which was under cover of 100% credit guarantee by NCGTC. The repayment of Principal amount towards the same has started from 7th Aug 2021 which will be done in 48 equated installments
- (b) Rupee Term Loan (including their current maturities) of ` 124. lakhs from HDFC Bank Ltd. under the scheme of Guaranteed Emergency Credit Line (GECL) has been sanctioned on 02/03/2022. The repayment of Principal amount towards the same will start from 7th May 2024 which will be done in 36 equated installments
- (c) Rupee Term Loan (including their current maturities) of ` 17.49 lakhs from HDFC Bank Ltd. which is secured against hypothecation of the Company's Vehicles financed by the bank.
- (d) Rupee Term Loan (including their current maturities) of ` 12.25 lakhs from Toyota Financial Services India Ltd., which is secured against India Ltd. which is secured against hypothecation of the Company's Vehicles financed by the bank.
- (e) Rupee Term Loan (including their current maturities) of ` 9.58 lakhs from IndusInd Bank Ltd., which is secured against India Ltd. which is secured against hypothecation of the Company's Vehicles financed by the bank.

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.

<b>NOTE NO. 5</b>			
<b>SHORT TERM BORROWINGS</b>			
<b>PARTICULARS</b>	<b>As at</b>		<b>As at</b>
	<b>March 31st, 2022</b>		<b>March 31st, 2021</b>
Loans Repayable on Demand			
- Secured Loans From Banks			
(a) Working Capital Limits	958.89		986.29
(Secured against hypothecation of inventories & receivables, as per details below)			
Current Maturities Of Term Loan	97.04		66.03
	<b>1,055.93</b>		<b>1,052.32</b>

1. The working capital limit have been availed from HDFC Bank which is secured against inventories and receivables of the company. Rate of interest on the same is linked with the MCLR of the Bank.

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.



<b>NOTE NO. 6</b>				
<b>TRADE PAYABLES</b>				
(` in lacs)				
PARTICULARS	As at		As at	
	March 31st, 2022		March 31st, 2021	
Trade Payables for Goods				
(a) Due to micro and small enterprises	1.99		-	
(b) Due to others	289.86		257.79	
Trade Payables for Expenses				
(a) Due to micro and small enterprises.	0.39		-	
(b) Due to others	180.33		131.12	
	472.58		388.90	

<b>Trade Payables ageing schedule</b>							(` in lacs)
Particulars		Outstanding for following periods from due date of payment				Total	
		Less than 1 year	1-2 years	2-3 years	2-3 years/More than 3 years		
(i) MSME	CY	2.38	-			2.38	
	PY	-				-	
(ii) Others	CY	469.39	0.81			470.20	
	PY	388.90	-			388.90	
(iii) Disputed dues – MSME	CY					-	
	PY					-	
(iv) Disputed dues - Others	CY					-	
	PY					-	
Total	CY	471.77	0.81	-	-	472.58	
	PY	388.90	-	-	-	388.90	

<b>NOTE NO. 7</b>						
<b>OTHER CURRENT LIABILITIES</b>						
(` in lacs)						
PARTICULARS		As at		As at		
		March 31st, 2022		March 31st, 2021		
Advance from Customers		47.67			18.61	
Other Payables (Including statutory dues, establishment expenses due etc.)		44.18			38.58	
Security Deposits received from customers		27.43			26.63	
Advance Received Towards DDU-GKY Scheme (Net of advances paid towards the same)		17.92			67.06	
		137.20			150.88	

Note: The company was sanctioned a new Skill Development Project under Deen Dayal Upadhyay - Grameen Kaushalya Yojna (DDU GKY Scheme) of Assam State Rural Livelihoods Mission (ASRLM) to train 1000 Candidates in projects (Rural Youth as defined in guidelines of DDU-GKY) with placement linkage by setting up a training/skill center at Majuli and Karimganj for the State of Assam. The company received Rs.20790188.00 from the Central and State Government towards the scheme against which an advance/expenditure of Rs.18997915.00 has been incurred by the company towards the project. The financial statements and other financial information regarding the same is subject to audit by a separate auditor.

<b>NOTE 9- NON-CURRENT INVESTMENTS</b>				
(` in lacs)				
PARTICULARS	As at		As at	
	March 31st, 2022		March 31st, 2021	
<b>Unquoted equity investments, fully paid up</b>				
Jet Knit Indiculus Pvt. Ltd. (2500 Shares)	0.25			0.25
	0.25			0.25

<b>NOTE NO.10</b>				
<b>DEFERRED TAX ASSETS (NET)</b>				
(` in lacs)				
PARTICULARS	As at		As at	
	March 31st, 2022		March 31st, 2021	
<b>Deferred Tax Asset</b>				
Accelerated Depreciation for Tax purposes	15.91			10.84
Deductions claimed for Balance Sheet items				
Expenses allowable on payment basis	5.03			4.75
Others				
Gross Deferred Tax Assets	20.95			15.59
<b>Net Deferred tax asset</b>	20.95			15.59

**NOTE NO. 11****LONG TERM LOANS AND ADVANCES**

(` in lacs)

PARTICULARS	As at	
	March 31st, 2022	March 31st, 2021
Advance for Purchase of Land	79.80	79.80
	79.80	79.80

**NOTE NO. 12****INVENTORIES**

(` in lacs)

PARTICULARS	As at	
	March 31st, 2022	March 31st, 2021
Raw Material	109.10	39.99
Consumable Stores	4.45	1.38
Work-In-Progress	444.24	610.44
Finished Goods	1,435.75	851.99
	1,993.54	1,503.79

**NOTE NO. 13****TRADE RECEIVABLES****UNSECURED, CONSIDERED GOOD**

(` in lacs)

PARTICULARS	As at	
	March 31st, 2022	March 31st, 2021
Receivables outstanding for a period exceeding six months from the date they are due for payment	752.60	877.47
Other Receivables	789.33	822.47
Less: Provision for Doubtful debtors	(20.36)	-
	1,521.57	1,699.93

**Trade Receivables ageing schedule**

(` in lacs)

Particulars		Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	CY	767.72	408.84	126.28	84.06	116.49	1,503.40
	PY	759.96	194.87	284.36	151.59	302.61	1,693.39
(ii) Undisputed Trade Receivables – considered doubtful	CY	-	-	-	-	-	-
	PY	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	CY	1.25	8.21	-	3.57	5.15	18.18
	PY	0.37	0.13	3.24	1.40	1.40	6.54
(iv) Disputed Trade Receivables considered doubtful	CY	-	-	20.36	-	-	20.36
	PY	-	-	-	-	-	-
Total	CY	768.98	417.05	146.64	87.63	121.63	1,541.93
	PY	760.34	195.00	287.60	152.99	304.01	1,699.93

**NOTE NO. 14****CASH & CASH EQUIVALENTS**

(` in lacs)

PARTICULARS	As at	
	March 31st, 2022	March 31st, 2021
Cash In Hand	90.08	74.45
Balances With Scheduled Banks		
- In Current Accounts	13.06	33.08
- In Current Accounts (DDU-GKY Scheme) (Refer Note - 7)	37.42	92.08
- In Fixed Deposits	1.00	-
	141.57	199.61

**NOTE NO. 15****SHORT TERM LOANS & ADVANCES**

(` in lacs)

PARTICULARS	As at	
	March 31st, 2022	March 31st, 2021
<b>Unsecured and Considered Good</b>		
Balances with Revenue Authorities	75.53	53.80
Prepaid Expenses	3.54	3.11
Other Advances	36.72	46.43
	115.80	103.34

**NOTE NO.16****OTHER CURRENT ASSETS**

(` in lacs)

PARTICULARS	As at		As at
	March 31st, 2022		March 31st, 2021
<b>Unsecured and Considered Good</b>			
Security Deposits	14.74		14.50
	14.74		14.50

**NOTE NO.17****REVENUE FROM OPERATIONS**

(` in lacs)

PARTICULARS	Current Year		Previous Year
	Sale of Products	4,300.92	
	4,300.92		4,172.07
Less: Goods & Service Tax Realised	208.03		205.61
	4,092.89		3,966.46

**NOTE NO.18****OTHER INCOME**

(` in lacs)

PARTICULARS	Current Year		Previous Year
	Other Income	-	
Royalty Income	-		0.03
Interest Received on Income Tax	-		0.55
Profit on Sale of Assets	3.06		1.83
	3.06		2.70

**NOTE NO.19****COST OF MATERIAL CONSUMED**

(` in lacs)

PARTICULARS	Current Year		Previous Year
	Opening Stock	39.99	
Purchases	2,456.68		2,115.60
Direct Expenses	1,024.53		1,109.18
	3,521.20		3,259.14
Less: Closing Stock	109.10		39.99
	-		-
Cost of Material Consumed	3,412.11		3,219.15

**NOTE NO.20****PURCHASE OF STOCK-IN-TRADE**

(` in lacs)

PARTICULARS	Current Year		Previous Year
	Purchase of Trading Goods	-	
<b>TOTAL</b>	-		68.06

**NOTE NO.21****INCREASE/(DECREASE) IN FINISHED GOODS/STOCK & WIP**

(` in lacs)

PARTICULARS	Current Year		Previous Year
	Inventories at the Beginning Of The Year		
Work-In-Progress	610.44		387.98
Finished Goods	851.99		644.47
Consumable Goods	1.38		1.45
	1,463.81		1,033.90
Inventories at the End Of The Year			
Work-In-Progress	444.24		610.44
Finished Goods	1,435.75		851.99
Consumable Goods	4.45		1.38
	1,884.44		1,463.81
Net Increase/Decrease in Stock	(420.64)		(429.91)



<b>NOTE NO.22</b>			
<b>EMPLOYEE BENEFITS EXPENSES</b>			
(` in lacs)			
<b>PARTICULARS</b>	<b>Current Year</b>		<b>Previous Year</b>
Salaries and Wages	83.73		84.69
Staff Welfare Expenses	1.74		2.85
Provision for Gratuity	1.13		1.18
Director's Remuneration	27.00		27.00
Bonus	6.61		6.16
Contribution to Provident Fund and other funds	5.87		6.14
	<b>126.09</b>		<b>128.02</b>
<b>NOTE NO.23</b>			
<b>FINANCE COSTS</b>			
(` in lacs)			
<b>PARTICULARS</b>	<b>Current Year</b>		<b>Previous Year</b>
Bank Charges	2.42		1.99
Interest Paid to Bank	98.86		90.90
Interest Paid to Others	2.99		3.12
	<b>104.27</b>		<b>96.01</b>
<b>NOTE NO.24</b>			
<b>OTHER EXPENSES</b>			
(` in lacs)			
<b>PARTICULARS</b>	<b>Current Year</b>		<b>Previous Year</b>
Payments to Auditors			
(a) Auditor	3.75		3.25
(b) Taxation Matters	-		-
Repairs & Maintenance	19.60		32.21
Freight & Cartage Outward	2.86		14.30
Rent	48.54		35.14
Printing & Stationery	12.16		4.10
Rebate & Discount	142.56		150.89
Bad Debts Written Off	111.62		95.73
Provision for Doubtful Debt	20.36		-
Miscellaneous Expenses	30.27		42.26
Security Expenses	10.52		11.57
Sales Promotion	52.69		54.22
Advertisement & Publicity	48.72		52.61
Brokerage & Commission	41.13		33.42
Power & Fuel	17.20		13.74
Legal, Professional and Consultancy	5.47		4.97
Charity & Donation	0.81		1.52
Rates and Taxes	3.13		7.05
Travelling Expenses	13.04		12.02
Telephone Expenses	4.59		4.04
Vehicle & Delivery Van Expenses	52.44		43.01
Insurance	6.15		6.64
	<b>647.62</b>		<b>622.69</b>



**NOTE NO.8**

**PROPERTY, PLANT AND EQUIPMENT**

(' in lacs)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK				
	AS AT 01.04.2021	ADDITIONS	SALE/ TRF	AS AT 31.03.2022	UPTO 01.04.2021	FOR THE YEAR	TRD	TRF/ ADJ.	UPTO 31.03.2022	AS AT 31.03.2022	AS AT 31.03.2021
BUILDING & LAND	14.29	0.00	0.00	14.29	9.83	0.45	0.00	0.00	10.28	4.01	4.46
COMPUTER, PRINTER & PERIPHERALS	66.91	1.00	0.00	67.91	55.40	10.76	0.00	0.00	66.16	1.75	11.51
FURNITURE & FIXTURES	22.93	0.00	0.00	22.93	22.18	0.75	0.00	0.00	22.93	0.00	0.75
ELECTRIC INSTALLATION	6.60	0.00	0.00	6.60	5.49	0.51	0.00	0.00	6.00	0.60	1.11
VEHICLE	278.83	18.21	33.91	263.13	217.38	14.71	0.00	30.03	202.06	61.07	61.45
OFFICE EQUIPMENT	63.48	5.32	0.30	68.50	53.30	7.30	0.00	0.00	60.60	7.89	10.18
PLANT & MACHINERY	378.21	0.00	0.00	378.21	253.96	23.93	0.00	0.00	277.89	100.31	124.25
TOTAL	831.24	24.53	34.21	821.56	617.54	58.42	0.00	30.03	645.93	175.64	213.70



**NOTE NO. 25**  
**RATIOS**

Particulars	Formula	Current Period		Previous Period		Current Period	Previous Period	% Variance	Reason for variance
		Numerator	Denominator	Numerator	Denominator				
(a) Current ratio	Current Assets / Current Liabilities	3,787.22	1,665.70	3,521.17	1,592.10	2.27	2.21	2.80%	-
(b) Debt-equity ratio	Total Term Liabilities / Total Net Worth	1,834.22	2,072.44	1,703.30	1,957.47	0.89	0.87	1.71%	-
(c) Debt service coverage ratio	EBIDTA / Interest on Long Term Borrowing + Current Maturities of Long Term Borrowings	328.35	195.90	359.17	156.93	1.68	2.29	-26.77%	The gross margin of the company has reduced by 1.05% due to noticeable increase in raw material cost and hence the overall profitability has been affected.
(d) Return on equity ratio	PAT *100 / Average Shareholder's Equity	114.96	2,014.96	166.02	1,874.46	5.71%	8.86%	-35.58%	The gross margin of the company has reduced by 1.05% due to noticeable increase in raw material cost and hence the overall profitability has been affected.
(e) Inventory turnover ratio	Net Sales / Average Inventory	4,092.89	1,748.67	3,966.46	1,286.02	2.34	3.08	-24.11%	-
(f) Trade receivables turnover ratio	Adjusted Sales / Average Debtors	4,030.72	1,610.75	4,038.36	1,699.31	2.50	2.38	5.30%	-
(g) Trade payables turnover ratio	Adjusted Purchases / Average Creditors	2,688.98	430.74	2,411.86	346.03	6.24	6.97	-10.44%	-
(h) Net capital turnover ratio	Net Sales / Working Capital	4,092.89	2,121.51	3,966.46	1,929.07	1.93	2.06	-6.17%	-
(i) Net profit ratio	Net Profit *100 / Net Sales	114.96	4,092.89	166.02	3,966.46	2.81%	4.19%	-32.90%	The gross margin of the company has reduced by 1.05% due to remarkable increase in raw material cost and hence the overall profitability has been affected.
(j) Return on capital employed	EBIDTA *100 / Capital Employed	328.35	2,072.44	359.17	1,957.47	15.84%	18.35%	-13.65%	-
(k) Return on investment	Return on Investment / Average Investment	NA	NA	NA	NA	NA	NA	NA	-



As Per Our Report of Even Date

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

(PARTNER)  
Fahed Rashid  
M.No.451027

Kanpur, 30th of May, 2022  
UDIN: 22451027AKFZUY3669

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

Rakesh Kumar Narula  
(Director)  
(DIN:00274483)

Ankur Narula  
(Chief Fin. Officer)

Balram Narula  
(Managing Director)  
(DIN: 00274566)

Vishesh Tiwari  
(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 presented in Indian Rupees (INR) except where otherwise indicated. The financial statements are approved for issue by the Company's Board of Directors on May 30, 2022.

##### **(ii) Consistency:**

Accounting Polices 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.



**(iv) Use of Estimates, Assumptions and Judgements:** The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the year. Differences between actual results and estimates are recognised in the year in which the results are known or materialise. Estimates and underlying assumptions are reviewed on an ongoing basis.

**(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 year end 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.

The inventories have been physically taken by the management periodically during the year.

**(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.

The company has provided for a Provision for doubtful debt of Rs.20.36 lacs in the current year.

**(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 statutory authorities as on 31/3/2022.

(‘in Lacs)

<u>Liability of Dispute</u>	<u>Amount</u>	<u>Period to which it relates</u>
Income Tax Department	1.006	TDS defaults of previous years

**(E) Prior Period Items:**

An expense relating to prior period has been charged to current year profit and loss statement and a separate disclosure for the same has been made.

**(F) Revenue Recognition:**

Sales are recognized at the time when the risks and rewards as regards those good 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 values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The useful lives for various categories of property, plant and equipment are as given below:

S.N.	Description	Useful Life as per Schedule II of the Companies Act, 2013	Useful life
1.	Factory Buildings	30 years	30 years
2.	Plant and Machinery other than continuous process plant not covered under specific	15 years	15 years
3.	Furniture and fittings	10 years	10 years
4.	Office equipment	05 years	05 years
5.	Vehicles- Four wheelers	08 years	15 years
6.	Vehicles- Two wheelers	10 years	10 years
7.	Computers and peripherals	Servers- 06 years Others-03 years	5 years

- 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 recognized 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 an 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 taken an actuary valuation report in this respect. Details of the same are as follows:

(' in lacs)

Amounts in Balance Sheet at Period-End	31-03-21	31-03-22
Defined Benefit Obligation	18.86	19.99
Fair value of Plan Assets	-	-
Funded Status - (Surplus)/Deficit	18.86	19.99
Past Service Cost not yet Recognised	-	-
Unrecognised Asset due to Limit in Para 58(B)	-	-
<b>(Asset)/Liability Recognised in the Balance Sheet</b>	<b>18.86</b>	<b>19.99</b>

Amounts Recognised in Statement of Profit & Loss at Period-End	31-03-20	31-03-21
	To 31-03-21	to 31-03-22
Service Cost	1.68	1.58
Interest Cost	1.13	1.25
Expected Return on Plan Assets	-	-
Past Service Cost	-	-
Net Actuarial Losses/(Gains) Recognised during the period	(1.63)	(1.69)
(Gain)/Loss due to	-	-



Settlements/Curtailments/Terminations/Divestitures		
Unrecognised Asset due to Limit in Para 58(B)	-	-
<b>Total Expense/(Income) included in "Employee Benefit Expense"</b>	<b>1.18</b>	<b>1.13</b>
<b>Current / Non-Current Bifurcation</b>	<b>31-03-21</b>	<b>31-03-22</b>
Current Benefit Obligation	3.98	4.89
Non- Current Benefit Obligation	14.88	15.11
<b>(Asset)/Liability Recognised in the Balance Sheet</b>	<b>18.86</b>	<b>19.99</b>

**(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, Frontline Exports Pvt. Ltd., Jet Knit Indclus Pvt. Ltd., Venus Knitwears Co. Pvt. Ltd.

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

Gaurav Narula (V.T. Trading Corporation), Jyoti Narula, Kanchan Narula, Madhu Sabbharwal, Meena Narula, Namrata Narula, Prashant Narula, Radhika Narula, Rohit Narula, Ruchi Narula, Sandhya Narula, Shashi Sabbharwal (SMS Traders), Saurabh Narula, Usha Narula, Vaibhav Narula, Harsh Vardhan Narula

(₹ in lacs)

Particulars	Key Management Personnel		Relatives of KMP		Enterprises over which Directors & their Relatives are able to exercise significant influence	
	CY	PY	CY	PY	CY	PY
Rent	9.18	3.80	7.05	1.54	0	0
Remuneration	34.20	34.20	33.00	33.80	0	0
Interest	0.18	0.17	2.06	1.76	0.64	0.61
Commission	11.48	10.80	12.38	12.17	0	0
Sale	0	0	0	0	67.19	60.39
Purchase	0	0	7.38	6.25	5.53	0
Job Work Charges	0	0	0	0	106.22	133.88
Repayment of Loan Received	0	0	0	0	9.56	0

**(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.



## Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022

[Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In Lacs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. In Lacs)
	1.	Turnover / Total income	4095.95	4095.95
	2.	Total Expenditure	3927.87	3927.87
	3.	Net Profit	168.08	168.08
	4.	Earnings Per Share	2.61	2.61
	5.	Total Assets	4063.85	4063.85
	6.	Total Liabilities	1991.41	1991.41
	7.	Net Worth	2072.44	2072.44
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
<b>II Audit Qualification (each audit qualification separately):</b>				
a. <b>Details of Audit Qualification:</b> Please refer Audit Report-Basis for Disclaimer of Opinion				
b. <b>Type of Audit Qualification:</b> Disclaimer of Opinion				
c. <b>Frequency of qualification:</b> Third Time				
d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> NA				
e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b>				
<p>(i) <b>Management's estimation on the impact of audit qualification:</b> Based on the Management analysis and assumptions, we believe that the Profit and Loss Account and Cash Flow Statement for the year ended March 31, 2022 and the Balance Sheet as at March 31, 2022 are materially correct and as per the management the trade receivables are considered good and are recoverable in nature. The company's trade receivables consist of outstanding balances from over 3000 parties, spread across various remote locations within the country and are generally low in value individually, since the supply chain of the company largely consists of small retailers, who were severely impacted by the COVID-19 pandemic. The Management is making full efforts to recover these trade receivables. Further as is evident, during the year, the trade receivables outstanding for a period exceeding six months have been reduced by around Rs.33 lakhs and the total trade receivables have been reduced by around Rs. 158 lakhs. Hence, management does not believe there is any material financial impact of the audit qualification.</p> <p>(ii) <b>If management is unable to estimate the impact, reasons for the same:</b> Not Applicable</p> <p>(iii) <b>Auditors' Comments on (i) or (ii) above:</b> As is stated in our report, the trade receivables are abnormally high; a significant part of the trade receivables has also remained overdue for more than three years. Further several trade receivables remained subject to confirmation by the respective parties upto the date of our report. However, as per the Management, the trade receivables are all good and recoverable and have been stated to be classified accordingly in the Financial Statements. In the absence of any conclusive evidence as regards the recoverability of these trade receivables and considering the materiality of the amount involved, we have issued a disclaimer of opinion.</p>				
<b>III Signatories:</b>				
For Rajiv Mehrotra & Associates Chartered Accountants FRN : 002253C CA Fahed Rashid Partner M.No. 451027			Mr. Balram Kumar Narula (Managing Director)	
			Mr. Ankur Narula (Chief Financial Officer)	
Date: May 30, 2022 Place: Kanpur			Mr. Ramesh Chandra (Chairman, Audit Committee)	



# JET KNITWEARS LIMITED

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

## NOTICE

Notice is hereby given that the Twenty-Sixth Annual General Meeting of the Members of the Company will be held on **Tuesday, September 27, 2022 at 04:00 PM at Registered office of the Company at 119/410, B-1, Darshanpurwa, Kanpur-208012** 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, 2022 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in place of Mrs. Dinesh Parashar (DIN: 07270662) who retires by rotation at this Annual General Meeting and being eligible, has offered herself for re-appointment.
3. To reappoint *M/s Rajiv Mehrotra & Associates* Chartered Accountants, as the Statutory Auditors of the company.

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

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force) **M/s Rajiv Mehrotra & Associates Chartered Accountants (FRN: 002253C)**, be and are hereby re-appointed as Statutory Auditors of the Company for a second term of five (5) consecutive years to hold office from the conclusion of the 26<sup>th</sup> Annual General Meeting of the Company till the conclusion of the 31<sup>st</sup> Annual General Meeting on such remuneration plus applicable taxes, out-of-pocket expenses, as may be mutually agreed upon by the Board of the Directors and the Statutory Auditors on the recommendations of the Audit Committee.”

### SPECIAL BUSINESS:

4. **Reappointment of Mr. Balram Kumar Narula (DIN: 00274566) as Managing Director of the Company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special 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)** who has already attained the age of 70 years, as Managing Director of the Company to exercise substantial powers in managing 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, 2023, 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 and that he shall not be liable to retire by rotation.

**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, if any.

**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.”

**5. Re-appointment of Mr. Anil Kumar Narula (DIN: 00274462) as Whole Time Director of the Company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special 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 the Company’s affairs 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, 2023, 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, if any.

**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.”

**6. Re-appointment of Mr. Rakesh Kumar Narula (DIN: 00274483) as Whole Time Director of the Company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special 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 the Company’s affairs 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, 2023, 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, if any.

**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**

**(Vishesh Tiwari)**  
Company Secretary  
& Compliance Officer

Place: Kanpur  
Date: 24.08.2022

**NOTES FOR MEMBERS' ATTENTION:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE TWENTY SIXTH 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 SCHEDULED TIME OF THE MEETING. 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.

2. 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 persons seeking re-appointment as a Director under Item No. 2, 4, 5 & 6 is mentioned under point number 21.
3. The Board of Directors has not recommended any final dividend for the Financial Year ended on March 31, 2022.
4. The current term of appointment of Statutory Auditors, M/s Rajiv Mehrotra & Associates, Chartered Accountants, (FRN: 002253C) is expiring at the ensuing AGM. Thus, the Company intends to re-appoint M/s Rajiv Mehrotra & Associates, Chartered Accountants, (FRN: 002253C) as Statutory Auditors of the Company at the ensuing AGM for a second term of 5(Five) consecutive years from the conclusion of the ensuing AGM till the conclusion of 31st AGM of the Company. Henceforth, the resolution for re-appointment of Statutory Auditors is proposed in Item No. 3 of this Notice. Requisite declarations have been received from the Auditors. Details as required under Regulation 36 of the Listing Regulations are provided in the explanatory statement annexed to this Notice.
5. The Register of Members and Share Transfer books of the Company shall remain closed from September 21, 2022 to September 27, 2022(both days inclusive).
6. 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.
7. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company or the RTA 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 from time to time. 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 the RTA, 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. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, the members are advised to dematerialise their physical holdings, if any. For any help, the Shareholders may contact to the Registrar & Transfer Agent at email id [investor@bigshareonline.com](mailto:investor@bigshareonline.com) and to Company Secretary at email id [compliance@jetknit.com](mailto:compliance@jetknit.com).
12. Members/Proxies are requested to deposit the Attendance Slip duly filled in and signed for attending the Meeting. 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.
13. In case of joint holders attending the Meeting, the member whose name appears as the first holder in the order of names as per the Register of Members will be entitled to vote.
14. SEBI & Ministry of Corporate Affairs is promoting electronic communication as a contribution to greener environment. Accordingly, as a part of green initiative and referring to MCA General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 02/2022 dated 05.05.2022 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 soft copy of the Notice of the AGM along with the Annual Report 2021-22 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company /



Depositories unless any member has requested a hard copy for the same. In case any member is desirous of obtaining hard copy of the Annual Report for the Financial Year 2022 and Notice of the 26th AGM of the Company, may send request to the Company's email address at [compliance@jetknit.com](mailto:compliance@jetknit.com) mentioning Folio No./ DP ID and Client ID. Members may note that this Notice and the Annual Report 2021-22 will also be available on the Company's website [www.jetlycot.com](http://www.jetlycot.com) and on the website of the Stock Exchange i.e. NSE Limited at [www.nseindia.com](http://www.nseindia.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, up to 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. The businesses set out in the Notice will be transacted through electronic voting system and the Company is also providing facility to vote through ballot paper at the venue of AGM. Instructions and other information relating to e-voting are given in this Notice under Note No. 20.
17. 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 7 (seven) days before the date of the Meeting, so that the information required may be made available at the Meeting.
18. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically. Manner of registering / updating email addresses is as under:
  - i) Members holding shares in physical mode, who have not registered / updated their email addresses with the Company, are requested to inform the Company with details of folio number and attaching a self-attested copy of PAN card at [compliance@jetknit.com](mailto:compliance@jetknit.com) or to the RTA, Big Share Services Private Limited at [mukesh@bigshareonline.com](mailto:mukesh@bigshareonline.com).
  - ii) Members holding shares in dematerialized mode, who have not registered / updated their email addresses with their Depository Participants are requested to register their email addresses with the Depository Participants with whom they maintain their demat accounts.
19. A route map showing direction to reach the venue of the 26<sup>th</sup> Annual General Meeting is given at the end of this notice as per the requirement of Secretarial Standards -2 on General Meeting.

**20. Instructions and other information relating to remote e-voting are as under:**

- a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide to its members facility to exercise their right to vote on resolutions set forth in this Notice convening the 26<sup>th</sup> AGM. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting').
- b) The Company has engaged the services of National Securities Depository Limited ("NSDL") as the Agency to provide e-voting facility.



c) E-voting facility will be available during the following voting period:

Commencement of E-Voting	End of E-Voting
From 09:00 AM (IST) on Saturday, September 24, 2022	Upto 5:00 PM (IST) on Monday, September 26, 2022

- d) During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the *cut-off date i.e. September 20, 2022* may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have, casted their vote electronically shall not vote by way of poll, if held at the Meeting.
- e) The Members of the Company holding shares on the “cut-off date” of *September 20, 2022* only shall be entitled to avail the facility of remote e-voting. 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.
- f) Any person, who become a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. *September 20, 2022* may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA.
- g) The process and manner for remote e-voting are as under:

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDeAS</b> ’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ <b>Access to e-Voting</b> ” under e-



Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nSDL.com>. Select **“Register Online for IDeAS Portal”** or click at <https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp>

2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nSDL.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
3. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

**NSDL Mobile App is available on**



Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or [www.cdslindia.com](http://www.cdslindia.com) and click on New System Myeasi.
2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.



	<p>3. If the user is not registered for Easi / Easiest, option to register is available at  <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43</p>

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.



Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nSDL.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
- c) How to retrieve your ‘initial password’?
  - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**



6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
  - a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system.**

### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csGOPesh@gmail.com](mailto:csGOPesh@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)



**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to ([compliance@jetknit.com](mailto:compliance@jetknit.com)).
  2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to ([compliance@jetknit.com](mailto:compliance@jetknit.com)). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
  3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
  4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
- h) Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
- i) The Board of Directors has appointed CS Gopesh Sahu, Practicing Company Secretary, (Membership No. FCS 7100), as Scrutinizer to scrutinize the E-Voting process in a fair and transparent manner.
- j) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. **September 20, 2022**. 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.
- k) The Results on resolutions shall be declared within two working days from the conclusion of the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolutions.
- l) The Results declared along with the Scrutinizer's Report(s) will be available on the Company's website i.e. [www.jetlycot.com](http://www.jetlycot.com) and on the website of NSDL <https://evoting.nsdl.com> The results shall simultaneously be communicated to the Stock Exchange, where the share of the company is listed.



**21. The details required to be given in pursuance of Regulation 36 (3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) of ICSI regarding Directors seeking appointment/re-appointment:**

<b>Name of the Director and DIN</b>	Mrs. Dinesh Parashar (07270662)	Mr. Balram Kumar Narula (00274566)	Mr. Anil Kumar Narula (00274462)	Mr. Rakesh Kumar Narula (00274483)
<b>Designation</b>	Non-executive Woman Director	Promoter and Managing Director	Promoter and Whole Time Director	Promoter and Whole Time Director
<b>Date of Birth</b>	16/08/1950	25/05/1951	30/03/1956	18/01/1958
<b>Qualification</b>	High School	Graduate in Science	Post - Graduate in Commerce	Graduate in Commerce
<b>Date of Original Appointment</b>	September 01, 2015	April 10, 2009	April 02, 1996	April 02, 1996
<b>No. of Board Meetings attended during the Year</b>	2 out of 6	6 out of 6	5 out of 6	6 out of 6
<b>Experience and Expertise</b>	Mrs. Dinesh Parashar, aged 72 years is the Non-Executive & Non-Independent Woman Director of our company. She currently holds the position of Chairperson at Satyavati Adarsh Sikha Gram Samiti, and certain other positions at a High School. She has been awarded as "siksha, seva, sanskriti ki murtimaan prateek" in March, 2013. She is also involved in many other social welfare activities.	Mr. Balram Kumar Narula, aged 71 years, 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 Undergarments category in India. With a rich experience of more than 47 years in Manufacturing & 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.	He is a businessman having rich experience of more than 40 years in the marketing & 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 TirupuraSevaSamiti (An Association doing Welfare Work for Poor People).	He is a businessman having rich experience of more than 34 years in hosiery manufacturing specializing in Sales and Production. He has wide experience in stitching, bleaching and knitting.



<b>Relationship between Directors, Manager and other Key Managerial Personnel</b>	Independent from the Management	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)	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)	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)				
<b>Directorship in other Companies</b>	-	Venus Knitwears Company Private Limited	Front Line Exports Private Limited	Front Line Exports Private Limited				
<b>No. of Equity Shares held in the company</b>	-	240920 (Jet Knitwears Limited)	445025 (Jet Knitwears Limited)	304595 (Jet Knitwears Limited)				
<b>Terms and conditions of reappointment &amp; Remuneration sought for</b>	Same as existing Terms & conditions	Refer Item No. 4 to 6 of the Explanatory Statement annexed in the Notice	Refer Item No. 4 to 6 of the Explanatory Statement annexed in the Notice	Refer Item No. 4 to 6 of the Explanatory Statement annexed in the Notice				
<b>Details of remuneration last drawn (2021-22)</b>	-	9,00,000/-	9,00,000/-	9,00,000/-				
<b>Chairmanship/Membership of Committees in the Board of other Companies</b>	Name of Company	Name of Committee	Name of Company	Name of Committee	Name of Company	Name of Committee	Name of Company	Name of Committee
	NIL		NIL		NIL		NIL	

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

**(Vishesh Tiwari)**  
Company Secretary  
& Compliance Officer

Date: 24.08.2022  
Place: Kanpur

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013 AND REGULATION 36 OF THE SEBI LISTING REGULATIONS:****ITEM NO. 03**

*M/s Rajiv Mehrotra & Associates Chartered Accountants (FRN: 002253C)* were appointed as statutory auditors of the Company at the 21<sup>st</sup> AGM held on September 29, 2017 to hold office from the conclusion of the said AGM till the conclusion of the 26th AGM to be held in the year 2022. In terms of the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the Company can appoint or reappoint an audit firm as statutory auditors for not more than two (2) terms of five (5) consecutive years. Thus, M/s Rajiv Mehrotra & Associates is eligible for re-appointment for a further period of five years.

Based on the recommendations of the Audit Committee, the Board of Directors, at its meeting held on August 24, 2022 proposed the reappointment of M/s Rajiv Mehrotra & Associates, as the statutory auditors of the Company to hold office for a second term of five consecutive years from the conclusion of the ensuing AGM until the conclusion of the 31<sup>st</sup> AGM to be held in the year 2027. The proposed Auditors have consented their reappointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed there under.

The proposed remuneration to be paid to M/s Rajiv Mehrotra & Associates for audit services for the financial year ending March 31, 2023, is Rs. 3.75 Lakhs (Rupees Three Lakh Seventy Five Thousands only) plus applicable taxes and out-of pocket expenses. The Board of Directors, in consultation with the audit committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the statutory auditors for the remaining part of the tenure.

Considering the evaluation of the past performance, experience and expertise of M/s Rajiv Mehrotra & Associates and based on the recommendation of the Audit Committee, it is proposed to reappoint M/s Rajiv Mehrotra & Associates, as statutory auditors of the Company for a second term of five consecutive years till the conclusion of the 31<sup>st</sup> AGM of the Company.

**Brief profile of the proposed Auditors:** M/s Rajiv Mehrotra & Associates (RMA), is partnership firm constituted in 1984. RMA is registered with the Institute of Chartered Accountants of India with Firm Registration No. 002253C. The firm consists of 8 partners and is availing services of other Chartered Accountants, an Advocate and Qualified Company Secretary, all on retainer-ship basis, besides staff strength of over 35, consisting of Articled Clerks, semi-qualified accountants and other paid support staff. Head office of RMA is situated in Kanpur with its branches in Mumbai and Lucknow.

The partners have a meritorious career and have a wide ranging knowledge and experience in Taxation, Project Financing and Company Law Matters. Two of the partners have passed the CISA Exam of the Information Systems Audit & Control Association, USA and two of the partners have qualified the DISA course conducted by the Institute of Chartered Accountants of India. Two of the Partners have completed the CAAT course conducted by the Institute of Chartered Accountants of India. Some of the partners have completed the Post Qualification Certificate Courses offered by the ICAI.



None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in the proposed Resolution. The Board recommends the resolution set forth at item no. 3 of the notice for the approval of members

**ITEM NO. 04:**

In accordance with the provisions of Section 196 read with Schedule V of the Companies Act, 2013 a person who has attained the age of 70 years can be appointed as Managing Director only by passing a special resolution, in which case, the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.

Mr. Balram Kumar Narula, aged 71 years, is one of the founding member and promoter of Jet Knitwears Ltd and he has been associated with the Company since 1996. Under his guidance and leadership, Company 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. He has a rich experience of more than 47 years in Manufacturing & Marketing of undergarments. As a Managing Director, he has been looking after the overall affairs and operations of the Company guiding the supervision and control of the Board of Directors. He is involved in policy planning, vision and strategy and long term development activities of the Company. His experience and expertise has been instrumental in taking the Company from its humble beginnings to its present position. The Company has made enormous progress under the stewardship of Mr. Balram Narula and his vision is to spread the reach of Jet Knitwears from being a regional brand to be among the popular peer brands in the domestic markets. Thus, his association with the Company and his leadership and guidance as a Managing Director would truly be in the utmost interest of all the stakeholders.

The present term of Mr. Balram Kumar Narula, as Managing Director is expiring on May 14, 2023. Therefore, giving due regard to the experience, expertise and skills of Mr. Balram Kumar Narula, the Nomination and Remuneration Committee recommended his re-appointment as Managing Director to the Board of Directors and the Board in its meeting held on August 24, 2022 decided to re-appoint Mr. Balram Kumar Narula as Managing Director of the Company 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, 2023 at the same as existing terms & conditions.

Mr. Balram Kumar Narula satisfies all the conditions set out in Part-I of Schedule V read with Section 196 of the Act for being eligible for his re-appointment and is not disqualified from being appointed as Director in terms of Section 164 of the Act.

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

**Remuneration by way of Salary, Dearness Allowance, Performance Based Bonus, Commission and other Allowances:** Not exceeding amount of Rs. 24,00,000/- p.a.

**Perquisites:** a) Gratuity not exceeding half a month's salary for each completed year of service  
b) Encashment of leave at the end of the tenure.  
c) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961 (43 of 1961)  
d) Security- The Company shall provide for round the clock security at the Director's residences.

Perquisites at (a), (b) & (c) shall not be included in computation of the ceiling on remuneration specified as above.

The approval of members is, therefore, sought by way of **Special Resolution** for the re-appointment of Mr. Balram Kumar Narula as Managing Director of the Company. And he shall not be liable to retire by rotation as Director of the Company during his tenure of Managing Director.



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 resolution as set out in Item No. 04.

**ITEM NO. 05 to 06:**

The present term of Mr. Anil Kumar Narula and Mr. Rakesh Kumar Narula, Whole Time Directors of the Company is expiring on May 14, 2023. They were appointed for the said post on May 14, 2020 for a tenure of 3(three) years. Therefore, after taking into consideration their experience, expertise and skills, the Nomination and Remuneration Committee recommended their re-appointment as Whole Time Directors and the Board in its meeting held on August 24, 2022 decided to re-appoint the said Directors as Whole Time Directors 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, 2023 at the same as existing terms & conditions.

All the Directors mentioned above satisfy all the conditions set out in Part-I of Schedule V read with Section 196 of the Act for being eligible for their re-appointment. None of the aforementioned Directors are disqualified from being appointed as Director in terms of Section 164 of the Act.

Broad particulars of the existing 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. 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 and Allowances as above, the Whole Time Directors shall also be entitled to the following perquisites:

- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service
- Encashment of leave at the end of the tenure.
- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961 (43 of 1961)
- Security- The Company shall provide for round the clock security at the Director's residences.

Perquisites at (a), (b) & (c) shall not be included in computation of the ceiling on remuneration specified as above.

The approval of members is, therefore, sought by way of **Special Resolution** for the re-appointment of Mr. Anil Kumar Narula & Mr. Rakesh Kumar Narula, as Whole Time Directors of the Company liable to retire by rotation.

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. 05 to 06.

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

(Vishesh Tiwari)  
Company Secretary  
& Compliance Officer

Date: 24.08.2022  
Place: Kanpur



**STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013:**

**I. General Information:**

1. Nature of Industry: Manufacturers of Hosiery products
2. Date of commencement of commercial production: the Company is in operation since 1996
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
4. Financial performance based on given indicators (in Lakh):

Particulars	2021-22	2020-21
Total Income	4095.95	3969.16
Profit/ Loss before Tax	161.32	212.14
Profit After Tax	114.96	166.02

5. Foreign investments or collaborators, if any: NA

**II. Information about Managing & Whole Time Directors:**

	Mr. Balram Kumar Narula	Mr. Anil Kumar Narula	Mr. Rakesh Kumar Narula
Background Details	Please refer to point no. 21 of this Notice calling 26 <sup>th</sup> AGM		
Recognition & Awards			
Past Remuneration			
Job Profile & Suitability	Mr. Balram Kumar Narula is a graduate in science and has a vast experience of over 45 years in the field of Industry, Business and Corporate Management. He has been looking after the overall affairs and operations of the Company guiding the supervision and control of the Board of Directors. He is involved in policy planning, vision and strategy and long term development activities of the Company.	Having rich experience of more than 40 years, Mr. Anil Kumar Narula oversees the marketing & manufacturing of Hosiery Undergarments. He is Post graduate in commerce and managing Tirupur Manufacturing Unit of the Company. He is the Member of South India Hosiery Manufacturers Association.	Mr. Rakesh Kumar Narula, is a graduate from commerce and has a rich experience of more than 34 years in hosiery manufacturing and specializes in Sales and Production. He has wide experience in stitching, bleaching and knitting.
Proposed Remuneration	As stated in the Explanatory Statement at Item No. 4 & 5 to 6 of this Notice		
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration as proposed commensurate with the industry norms, size of the Company and nature of its business. Moreover in their respective position as Managing Director / Whole Time Directors of the Company, Mr. Balram, Mr. Anil & Mr. Rakesh devote their substantial time in overseeing the operations of the Company.		



Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any	Besides the remuneration drawn, Mr. Balram Narula also receives rent for various locations/ shops/ depots etc let out to company; as disclosed under Related Party Disclosures in the Notes to Financial Statements	Besides the remuneration drawn, Mr. Anil Narula also receives rent for various locations/ shops / depots etc let out to company; as disclosed under Related Party Disclosures in the Notes to Financial Statements	Besides the remuneration drawn, Mr. Rakesh Narula also receives rent for various locations/ shops / depots etc let out to company; as disclosed under Related Party Disclosures in the Notes to Financial Statements
Mr. Balram, Mr. Anil & Mr. Rakesh are real brothers and belong to the promoter group. Also Mr. Ankur Narula (CFO) is the son of Mr. Balram while Mr. Anil & Mr. Rakesh are his uncles.			

**III. Other information:**

1. Reasons of loss or inadequacy of profits: Already explained under various sections of the Board report, and also the profitability of the Company may be impacted in future due to uncertainties in the business environment during the period for which remuneration is payable to the proposed MD / WTDs.
2. Steps taken or proposed to be taken for improvement: The Company has taken various initiatives to improve its market share and financial performance. It has been pursuing and implementing its strategies to improve its top & bottom line.
3. Expected increase in productivity and profits in measurable terms can not be quantified as of yet.



# JET KNITWEARS LIMITED

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

## 26<sup>th</sup> Annual General Meeting ATTENDANCE SLIP

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

I hereby record my presence at the 26<sup>th</sup> Annual General Meeting of the Company at **Registered office of the Company at 119/410, B-1, Darshan Purwa, Kanpur-208012.**

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

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

## 26<sup>th</sup> 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 of .....being 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 26<sup>th</sup> Annual General Meeting to be held on Tuesday, September 27, 2022 at 04:00  
 PM or at any adjournment thereof.

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

Resolution No.	Resolutions	Optional*	
		For	Against
<b>ORDINARY BUSINESS</b>			
1	To receive, consider and adopt the audited financial statements for the financial year ended on March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon		
2	To appoint a director in place of Mrs. Dinesh Parashar (DIN: 07270662) who retires by rotation at this Annual General Meeting and being eligible, has offered herself for re-appointment		
3	To reappoint <i>M/s Rajiv Mehrotra &amp; Associates</i> Chartered Accountants, as the Statutory Auditors of the company.		
<b>SPECIAL BUSINESS</b>			
4	Reappointment of Mr. Balram Kumar Narula (DIN: 00274566) as Managing Director of the Company		
5	Reappointment of Mr. Anil Kumar Narula (DIN: 00274462) as Whole Time Director of the Company		
6	Reappointment of Mr. Rakesh Kumar Narula (DIN: 00274483) as Whole Time Director of the Company		



Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2022

Signature of Shareholder \_\_\_\_\_

Signature of Proxy Holder(s) \_\_\_\_\_

Affix a ₹  
1/-  
Revenue  
Stamp

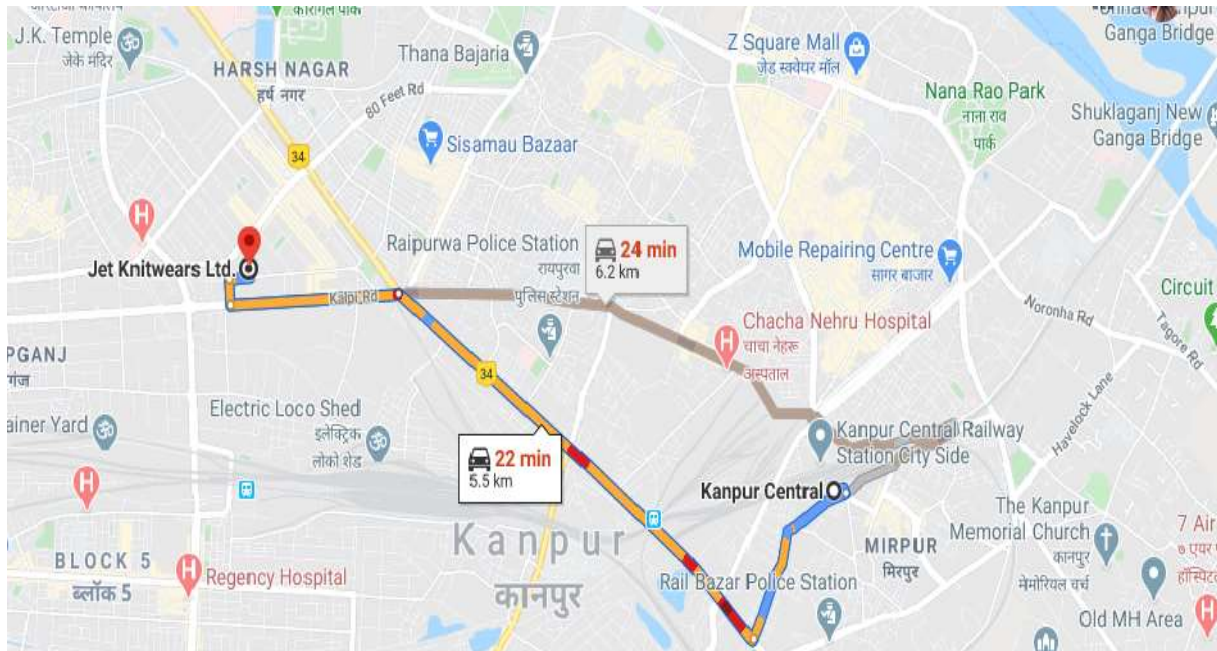
**\*\*Applicable for shareholders holding shares in electronic form.**

**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**





Follow us:    /jetlycot



 **LYCOT**  
**CLOTHING**  
PREMIUM DENIM

If undelivered, Please Return to:  
**Jet Knitwears Ltd.**

Head Office: 119/410, B-1, Darshanpurwa, Kanpur (U.P) India  
Contact: +91 9621363636 & +91 6394751050

