



JET KNITWEARS LTD.

CIN - L19101UP1996PLC019722

Manufacturers & Exporters of Quality Knitted Undergarments

Ref: 2909/JKL/2018-19

September 29, 2018

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

Sub: Submission of Annual Report for the Financial Year 2017-18

Symbol: JETKNIT

Dear Sir/Madam,

Pursuant to the Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements), 2015, we are enclosing herewith the Annual Report for the Financial Year 2017-18 duly approved and adopted by the Shareholders of the Company at the 22nd Annual General Meeting of the Members of the Company held on Thursday, September 27, 2018 at The Ganges Club Ltd. 9/50-A, Arya Nagar, Kanpur-208002 at 01:00 PM

Kindly take the same into your records.

Thanking you,
Yours Faithfully

For JET KNITWEARS LIMITED


(Divya Saxena)
Company Secretary & Compliance Officer

Encl: As Above

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- 🏠 57 A, Dada Nagar, Kanpur, U.P., INDIA
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- 🛒 Shop online at: www.jetlycot.com





22nd Annual Report 2017-18



Jet Knitwears Ltd.

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Unit : Appachi Nagar, 3rd Street, Kongu main road, Tirupur - 641607 (T.N.)

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 Shop online at: www.jetlycot.com

MANAGING DIRECTOR'S MESSAGE



DEAR SHAREHOLDER,

It gives me great pleasure to present you with the Annual Report of the Company for the Financial Year ended March 31, 2018. We, as a Company take pride in continually growing as a lean and agile organization in the past years while focusing on the future growth and expansion.

If you focus on a success story of any organization you will find a lot of challenges being faced in the corporate world. Those challenges can be competitive, economic etc. in nature. A true character of an organization is measured as to how these challenges are tackled and turned into its competitive edge.

The Government of India levied GST (Goods and service Tax) on July 01, 2017 in lieu of all the Indirect Taxes levied by the Central and State Government to provide a single tax widow for the whole nation. GST is considered to be the biggest tax reform in India since Independence.

The Nature and USP of our Manufacturing & Marketing business is to reach to our end customers directly which keeps us up to date of the current trends and exposure of the market. Due to the non clarity of GST rules and terminology, we too had our share of challenges in the corporate world dealing with GST issues. We feel proud to say that even after the hardships and apprehensions amidst the biggest tax reform in India we came out triumphant by showing a growth of 53%. The Company achieves a Net Profit after tax of ₹ 120.02 Lakhs as compared to the Previous Year Net Profit after tax of ₹ 78.60 Lakhs which is commendable.

This performance has been achieved through unrelenting focus on customer centric initiatives, strengthening of network capabilities and widespread deployment of information technology. The Company firmly believes that the employees are its most valuable asset. This belief is

translated into action through a number of initiatives for improving employee engagement, capability building, empowerment and thought leadership to yield consistent result.

The Company is focusing on enhancing portfolios to address new markets and achieving the strategic objectives. The Company is focused on enhancing the brand value by delivering a differentiated customer experience through customer centric initiatives and innovation by leveraging technology. To achieve the same, the company is foraying into a new field of clothing under which products such as Denim wear, Ladies Kurtis and premium quality undergarments would be sold. This said clothes line will fall under the LYCOT CLOTHING division combining product innovation and up to date market trends. Lycot Clothing division will focus on strengthening infrastructure, improving operational excellence, implementing best practices, and enhancing network productivity.

I would hereby, recall the reference of my last letter to our shareholders, wherein I had added one more good practice, among other, ***“satisfaction of investor/shareholders of the Company”***, the above expansion plan is a part of this good practice.

Speaking more on the Company’s good practices, we have widened its scope by specifying ways to achieve those good practices. The earlier good practices adopted by the Company were:



The new introduced mantra for achieving the above are:

Presence of Mind

Efficiency of Behaviour

Culture of Team Work

Modest Behaviour

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

Let me conclude by expressing my sincere appreciation for the dedicated efforts of management team and employees, customers, dealers, distributors, and the support extended by the Bankers, Government Departments and all other Stakeholders, resulting in the excellent performance during the year. I would also like to take this opportunity to thank my colleagues on the Board for their mature counsel.

Thanking You

(Balram Kumar Narula)
Managing Director

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

CHIEF FINANCIAL OFFICER

Mr. Ankur Narula

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Divya Saxena

AUDITORS

- **Statutory Auditor**

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

- **Internal Auditor**

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

- **Secretarial Auditor**

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

BOARD COMMITTEES

- **Audit Committee**

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

- **Nomination and Remuneration Committee**

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

- **Stakeholders Relationship Committee**

Mr. Ashok Chandra Bajpai, Chairman

Mr. Rakesh Kumar Narula, Member

Mrs. Dinesh Parashar, Member

BANKERS

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

WORKS

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

REGISTRAR AND SHARE TRANSFER AGENT

Big Share Services Pvt Ltd

E2/3, Ansa Industrial Estate,

Sakivihar Road,

Sakinaka, Andheri(E),

Mumbai-400072

SEBI Registration No: INR000001385

REGISTERED OFFICE

119/410-B-1 Darshan Purwa Kanpur

Uttar Pradesh - 208012

CIN: L19101UP1996PLC019722

Website: www.jetlycot.com

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

Tele No: 0512:2217553,
0512-2296128

BRANCH OFFICE

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

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

Tele No: 0421-2224014,
09362248612

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AWARDS AND CERTIFICATIONS

	NAME OF AWARD	YEAR	PRESENTED BY
1.	Special Recognition in Quality Products-2016-17	2018	Govt. of UP
2.	State Award for Manufacturing in Area of Hosiery/Garments, Small & Medium Enterprises-2014-15	2016	Manufacturing State of Hosiery/Garments, Small & Medium Enterprises, Govt. of UP
3.	Special Recognition in Quality Products-2013-14	2015	Govt. of UP
4.	State Award for Small & Medium Enterprises 2012-13	2014	Govt. of UP
5.	Ministry of Micro, Small & Medium Enterprises National Award 2011 Quality Products in Micro & Small Enterprises	2012	Ministry of Micro, Small & Medium Enterprises
6.	Limca Book of Records, National Record, 2011	2011	Limca Book of Records
7.	National Award for Quality Products in Micro & Small Enterprises 2009	2010	Ministry of Micro, Small & Medium Enterprises
8.	Rajiv Gandhi National Quality Award, 2008	2009	National Awards Committee and Bureau of Indian Standards
9.	International Quality Crown Award, 2008	2009	Spain, London
10.	National Award for Quality Products in Micro & Small Enterprises 2007	2008	Ministry of Micro, Small & Medium Enterprises
11.	Rajiv Gandhi National Quality Award, 2007	2008	National Awards Committee and Bureau of Indian Standards
12.	National Award for Research & Development (Small Industries) 2003	2005	Ministry of Industry, Small Industries Development Organization
13.	Export Award 2003-04	2005	Govt. of UP

14.	Certificate for ISO-9002	2005	Bureau of Indian Standards
15.	National Award for Excellence in Quality Products, 2001	2003	Ministry of Industry, Small Industries Development Organization
16.	National Award for Entrepreneurship, 1994	1995	Ministry of Industry, Small Industries Development Organization
17.	Award for Small Industries	1993-94	Govt. of UP

DIRECTOR'S REPORT

**To
The Members of
JET KNITWEARS LIMITED**

Your Directors have pleasure in presenting their Twenty-Second Annual Report on the business and operations of the Company and the Audited Financial Statements for the Financial Year ended March 31, 2018.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCES OF THE COMPANY

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

(₹ In Lakhs)

Particulars	2017-18	2016-17
Total Revenue	4306.75	4331.51
Earning before Finance Costs, Depreciation and amortization Expenses and Taxes	323.74	287.19
Less: Finance Cost	99.45	110.63
Less: Depreciation & Amortization Expenses	62.05	56.53
Profit/ Loss before Tax	162.24	120.03
Less: Tax Expense (including deferred tax and tax adjustment of earlier years)	42.22	41.43
Profit After Tax	120.02	78.60
Add: Balance of profit brought forward	272.69	194.09
Less: Appropriations	-	-
Transfer to General Reserve	-	-
Income Tax Adjustment (Net)	-	-
Balance at end of the Year	392.72	272.69

2. MAJOR HIGHLIGHTS OF FINANCIAL PERFORMANCE

Your Company's performance during the year under report has been notable. The major highlights pertaining to the business of the Company for the year 2017-18 are given below:

- The total Revenue from operations of the Company during the financial year 2017-18 was ₹4304.59 Lakhs against the revenue from operations of ₹ 4326.97 Lakhs in the previous financial year 2016-17.
- The Profit before tax is ₹ 162.24 Lakhs as compared to ₹ 120.03 Lakhs for the previous year and thereby showing the growth of about 35%.
- The EBITDA increased to ₹ 323.74 Lakhs from ₹ 287.19 Lakhs in the previous year and thus showing growth of about 13%.

- The Profit after tax is ₹120.02 Lakhs as compared to ₹ 78.60 Lakhs for the previous year and thereby showing the growth of about 53%.
- The Earning per Share has also shot up to ₹ 2.89 as against ₹ 1.93 in the Previous Year.

3. 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 2017-18.

4. DIVIDEND

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for promoting its business activities and therefore, do not propose any dividend for the Financial Year ended March 31, 2018.

5. 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.

6. SHARE CAPITAL

During the year under review, your Company's Authorized Share Capital remained unchanged at ₹ 65 Crore (Rupees Sixty Five Crore Only) comprising 6,50,00,000 Equity Shares of ₹ 10 each. However, during the year, the Company has issued 3,24,000 (Three Lakh Twenty Four Thousand Only) Equity Shares of ₹ 10/- each at a premium of ₹ 65.00 per share on Preferential Basis by seeking prior approval its members and in-principal approval of NSE. The Paid Up Equity Share Capital of the Company as at 31st March, 2018 stood at ₹ 44072000 (including Preferential issue of 324000 Equity Shares).

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Following persons are the Key Managerial Personnel of the Company as on March 31, 2018, pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed there under:

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

Appointment & Resignation:

During the year under review, Ms. Abhishree Vaijapurkar had resigned from the office of Company Secretary and Compliance Officer of the Company w.e.f November 01, 2017. Ms. Divya Saxena was appointed by the Board of Directors in place of Ms. Abhishree Vaijapurkar as Company Secretary and Compliance Officer of the Company w.e.f. November 15, 2017 and thereby is designated as Key Managerial Personnel with effect from the said date.

Retirement by Rotation:

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Rules made thereunder, Mr. Rakesh Kumar Narula (DIN No: 00274483), Whole Time Director of the Company, is liable to retire by rotation at ensuing Annual General Meeting and being eligible has offered himself for re-appointment. The Board recommends his re-appointment.

Independent Directors declaration:

All the Independent Directors of your Company viz. Mr. Ramesh Chandra, Mr. Ashok Chandra Bajpai, Mrs. Dinesh Parashar have individually and severally given declaration pursuant to Provisions of Section 149 (7) of the Companies Act, 2013 affirming compliance to the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015. Based on the declaration(s) of Independent Directors, the Board of Directors recorded their opinion that all the Independent Directors are independent of the management and have fulfilled the conditions as specified in the Companies Act, 2013 and Rules made there under as well as concerning provisions of SEBI (LODR) Regulations, 2015.

8. EVALUATION OF BOARD'S PERFORMANCE

Your Company being listed on SME Exchange – “NSE Emerge” is exempt under Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, pursuant to the provisions of section 134 (3) (p) of Companies Act, 2013, the Board has carried out annual evaluation of the performance of the Board, its Committees and of individual directors. The manner in which the evaluation has been carried out has been explained in Nomination & Remuneration Policy. Further, the Independent Directors of the Company met once during the year on March 15, 2018 to review the performance of the Executive Directors of the Company and performance of the Board as a whole.

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

9. REMUNERATION POLICY

The Company follows a policy on remuneration of Directors and Senior Management Employees. The Policy is approved by the Nomination and Remuneration Committee of the Company and is available on the Company's Website (<http://jetlycot.com/policy-of-nomination>).

10. RISK MANAGEMENT POLICY

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

11. WHISTLE BLOWER POLICY AND VIGIL MECHANISM

The Company has a whistle blower policy and vigil mechanism for Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the Company. The mechanism provides for adequate safeguards against victimization of Directors and employees who avail the mechanism. In exceptional cases, Directors and employees have direct access to the Chairman of the Audit Committee. The Policy of Vigil Mechanism is available on the Company's Website (<http://jetlycot.com/whistle-blower>)

12. 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.

13. INTERNAL FINANCIAL CONTROLS SYSTEM

The Company has in place adequate internal financial controls with reference to financial statements. The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

14. 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.

15. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (LODR) Regulations, 2015, is given separately and forms part of Annual Report.

16. HUMAN RESOURCES

The Company believes that quality of its employees is the key to success in the long run. The Company continues to have cordial relations with its employees. There were 59 regular employees as on March 31, 2018.

17. CORPORATE SOCIAL RESPONSIBILITY

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

18. PARTICULARS OF EMPLOYEES

The ratio of remuneration of each director to the median of employee's remuneration as required under section 197 (12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as 'ANNEXURE -I' to this Report.

19. (i) MATERIAL CHANGES DURING THE FINANCIAL YEAR

Issue of Equity Shares on Preferential Basis

Company has issued 3,24,000 Equity Shares ₹ 10/- each (at ₹ 75/- per share including premium of ₹ 65/- per share) seeking prior approval of its members at their Extra-Ordinary General Meeting held on January 01, 2018.

On February 15, 2018, aforesaid Equity Shares got listed at SME platform of National Stock Exchange of India Ltd. i.e. NSE- EMERGE.

(ii) MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR

Inter-se Transfer of Shares

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

20. AUDITORS AND THEIR REPORT

Statutory Auditor

M/s. Rajiv Mehrotra & Associates, Chartered Accountants, (FRN: 002253C) Kanpur, were appointed as Statutory Auditors of the Company in the Annual General Meeting held on 29.09.2017 to hold office till the conclusion of the 25th Annual General Meeting to be held for the financial year ended as on 31st March 2022 in accordance with the provisions of the Companies Act, 2013. As per the Companies (Amendment) Act, 2017, the terms of ratification of appointment and remuneration of the Auditor by the members at every Annual General Meeting had been omitted. Hence, the ratification of appointment and remuneration of the Auditor by the members at every Annual General Meeting shall no more be required.

Audit Report

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

The Auditor's Report for the financial year 2017-18 does not contain any qualification, reservation or adverse remark.

Internal Auditor

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

Secretarial Auditor

CS Gopesh Sahu, Practicing Company Secretaries, was appointed to conduct the Secretarial Audit of the Company for the financial year 2017-18 in the board meeting held on April 17, 2018, in terms of Section 204 of the Companies Act, 2013 and the rules made there under. The Auditors Query on Registration under The Payment of Gratuity Act, 1972 is taken into consideration and necessary steps have been taken by the Company to comply with the said provisions.

The Secretarial Audit Report for the financial year 2017-18 forms the part of the Annual Report as 'ANNEXURE –II' to the Board Report.

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.

21. CHANGE IN THE NATURE OF BUSINESS

During the year, there is no change in the nature of business of the Company.

22. 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 opposed to industry norms.</p> <p>b) The Company uses more energy efficient IRO knitting machines which consumes less power than ordinary traditional knitting machines.</p> <p>The Company continually takes steps to absorb and adopt the latest technologies and innovations in the Garment Industry. These initiatives should enable the facilities to become more efficient and productive as the company expands, thus helping to conserve energy.</p>
2.	The steps taken by the Company for utilizing alternate sources of energy	The Company has installed 60 KW solar units which completely eliminate the consumption of electricity from the grid and your Company is in the course of

		assessing more efficient alternate source of energy suitable for our business operation.
3.	The capital investment on energy conservation equipment's	As per financial statement

Technology Absorption, Adaption and Innovation

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

Foreign exchange earnings and outgo

During the financial year 2017-2018 under review, the foreign exchange earnings and outgo is **NIL**.

23. EXTRACT OF ANNUAL RETURN

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

24. BOARD MEETINGS

The Board of Directors of the Company has an optimum composition of Executive and Non-Executive Independent Directors in compliance with the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. As on March 31, 2018, Board of Directors comprise of 6 Directors out of which 3 are Executive Directors and 3 are Non Executive Independent Directors including 1 Woman Director.

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

The Board of Directors met 8 times during the financial year 2017-18. The meetings were held on April 11, 2017, May 27, 2017, August 26, 2017, September 08, 2017, November 14, 2017, December 08, 2017, January 13, 2018 and March 27, 2018. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days.

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

Name of Directors	Category/Designation	Meetings held during the year	Meetings Attended	Attendance at the last AGM held On September 29, 2017	Number of Directorships and Committee Memberships/Chairmanships		
					Other Directorships (*)	Committee Memberships (*)	Committee Chairmanships (*)
Mr. Balram Kumar Narula	Promoter/ Managing Director	8	8	Yes	-	-	-
Mr. Anil Kumar Narula	Promoter/ Whole Time Director	8	1	Yes	-	-	-
Mr. Rakesh Kumar Narula	Promoter/ Whole Time Director	8	8	Yes	-	-	-
Mr. Ashok Chandra Bajpai	Non Executive Independent Director	8	7	Yes	-	-	-
Mr. Ramesh Chandra	Non Executive Independent Director	8	8	Yes	-	-	-
Mrs. Dinesh Parashar	Non Executive/Women Director	8	2	Yes	-	-	-

***Notes:**

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

25. COMMITTEES OF THE BOARD

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

Audit Committee

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

During the Financial Year, Members of Audit Committee met 4 times. Audit Committee Meetings held on April 27, 2017, May 27, 2017, August 26, 2017, and November 14, 2017 and the Committee reviewed the Related Party Transactions, Statement of Deviation and Variation, Half Yearly and Annual Financial Statements before submission to the Board. The composition of Audit Committee as on March 31, 2018 and the details of Members attendance at the meetings of the Committee are as under:

Chairman and Members	Category	Meetings held during the year	Meetings attended
Mr. Ramesh Chandra	Chairman	04	04
Mr. Balram Kumar Narula	Member	04	04
Mrs. Dinesh Parashar	Member	04	04

Nomination and Remuneration Committee

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

The members of Nomination and Remuneration Committee met 1 times during the year on October 31, 2017. The composition of Nomination and Remuneration Committee as on March 31, 2018 and the details of Members attendance at the meetings of the Committee are as under:

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

Shareholders/Investors Grievance Committee

The Shareholders/Investors' Grievance Committee acts in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 read with Regulation of SEBI (LODR) Regulations, 2015. The Committee shall consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of Annual Report (if any).

During the Financial year ended as on March 31, 2018, Four (4) Shareholders/Investors' Grievance Committee Meetings were held on April 27, 2017, July 21, 2017, November 14, 2017, and January 13, 2018. The composition of the Shareholders/Investors' Grievance Committee as on March 31, 2018 and the details of Members attendance at the meetings of the Committee are as under:

Chairman and Members	Category	Meetings held during the year	Meetings attended
Mr. Ashok Chandra Bajpai	Chairman	4	4
Mr. Rakesh Kumar Narula	Member	4	4
Mrs. Dinesh Parashar	Member	4	4

Committee of Directors

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

The committee is constituted to take decisions pertaining to day to day business activities of the Company more promptly and to take all the decisions for which board meeting is not specifically required to be conducted as per the provisions of Section 179 of the Companies Act 2013, or other provisions, if any, rules made there under, subject to any amendment, re-enactment or modification thereof. During the Financial Year ended as on March 31, 2018, Two (2) Meetings of Committee of Directors were held on June 20, 2017 and July 15, 2017. The composition of the Committee of Directors as on March 31, 2018 and the details of Members attendance at the meeting of the Committee are as under:

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

26. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were on arm's length basis and in the ordinary course of the business. There are no materially significant related party transactions made by the Company with the Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. All the related party transactions are reviewed by the Audit Committee. A policy on related party transactions and dealing with related parties as approved by the Board has been posted on the company's website <http://jetlycot.com/related-party>.

Details of material contract / arrangement / transaction with related parties entered during the year in Form AOC-2, in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is given in the 'ANNEXURE-III' to this Report.

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

Your company is committed to provide a work environment which ensures that every employee is treated with dignity, respect and equality. There is zero tolerance towards sexual harassment. Any act of sexual harassment invites serious disciplinary action. The Company has established policy against Sexual Harassment for its employee. The Company had also constituted a Prevention of Sexual Harassment Committee. The policy allows any employee to freely report any such act and prompt action will be taken thereon. There were no such incidences during the period under review.

28. 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, 2018 and of the profit and loss of the company for that period ended on 31st March 2018;
- 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) That system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

29. SHARE PRICE DATA

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

Month	High (in ₹)	Low (in ₹)
April' 2017	88.95	65.00
May' 2017	88.40	70.00
June' 2017	79.95	66.00
July' 2017	72.90	65.05
August' 2017	76.65	57.00
September' 2017	89.80	64.00
October' 2017	90.50	65.50
November' 2017	77.00	70.00
December' 2017	101.90	70.00
January' 2018	142.00	102.50
February' 2018	120.00	94.00
March' 2018	108.00	100.00

30. CORPORATE GOVERNANCE

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

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

31. ACKNOWLEDGEMENT

Your Directors wishes 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

(Balram Kumar Narula)
Managing Director
DIN: 00274566

(Rakesh Kumar Narula)
Whole Time Director
DIN: 00274483

Place: Kanpur
Date: 27.08.2018

ANNEXURE I

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

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

- (i) **Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18:**

Sr. No.	Name of Director	Designation	Ratio (Remuneration of each Director to Median Remuneration)
1	Balram Kumar Narula	Managing Director	4.796
2	Anil Kumar Narula	Whole Time Director	4.796
3	Rakesh Kumar Narula	Whole Time Director	4.796

- (ii) **Percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary or Manager, if any, in the financial year 2017-18:**

During the year under review, there is no increment in remuneration paid to the Directors, Chief Financial Officer and Company Secretary.

- (iii) Percentage increase in the median remuneration of employees in the financial year 2017-18 is **7.87%**.
- (iv) Number of permanent employees on the rolls of Company at the end of the financial year 2017-18 is **59**.
- (v) Average increase in remuneration of the employees other than the managerial personnel was **33.40%** which is based on annual appraisal & Remuneration Policy of the Company. During the year, there was no increment in the Managerial Remuneration and hence, comparison of the percentile increase in salary of employees with the percentile increase in remuneration of Managerial Personnel is not provided. However, the average increase in remuneration of employees other than managerial personnel is calculated after excluding the managerial personnel and employees who are employed for the part of the year.
- (vi) **Affirmation, that the remuneration is as per the remuneration policy of the Company:** It is hereby affirmed that the remuneration is as per the remuneration policy for Directors, Key Managerial Personnel and other employees.

For and on Behalf of Board

Place: Kanpur
Date: 27.08.2018

(Balram Kumar Narula)
Managing Director
DIN: 00274566

ANNEXURE II

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2018

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

To,
The Members

JET KNITWEARS LIMITED
Kanpur

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **JET KNITWEARS LIMITED (L19101UP1996PLC019722)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 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, 2018 according to the provisions of:

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

- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable to the company during the Audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the company during the Audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (not applicable to the company during the Audit period);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable to the company during the Audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the company during the Audit period);
- (vii) Other Laws as per the representation given by the company.

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

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

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

1. *The compliances in respect of registration under The Payment of Gratuity Act, 1972 is pending.*

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance whereas in case of shorter notices prior consent of Board members were taken, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

1. That company has made preferential allotment 3,24,000 Equity Shares ₹ 10/- each (at ₹ 75/- per share including premium of ₹ 65/- per share) duly approved by the members at their Extra-Ordinary General Meeting held on January 01, 2018.

CS GOPESH SAHU

FCS:7100

C.P. No. 7800

Place : Kanpur

Date : 30.05.2018

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

APPENDIX A

**To,
The Members
JET KNITWEARS LIMITED
Kanpur.**

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

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

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

Date : 30.05.2018

ANNEXURE – III

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Related Party Transactions:

All related party transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business.

1. Details of contracts or arrangements or transactions not at arm's length basis:

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	N.A
2.	Nature of contracts/arrangements/transaction	N.A
3.	Duration of the contracts/arrangements/transaction	N.A
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A
5.	Justification for entering into such contracts or arrangements or transactions'	N.A
6.	Date of approval by the Board	N.A
7.	Amount paid as advances, if any	N.A
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A

2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts/arrangement/transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Front Line Exports Pvt Ltd. related party u/s 2(76)(iv) of Companies Act, 2013	Job work	1 year	Job Work Aggregating of ₹ 7737300/-	27.05.2017	NA
Rohit Narula related party u/s 2(76)(i) of Companies Act, 2013	Leasing of the Property	1 year	Rent Aggregating of ₹4800/-	27.05.2017	NA
Balram Kumar Narula related party u/s 2(76)(i) of Companies Act, 2013	Leasing of the Property	1 year	Rent Aggregating of ₹4800/-	27.05.2017	NA
Sandhya Narula related party u/s 2(76)(i) of Companies Act, 2013	Leasing of the Property	1 year	Rent Aggregating of ₹28800/-	27.05.2017	NA
Anil Kumar Narula related party u/s 2(76)(i) of Companies Act, 2013	Leasing of the Property	1 year	Rent Aggregating of ₹4800/-	27.05.2017	NA
Rakesh Kumar Narula related party u/s 2(76)(i) of Companies Act, 2013	Leasing of the Property	1 year	Rent Aggregating of ₹10800/-	27.05.2017	NA

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OVERVIEW

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19.

India's gross domestic product (GDP) at constant prices grew by 7.2 per cent in September-December 2017 quarter as per the Central Statistics Organisation (CSO). Corporate earnings in India are expected to grow by 15-20 per cent in FY 2018-19 supported by recovery in capital expenditure, according to JM Financial.

India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM.

India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute. India's foreign exchange reserves were US\$ 422.53 billion in the week up to March 23, 2018, according to data from the RBI.

India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 57 GW to 175 GW by 2022.

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

INDUSTRY STRUCTURE AND DEVELOPMENT

TEXTILES

India: Textile Industry

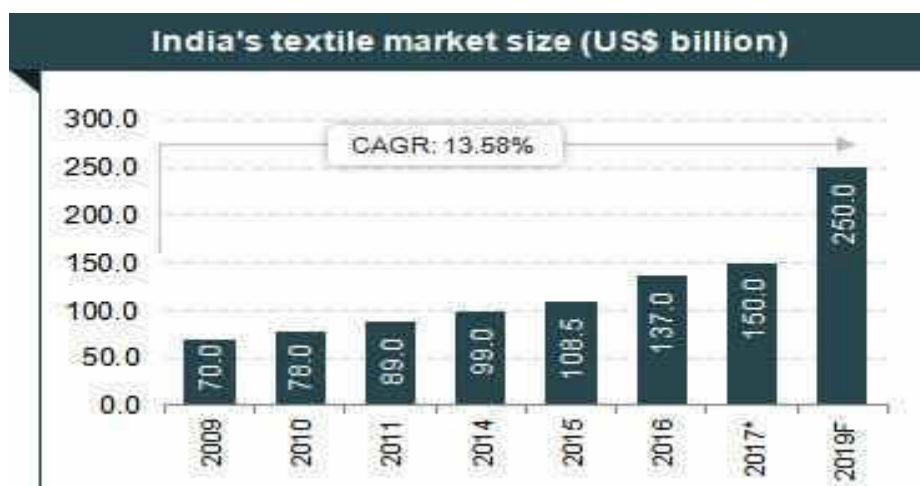
India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 13 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale. The textile

industry employs about 105 million people directly and indirectly. India's overall textile exports during FY 2017-18 stood at US\$ 37.74 billion.

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

Textile plays a major role in the Indian Economy:

- ❖ It contributes 14 percent to industrial production and 4 percent to GDP.
- ❖ With over 45 million people, the industry is one of the largest source of employment generation in the country.
- ❖ The size of India's textile market as of July 2017 was around US\$ 150 billion, which is expected to touch US\$ 250 billion market by 2019, growing at a CAGR of 13.58 per cent between 2009-2019.

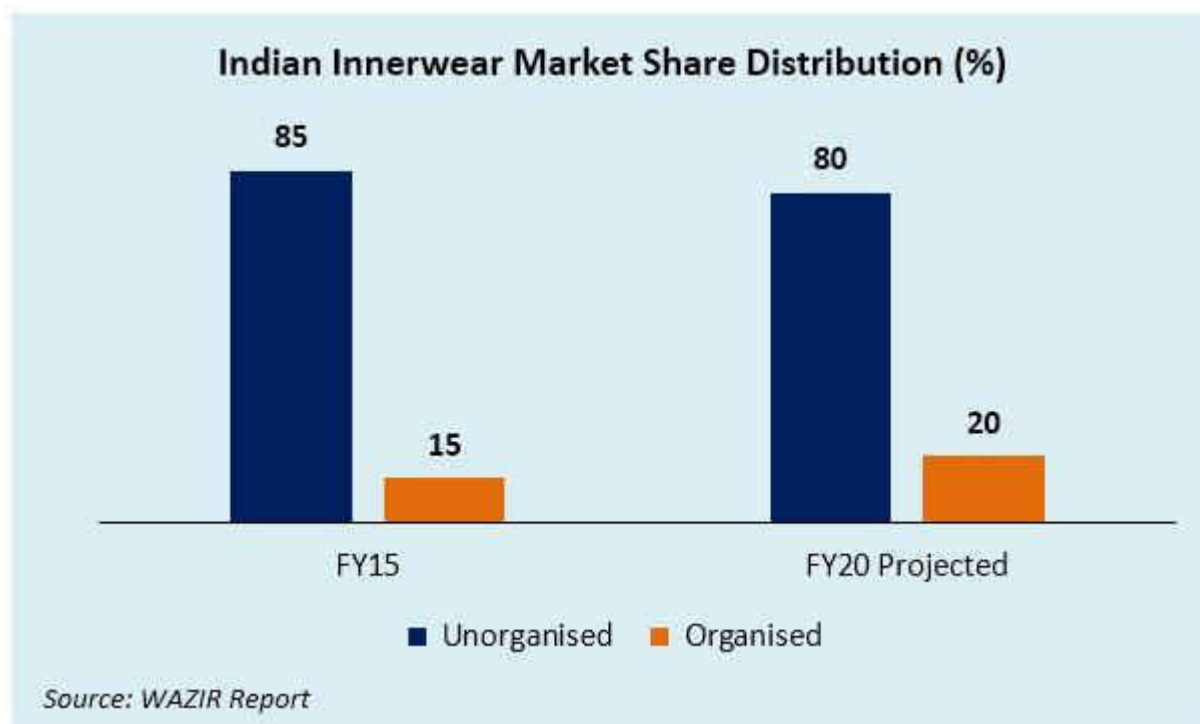


Innerwear Market Size & Growth

The Innerwear Category is one of the high growth categories in the apparel market and promises growth and innovation. The higher income, along with higher discretionary spending, growing fashion orientation of consumers and product innovations by the innerwear market have turned innerwear from a traditionally utilitarian item to an essential fashion requirement.

The innerwear industry is growing at a CAGR of 13 per cent. With the innerwear penetration being low in the formal sector, there is a huge market potential. India is a consumer driven economy where consumers are increasingly focusing on comfort, quality and brand as their prime buying parameters but obviously at a reasonable cost. The growth of the innerwear category is primarily centered in urban India. The trend towards Western outfits, combined with the demand for occasion and outfit-based innerwear, is acting as a boost for the market. Demand for innerwear with higher functionality and greater comfort is rising fast. The market for innerwear product variations like seamless intimates, plus size inner wear, body shape enhancers, etc., is burgeoning both in the metros and mini-metros. According to latest media reports, out of the entire Rs 30,000-Crore industry, the premium segment is

estimated at about Rs 6,000 - 7,000 Crore. Lately, the premium innerwear market in India has been experiencing increasing entry of global brands, mostly through partnerships and tie-ups with home-grown brands. This idea of getting foreign brands to India or associating with them started after market surveys established that consumers using premium and super-premium products have high level of awareness and mostly go for global brands.



Kids wear

The kids wear market in India is definitely on the rise. Growing awareness has been driving parents to spend more for their kids of late. The kid's innerwear segment, specifically, is touted to have grown 5 times in the last 5 years. Color preferences even in kid's innerwear changes with geographical locations, given the diversity of the nation. While some preferences are more skewed towards light colors, some prefer dark colors too. At the same time, while some states prefer neutral colors, others prefer bright tones too. The market has evolved to an extent that the innerwear retailers have started given a counter space to the kid's innerwear players. Moving ahead with the influx of specialized brands and growing awareness the day is not far when one can see an exclusive store for kid's innerwear only.

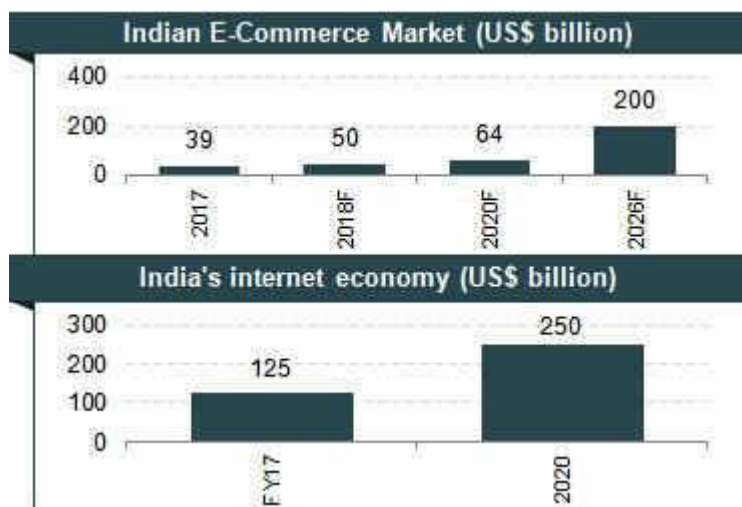
The Indian apparel market is witnessing high growth in the kids wear segment. The Indian kids wear market in 2017 was estimated at Rs 66,904 Crore accounting for 20 percent of total apparel market of the country. Kids wear is expected to grow at CAGR of 8.1 percent to reach Rs 145,445 Crore by 2027, whereas men's wear and women's wear are expected to grow at relatively lesser CAGRs of 7.5 percent and 7.6 percent respectively. India has the world's largest young population in the age group 0 to 14 years accounting for 29 percent (337 million) of the total population. Owing to the growth potential of this market segment, many international brands have entered India in last few years. With emergence of e-commerce, earlier hitherto markets have opened up, thus boosting growth of kids wear in India. With the increasing competition, success has to be a combination of high quality, good design and right value for money product.



E-Commerce Industry

The e-commerce has transformed the way business is done in India. The Indian e-commerce market is expected to grow to US\$ 200 billion by 2026 from US\$ 38.5 billion as of 2017. The value of e-commerce market is expected to cross US\$ 50 billion by 2018. Much growth of the industry has been triggered by increasing internet and smart phone penetration. The ongoing digital transformation in the country is expected to increase India's total internet user base to 829 million by 2021 (59 per cent of total population), from 373 million (28 per cent of population) in 2016, while total number of networked devices in the country are expected to grow to two billion by 2021, from 1.4 billion in 2016.

The e-commerce industry has been directly impacting the micro, small & medium enterprises (MSME) in India by providing means of financing, technology and training and has a favorable cascading effect on other industries as well. The total size of e-Commerce industry (only B2C e-tail) in India is expected to reach US\$ 101.9 billion by 2020. Technology enabled innovations like digital payments, hyper-local logistics, analytics driven customer engagement and digital advertisements will likely support the growth in the sector. With the increase in the number of electronic payment gateways and mobile wallets, it is expected that by the year 2020, cashless transaction will constitute 55 per cent of the online sales. The growth in e-commerce sector will also boost employment, increase revenues from export, increase tax collection by ex-chequers, and provide better products and services to customers in the long-term.



OPPORTUNITIES AND THREATS

Opportunities

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

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

Threats

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

OUTLOOK

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

SEGMENT -WISE OR PRODUCT -WISE PERFORMANCE

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

(₹ In Lakhs)

S.NO	PRODUCT WISE DETAILS	2017-18	2016-17
1.	Hosiery Products	3591.34	3527.04
2.	Winter Garments	178.55	139.02
3.	Ladies Garments	266.49	242.24
4.	Cotton Cloth	268.21	418.68
Total		4304.59	4326.98

RISK AND CONCERN

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

- **Availability of Labour**

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

- **Economic Uncertainty:**

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

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

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

INTERNAL CONTROL SYSTEM AND ADEQUACY

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

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

In order to achieve operational excellence and maintain a competitive edge, the Company invests in building and nurturing a strong talented pool by instituting best practices with respect to its employees. The Company makes substantive and sustained efforts towards building an eco-system which promotes the development and advancement of all its employees and employees feel a sense of belonging to the company and camaraderie with their team, and aspire for individual excellence while contributing to achieve departmental objectives. The Company has strength of about 59 employees as on March 31, 2018.

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.

FORM NO.MGT-9

EXTRACT OF ANNUAL RETURN

As on Financial Year Ended on 31.03.2018

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

I. REGISTRATION & OTHER DETAILS

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of textile Items, other knitted and crocheted apparel including hosiery	143	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

Category wise shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2999990	-	2999990	73.47%	2999990	-	2999990	68.07%	(5.40%)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	2999990	-	2999990	73.47%	2999990	-	2999990	68.07%	(5.40%)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	144000	-	144000	3.53%	102500	-	102500	2.33%	(1.20%)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals/ HUF	-	-	-	-	-	-	-	-	-

i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	831210	10	831210	20.36%	566700	10	566710	12.86%	(7.50%)
*ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	108000	-	108000	2.64%	685500	-	685500	15.55%	(12.91%)
c) Others (Firms and dealers)	-	-	-	-	-	-	-	-	-
Non Resident Indians(Repat)	-	-	-	-	36000	-	36000	0.82%	(0.82%)
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	16500	-	16500	0.37%	(0.37%)
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	1083200	10	1083210	26.53%	1407200	10	1407210	31.93%	(5.40%)
Total Public Shareholding (B)=(B)(1)+(B)(2)	1083200	10	1083210	26.53%	1407200	10	1407210	31.93%	(5.40%)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4083190	10	4083200	100%	4401790	10	4407200	100%	0.00

ii) Shareholding of Promoters (including promoter Group)

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year (*)
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	ANIL KUMAR NARULA	304760	7.46%	NIL	304760	6.92%	NIL	-0.54%
2	KANCHAN NARULA	285160	6.98%	NIL	285160	6.47%	NIL	-0.51 %
3	SANDHYA NARULA	253960	6.22%	NIL	253960	5.76%	NIL	-0.46%
4	RAKESH KUMAR NARULA	234860	5.75%	NIL	234860	5.33%	NIL	-0.42%
5	USHA NARULA	227480	5.57%	NIL	227480	5.16%	NIL	-0.41%
6	JYOTI NARULA	182000	4.46%	NIL	182000	4.13%	NIL	-0.33%
7	BALRAM KMAR NARULA	153820	3.77%	NIL	153820	3.49%	NIL	-0.28%
8	RAKESH KUMAR NARULA HUF	148100	3.63%	NIL	148100	3.36%	NIL	-0.27%
9	ROHIT NARULA	137400	3.37%	NIL	137400	3.12%	NIL	-0.25%
10	ANIL KUMAR NARULA HUF	134100	3.28%	NIL	134100	3.04%	NIL	-0.24%
11	BALRAM KUMAR NARULA HUF	118340	2.90%	NIL	118340	2.69%	NIL	-0.21%
12	BHUSHAN KUMAR NARULA HUF	106700	2.61%	NIL	106700	2.42%	NIL	-0.19%
13	GEETA NARULA	93000	2.28%	NIL	93000	2.11%	NIL	-0.17%
14	SAURABH NARULA	91100	2.23%	NIL	91100	2.07%	NIL	-0.16%
15	SATISH KUMAR NARULA HUF	88100	2.16%	NIL	88100	2.00%	NIL	-0.16%
16	ROHIT NARULA HUF	70700	1.73%	NIL	70700	1.60%	NIL	-0.13%
17	GAURAV NARULA	68760	1.68%	NIL	68760	1.56%	NIL	-0.12%
18	VAIBHAV NARULA	65100	1.59%	NIL	65100	1.48%	NIL	-0.11%
19	PRASHANT NARULA	61000	1.49%	NIL	61000	1.38%	NIL	-0.11%
20	ANKUR NARULA	59190	1.45%	NIL	59190	1.34%	NIL	-0.11%
21	ANKUR NARULA HUF	41120	1.01%	NIL	41120	0.93%	NIL	-0.08%

22	ADITYA NARULA	35000	0.86%	NIL	35000	0.79%	NIL	-0.07%
23	GAURAV NARULA HUF	33040	0.81%	NIL	33040	0.75%	NIL	-0.06%
24	SNEHA NARULA	7100	0.17%	NIL	7100	0.16%	NIL	-0.01%
25	MADHU SABBHARWAL	100	0.00%	NIL	100	0.00%	NIL	NIL

***Note:** Number of Shares held by Promoters and Promoter Group remained same during the year but shareholding in percentage was changed proportionately because of the change in total share capital of the Company on account of the Preferential Issue.

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2999990	73.47	2999990	68.07
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Shareholding in percentage was changed proportionately because of the change in total paid-up share capital of the Company on account of the Preferential Issue.			
	At the end of the year	2999990	68.07	2999990	68.07

iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Shareholding pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs):

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year (01-04-2017)		Date	Increase/Decrease in the Shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	MUKUL MAHAVIR AGRAWAL	0	0	01.04.2017	0	0	0	0.00
				08.09.2017	76500	Purchase	76500	1.74
				18.09.2017	-76500	Sale	0	0.00
				19.09.2017	76500	Purchase	76500	1.74
				09.02.2018	36000	Purchase	112500	2.55
				16.02.2018	252000	Allotment	364500	8.27
				31.03.2018			364500	8.27
2	MANEESHA NIRANJAN NAIK	0	0	01.04.2017	0	0	0	0.00
				23.03.2018	96000	Purchase	96,000	2.18
				31.03.2018			96,000	2.18
3	NIDHI BIYANI	0	0	01.04.2017	0	0		0.00
				29.12.2017	10500	Purchase	10500	0.24
				12.01.2018	27000	Purchase	37500	0.85
				31.03.2018			37500	0.85
4	DILIP BHIKAJI SHELATKAR	0	0	01.04.2017	0	0	0	0
				02.06.2017	1500	Purchase	1500	0.03

				09.06.2017	6000	Purchase	7500	0.17
				16.06.2017	4500	Purchase	12000	0.27
				23.06.2017	7500	Purchase	19500	0.44
				30.06.2017	4492	Purchase	23992	0.54
				07.07.2017	3008	Purchase	27000	0.61
				14.07.2017	6000	Purchase	33000	0.75
				21.07.2017	4500	Purchase	37500	0.85
				18.08.2017	1500	Purchase	39000	0.88
				08.09.2017	7500	Purchase	46500	1.06
				15.09.2017	-1500	Sale	45000	1.02
				18.09.2017	-45000	Sale	0	0.00
				19.09.2017	42000	Purchase	42000	0.95
				13.10.2017	-1500	Sale	40500	0.92
				10.11.2017	1500	Purchase	42000	0.95
				24.11.2017	7500	Purchase	49500	1.12
				29.12.2017	-1500	Sale	48000	1.09
				05.01.2018	-7500	Sale	40500	0.92
				12.01.2018	-3000	Sale	37500	0.85
				19.01.2018	1500	Purchase	39000	0.88
				09.02.2018	3000	Purchase	42000	0.95
				31.03.2018			42000	0.95
5	VIJAY RAMVALLABH KHETAN	0	0	01.04.2017	0	0	0	0
				08.09.2017	16500	Purchase	16500	0.37
				18.09.2017	-16500	Sale	0	0.00
				19.09.2017	16500	Purchase	16500	0.37
				16.02.2018	15000	Allotment	31500	0.71
				31.03.2018			31500	0.71
6	WEALTH FIRST PORTFOLIO MANAGERS	27000	0.61	01.04.2017			27000	0.61
				23.06.2017	1500	Purchase	28500	0.65
				30.06.2017	-1500	Sale	27000	0.61
				18.09.2017	-27000	Sale	0	0.00
				19.09.2017	27000	Purchase	27000	0.61
				03.11.2017	1500	Purchase	28500	0.65
				10.11.2017	-1500	Sale	27000	0.61
				31.03.2018			27000	0.61

7	CENTRAL PARK SECURITIES HOLDING PRIVATE LIMITED	0	0	01.04.2017	0	0	0	0
				15.12.2017	3000	Purchase	3000	0.07
				16.02.2018	21000	Allotment	24000	0.54
				31.03.2018			24000	0.54
8	SWAPNEEL A SHAH	0	0	01.04.2017	0	0	0	0.00
				16.02.2018	24000	Allotment	24000	0.54
				31.03.2018			24000	0.54
9	MAHENDRA KUMAR KHETSHI SHAH	0	0	01.04.2017	0	0	0	0.00
				12.01.2018	18000	Purchase	18000	0.41
				19.01.2018	1500	Purchase	19500	0.44
				31.03.2018			19500	0.44
10.	CHOICE EQUITY BROKING PRIVATE LIMITED	54000	1.23	01.04.2017			54000	1.23
				14.04.2017	-3000	Sale	51000	1.16
				09.06.2017	1500	Purchase	52500	1.19
				16.06.2017	-3000	Sale	49500	1.12
				23.06.2017	1500	Purchase	51000	1.16
				07.08.2017	1500	Purchase	52500	1.19
				14.07.2017	1500	Purchase	54000	1.23
				21.07.2018	-4500	Sale	49500	1.12
				11.08.2017	1500	Purchase	51000	1.16
				18.08.2017	-4500	Sale	46500	1.06
				25.08.2017	3000	Purchase	49500	1.12
				01.09.2017	-1500	Sale	48000	1.09
				08.09.2017	-6000	Sale	42000	0.95
				18.09.2017	-42000	Sale	0	0.00
				19.09.2017	42000	Purchase	42000	0.95
				29.09.2017	3000	Purchase	45000	1.02
				13.10.2017	-6000	Sale	39000	0.88
				20.10.2017	4500	Purchase	43500	0.99
				03.11.2017	1500	Purchase	45000	1.02
				10.11.2017	-1500	Sale	43500	0.99
				24.11.2017	-1500	Sale	42000	0.95
				01.12.2017	1500	Purchase	43500	0.99
				08.12.2017	-4500	Sale	39000	0.88
				22.12.2017	-1500	Sale	37500	0.85
				29.12.2017	-1500	Sale	36000	0.82
				05.01.2018	-1500	Sale	34500	0.78
				12.01.2018	-9000	Sale	25500	0.58

				19.01.2018	1500	Purchase	27000	0.61
				26.01.2018	1500	Purchase	28500	0.65
				02.02.2018	1500	Purchase	30000	0.68
				09.02.2018	-1500	Sale	28500	0.65
				16.02.2018	-3000	Sale	25500	0.58
				23.02.2018	3000	Purchase	28500	0.65
				02.03.2018	-3000	Sale	25500	0.58
				09.03.2018	3000	Purchase	28500	0.65
				16.03.2018	1500	Purchase	30000	0.68
				30.03.2018	-10500	Sale	19500	0.44
				31.03.2018			19500	0.44

v) Shareholding of Directors and Key Managerial Personnel:

S N	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (01.04.2017)		Cumulative Shareholding during the Year (31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company(*)
1.	ANIL KUMAR NARULA (Whole Time Director)				
	At the beginning of the year	304760.00	7.46%	304760.00	7.46%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	NIL	NIL	NIL	-0.54%
	At the end of the year	304760.00	7.46%	304760.00	6.92%
2	RAKESH KUMAR NARULA (Whole Time Director)				
	At the beginning of the year	234860.00	5.75%	234860.00	5.75%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	-0.42%
	At the end of the year	234860.00	5.75%	234860.00	5.33%
3	BALRAM KUMAR NARULA (Managing Director)				
	At the beginning of the year	153820.00	3.77%	153820.00	3.77%
	Date wise Increase / Decrease in Promoters				

	Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	-0.28%
	At the end of the year	153820.00	3.77%	153820.00	3.49%
4	ANKUR NARULA (Chief Financial Officer)				
	At the beginning of the year	59190.00	1.45%	59190.00	1.45%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	0.11%
	At the end of the year	59190.00	1.45%	59190	1.34%

**Note: Number of Shares held by Directors or KMP remained same during the year but shareholding in percentage was changed proportionately because of the change in total share capital of the company on account of the Preferential Issue.*

V) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans (excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	8,02,46,591	85,96,310	-	8,88,42,901
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	8,02,46,591	85,96,310	-	8,88,42,901
Change in Indebtedness during the financial year				
* Addition	1,18,53,089	7,05,273	-	1,25,58,362
* Reduction	-	-	-	-
Net Change	1,18,53,089	7,05,273	-	1,25,58,362
Indebtedness at the end of the financial year				
i) Principal Amount	9,20,99,680	93,01,583	-	10,14,01,263
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	9,20,99,680	93,01,583	-	10,14,01,263

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Amount
		Balram Kumar Narula	Rakesh Kumar Narula	Anil Kumar Narula	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	540000	540000	540000	1620000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-----	----	----	-----
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-----	----	----	-----
2	Stock Option	-----	----	----	-----
3	Sweat Equity				
4	Commission - as % of profit - others, specify...	-----	----	----	-----
5	Others, please specify	-----	----	----	-----
	Total (A)	540000	540000	540000	1620000
	Ceiling as per the Act				

B. Remuneration to other directors; NIL

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

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

SN	Particulars of Remuneration	Key Managerial Personnel				
		CEO	CS		CFO	Total
			Abhishree Vaijapurkar*	Divya Saxena*	Ankur Narula	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	112739	90000	480000	682739
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-----	----	----	----	---
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-----	----	----	----	---
2	Stock Option	-----	----	----	----	---
3	Sweat Equity	-----	----	----	----	---
4	Commission	-----	----	----	----	---
	- as % of profit	-----	----	----	----	---
	others, specify...	-----	----	----	----	---
5	Others, please specify	-----	----	----	----	---
	Total	NA	112739	90000	480000	682739

- CS Abhishree Vaijapurkar(Ex- CS and Compliance Officer) resigned w.e.f November 01, 2017.
- CS Divya Saxena is appointed as a Company Secretary and Compliance Officer w.e.f November 15, 2017.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

INDEPENDENT AUDITORS' OPINION

To
The Members of **M/S. Jet Knitwears Ltd.**

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **M/S. Jet Knitwears Ltd.** ("the Company"), which comprises the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Companies Act, 2013, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

EMPHASIS OF MATTER

We draw attention towards sub-clause (I) to Note No.1, describing the fact that the company has not obtained actuarial valuation in respect of its future gratuity liability but has made a provision based on its own estimates.

Our opinion is not modified in respect of the above matter.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit and cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "**Annexure-A**", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 cash flow statement, dealt with by this Report are in agreement with the books of account maintained by the company.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of section 164(2) of the Act and .
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, reference is invited towards our separate report in "**Annexure B**".
 - (g) With respect to the other matters to be included in the Auditor's 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 pending litigations as specified in sub-clause (D) of Note No.1 of the financial statements.
 - ii. the company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and

- iii. There were no amounts which were, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Kanpur, 30th May. 2018

**Ashish Lalwani
(PARTNER)
M.No.426684**

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

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

Re: M/S Jet Knitwears Ltd, we report that:

- (i) a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. As explained to us, the company has a regular programme for physical verification of all assets over a period of three years. In accordance with this program, 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. As per the information & explanations given to us and on the basis of our verification of the books of account of the company, it is stated that the company has not made any significant disposal of fixed assets so as to effect its going concern.
- (ii) a. As explained to us, the inventory has been physically taken by the management during the year. No material discrepancies were noticed on physical verification of stock verified.
- b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. The company has maintained proper records of inventory. According to the information and explanations given to us and on the basis of our examination of records, we are of the opinion that no material discrepancies were noticed on physical verification.
- (iii) The company has not granted loans to any party covered in the register maintained under section 189 of the Companies Act Of 2013.
- (iv) In Our opinion and according to the information and explanations given us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any public deposits during the year under consideration. However, the company has outstanding deposits from its members and directors, which were received before the commencement of Companies Act, 2013.
- (vi) In our opinion and according to the information and explanations given to us, the company is not liable for maintenance of cost records u/s 148 of the Companies Act, 2013.
- (vii) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including investor education protection fund, income tax, sales tax, wealth tax, service tax, & customs duty and other material statutory dues applicable to it. However, the company has certain disputed Income Tax, TDS liabilities which has been specified in Sub Clause (D) of Note.1 in the notes to accounts which form part of financial statements Other than this and as per the information and explanations given to us, no undisputed amounts are payable in respect of provident fund, income tax, sales tax, wealth tax, customs duty, VAT, cess and other material statutory dues as at 31st March 2018 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, there are no statutory dues which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank. The company has not issued debentures.
- (ix) The company has made a preferential allotment during the year under consideration and the funds raised have been utilized for the purpose for which the same was raised.
- (x) According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees, has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 r.w. Schedule V of the Companies Act, 2013.
- (xii) The company is not a Nidhi Company and hence the reporting under clause (xii) of CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the company has complied with Sections 177 and Section 188 of the Companies Act, 2013, where applicable, for all transactions with related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the company have made preferential allotment of shares and the requirements of Section 42 of Companies Act, 2013 have been complied with and the amount raised has been used for the purpose for which it was raised.
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with its directors or directors of its subsidiary or associate companies or persons connected with them and hence provisions of section 192 of Companies Act, 2013 are not applicable.
- (xvi) In our opinion the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Kanpur, 30th May. 2018

**(PARTNER)
Ashish Lalwani
M.No.426684**

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

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

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

We have audited the internal financial controls over financial reporting of **M/S. Jet Knitwears Ltd.** (“the Company”) as of March 31, 2018 in conjunction with our audit of the 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 over financial reporting 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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' system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st 2018, 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 30th May 2018

**(PARTNER)
Ashish Lalwani
M.No.426684**

JET KNITWEARS LIMITED
BALANCE SHEET AS AT 31st MARCH 2018

PARTICULARS	NOTE NO.	AS AT 31.03.2018 ₹ P.	AS AT 31.03.2017 ₹ P.
EQUITY AND LIABILITIES			
SHAREHOLDER'S FUNDS			
Share Capital	2	44,072,000	40,832,000
Reserves and Surplus	3	105,260,990	78,644,983
NON-CURRENT LIABILITIES	4		
Long Term Borrowings		11,141,247	8,596,310
Long Term Provisions		1,152,993	-
CURRENT LIABILITIES			
Short Term Borrowings	5	90,260,016	80,246,591
Trade Payables	6	32,567,880	22,062,678
Other Current Liabilities	7	14,409,019	14,279,572
Short Term Provisions		4,670,100	4,294,500
TOTAL		303,534,244	248,956,635
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	8	25,778,984	22,174,013
Deferred tax Assets (Net)	9	896,800	397,539
Non Current Investments	10	25,000	25,000
Other Non Current Assets		-	4,980,635
CURRENT ASSETS			
Inventories	11	81,144,461	49,101,672
Trade Receivables	12	166,425,833	139,894,952
Cash and Cash Equivalents	13	14,382,418	12,722,333
Short-Term Loans and Advances	14	13,838,804	17,849,848
Other Current Assets	15	1,041,944	1,810,644
TOTAL		303,534,244	248,956,635

Significant Accounting Policies
As Per Our Report of Even Date

1

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

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

ASHISH LALWANI
(PARTNER)
M.No.426684

Balram Kumar Narula
Managing Director

Rakesh Kumar Narula
Whole-Time Director

Kanpur, 30th May 2018

Ankur Narula
Chief Financial Officer

Divya Saxena
Company Secretary

JET KNITWEARS LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2018

PARTICULARS	NOTE NO.	CURRENT YEAR ₹ P.	PREVIOUS YEAR ₹ P.
INCOME			
Revenue From Operations	16	430,459,804	432,697,501
Other Income	17	216,762	454,245
TOTAL		430,676,566	433,151,745
EXPENDITURE			
Cost of Materials Consumed	18	367,159,352	340,828,360
Net (Increase)/Decrease in Stock	19	(30,651,164)	10,593,237
Employee Benefit Expense	20	11,405,920	10,543,018
Financial Costs	21	9,945,476	11,063,646
Depreciation and Amortization Expense	6	6,205,792	5,652,875
Other Expenses	22	50,386,728	42,467,906
TOTAL		414,452,105	421,149,041
Profit before exceptional & extraordinary items and tax		16,224,461	12,002,704
Profit Before Tax		16,224,461	12,002,704
<i>Tax Expenses</i>			
Current Tax		4,670,100	4,294,500
Deferred Tax		(499,261)	(152,059)
Tax Adjustment- earlier years		51,480	-
Net Profit for The Year		12,002,142	7,860,263
Profit Carried to Balance Sheet		12,002,142	7,860,263

Earnings Per Share (Rs.)		
- Basic (Face Value of Rs.10 each)	2.89	1.93
- Diluted (Face Value of Rs.10 each)	2.89	1.93

Significant Accounting Policies**1****As Per Our Report of Even Date**

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

ASHISH LALWANI
 (PARTNER)
 M.No.426684

Kanpur, 30th May 2018

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

Balram Kumar Narula
 Managing Director

Rakesh Kumar Narula
 Whole-Time Director

Ankur Narula
 Chief Financial Officer

Divya Saxena
 Company Secretary

JET KNITWEARS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

Particulars	Year Ended 31.03.2018 Amount (₹.)	Year Ended 31.03.2017 Amount (₹.)
I) CASH FROM OPERATIONS		
A. PROFIT AFTER TAX	12002141.55	7860262.81
B. ADJUSTEMENTS:		
Depreciation	6205792.32	5652875.00
Finance Costs	9945476.15	0.00
Interest Received	(116762.04)	0.00
Deferred tax	(499261.00)	(152059.00)
Provision for Gratuity	1152993.40	0.00
	28690380.38	13361078.81
Adjustments for Changes in working Capital		
Decrease/(Increase) in Sundry Debtors	(26530880.79)	(40870153.75)
Decrease/(Increase) in Loans & Advances	4011043.58	(6556392.00)
Decrease/(Increase) in Other Current Assets	768700.00	0.00
Decrease/(Increase) in Inventories	(32042788.95)	10049732.80
Decrease/(Increase) in Non-Current Assets	0.00	(3329315.00)
Increase/(Decrease) in Trade Payables	10505201.51	(789721.39)
Increase/(Decrease) in Current Liabilities	129446.03	4516399.50
Increase/(Decrease) in Short Term Provisions	375600.00	1645300.00
NET CASH FROM OPERATIONS	(14093298.24)	(21973071.03)
II) CASH FROM INVESTING ACTIVITIES		
Fixed Assets purchased during the year	(9810763.32)	(6189871.00)
Interest Received	116762.04	0.00
NET CASH FROM INVESTMENT ACTIVITIES	(9694001.28)	(6189871.00)
III) CASH FROM FINANCING ACTIVITIES		
Increase in Borrowed Funds	12558360.98	(26285182.85)
Finance Costs	(9945476.15)	0.00
Increase in Share Capital & Security Premium	22834500.00	42237000.00
NET CASH FROM FINANCING ACTIVITIES	25447384.83	15951817.15
Net Increase in cash and cash equivalents	1660085.31	(12211124.88)
Cash and Cash equivalents as at the beginning of the year	12722332.56	24933457.44
Cash and Cash equivalents as at the end of the year	14382417.87	12722332.56

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.

The accompanying schedules form an integral part of the accounts.

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 Accountants

ASHISH LALWANI
(PARTNER)
M.No.426684

Balram Kumar Narula
Managing Director

Rakesh Kumar Narula
Whole-Time Director

Kanpur, 30th May 2018

Ankur Narula
Chief Financial Officer

Divya Saxena
Company Secretary

NOTE NO.2
SHARE CAPITAL

PARTICULARS	AS AT 31.03.2018 ₹ P.		AS AT 31.03.2017 ₹ P.
- Share Capital			
<u>Authorised Share Capital</u> 65,00,000 Equity Shares Of Rs.10/- Each	65,000,000		65,000,000
<u>Issued, Subscribed & Paid Up Capital</u> 44,07,200 (P.Y.40,83,200) Equity Shares Of Rs.10/- Each Fully Paid Up	44,072,000		40,832,000
	44,072,000		40,832,000

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

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

Particulars	AS AT 31.03.2018		AS AT 31.03.2017	
	No.	Amount	No.	Amount
Balance at the beginning of the year	4,083,200	40,832,000	3,000,200	30,002,000
Add: Issued during the year	324,000	3,240,000	1,083,000	10,830,000
Less: Shares Bought Back	-	-	-	-
Balance at the end of the year	4,407,200	44,072,000	4,083,200	40,832,000

b) Terms/rights attached to equity shares

(a) The Company has only one class of equity shares having a face value of Rs.10/- per share. Each shareholder is entitled to one vote per share.

(b) The Company has neither paid any interim dividend during the year, nor any dividend 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.

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

Name of the Shareholder	AS AT 31.03.2018		AS AT 31.03.2017	
	%	No. of Shares	%	No. of Shares
KANCHAN NARULA	6.47%	285160.00	6.98%	285160.00
USHA NARULA	5.16%	227480.00	5.57%	227480.00
SANDHYA NARULA	5.76%	253960.00	6.22%	253960.00
ANIL KUMAR NARULA	6.92%	304760.00	7.46%	304760.00
RAKESH KUMAR NARULA	5.33%	234860.00	5.75%	234860.00
MUKUL MAHAVIR AGRAWAL	7.01%	309000.00	0.00%	0.00

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

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

NOTE NO. 3**RESERVES & SURPLUS**

PARTICULARS	AS AT 31.03.2018 ₹ P.		AS AT 31.03.2017 ₹ P.
SECURITIES PREMIUM			
Balance at the beginning of the year	51,375,000		19,968,000
Add: Premium Received during the year	21,060,000		31,407,000
Less: Preliminary Expenses Written off	(4,980,635)		-
Less: Expenses on Preferential Allotment	(1,465,500)		-
Balance as at the end of the year	65,988,865		51,375,000
PROFIT & LOSS			
Balance at the beginning of the year	27,269,983		19,409,720
Add: Net Profit for the Year	12,002,142		7,860,263
Balance as at the end of the year	39,272,125		27,269,983
	105,260,990		78,644,983

NOTE NO. 4
LONG TERM BORROWINGS

PARTICULARS	NON CURRENT PORTION		CURRENT MATURITIES	
	As At March 31, 2018	As At March 31, 2017	As At March 31, 2018	As At March 31, 2017
Term Loans	1,839,664	-	-	-
Loans and Advances from Related Parties- Unsecured	9,301,583	8,596,310	-	-
	11,141,247	8,596,310	-	-

1. Term loans include:

(a) Rupee Term Loan (including their current maturities) of ₹ 5.16 lakhs from Kotak Mahindra Prime Ltd. which is secured against hypothecation of the Company's Vehicles financed by the bank. The Rate of interest charged is @ 9.50% p.a.

(b) Rupee Term Loan (including their current maturities) of ₹ 13.26 lakhs from HDFC Bank Ltd. which is secured against hypothecation of the Company's Vehicles financed by the bank. The Rate of interest charged is @ 8.75% p.a.

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

NOTE NO. 5
SHORT TERM BORROWINGS

PARTICULARS	As at March 31st, 2018		As at March 31st, 2017
- Loans Repayable on Demand - Secured Loans From Banks			
(a) Working Capital Limits (Secured against hypothecation of inventories & receivables, as per details below)	90,260,016		80,246,591
(b) Loans against Bank Deposits (Fully secured against term deposits of the company)	-		-
	90,260,016		80,246,591

1. The working capital limit have been availed from HDFC Bank which is secured against inventories and receivables of the company. The Rate of interest charged is @9.5%

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

NOTE NO. 6
TRADE PAYABLES

PARTICULARS	As at March 31st, 2018		As at March 31st, 2017
Trade Payables for Goods	18,944,060		14,907,691
Trade Payables for Expenses	13,623,820		7,154,987
	32,567,880		22,062,678

1. As regards the disclosure requirements under the Micro, Small and Medium Enterprises Act, 2006, it may be mentioned that the company has called for information and details from its 'Suppliers' regarding their registration status and classification under the Act as Micro, Small and Medium Enterprise(s). However, no response with regard to the same has been received till date. Accordingly the company is not liable to disclose any further information u/s 22 of the Act.

NOTE NO. 7
OTHER CURRENT LIABILITIES

PARTICULARS	As at March 31st, 2018		As at March 31st, 2017
Advance from Customers	10,007,462		9,345,213
Other Payables (Including statutory dues, establishment expenses due etc.)	1,724,354		1,888,246
Security Deposits received from customers	2,677,203		2,625,778
Bank Overdraft	-		420,335
	14,409,019		14,279,572

NOTE NO. 8

PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	USEFUL LIVES	GROSS BLOCK -				DEPRECIATION -				-- NET BLOCK --		
		AS AT 01.04.2017	ADDITIONS	SALE/ TRF	AS AT 31.03.2018	UPTO 01.04.2017	FOR THE YEAR	TRD	TRF/ ADJ.	UPTO 31.03.2018	AS AT 31.03.2018	AS AT 31.03.2017
TANGIBLES												
Building & land												
Building	30.00	1391415.24	0.00	0.00	1391415.24	803103.24	44108.00	0.00	0.00	847211.24	544204.00	588312.00
Computer, Printer & Peripherals												
Computer	3.00	4991529.00	412653.38	0.00	5404182.38	4744087.00	145947.38	0.00	0.00	4890034.38	514148.00	247442.00
Printer		4437934.00	398553.38	0.00	4836487.38	4190493.00	144823.38	0.00	0.00	4335316.38	501171.00	247441.00
Furniture & Fixtures												
Furniture		553595.00	14100.00	0.00	567695.00	553594.00	1124.00	0.00	0.00	554718.00	12977.00	1.00
Furniture & Fixtures	10.00	1742474.60	103825.00	0.00	1846299.60	1665461.60	161304.00	0.00	0.00	1826765.60	19534.00	77013.00
Fan		78871.50	3438.00	0.00	82309.50	74802.50	7506.00	0.00	0.00	82308.50	1.00	4069.00
Furniture & Fixtures	10.00	1663603.10	100387.00	0.00	1763990.10	1590659.10	153798.00	0.00	0.00	1744457.10	19533.00	72944.00
Electric Installation												
Electric Installation	10.00	551867.00	18359.37	0.00	570226.37	322769.00	63365.37	0.00	0.00	386134.37	184092.00	229098.00
Invertor		178884.00	18359.37	0.00	197243.37	149508.00	27931.37	0.00	0.00	177439.37	19804.00	29376.00
Vehicle		372983.00	0.00	0.00	372983.00	173261.00	35434.00	0.00	0.00	208695.00	164288.00	199722.00
Car	10.00	19144700.76	2957974.39	0.00	22102675.15	14822265.76	2867379.39	0.00	0.00	17689645.15	4413030.00	4322435.00
CYCLE		12916813.86	2356620.00	0.00	15273433.86	10124055.86	2001208.00	0.00	0.00	12125263.86	3148170.00	2792758.00
Delivery Van		19192.00	0.00	0.00	19192.00	13961.00	1476.00	0.00	0.00	15437.00	3755.00	5231.00
Jeep		4266502.00	393465.00	0.00	4659967.00	3286129.00	731873.00	0.00	0.00	4018002.00	641965.00	980373.00
SCOOTER	10.00	490703.00	0.00	0.00	490703.00	490702.00	0.00	0.00	0.00	490702.00	1.00	1.00
Office Equipment												
Air Conditioner	5.00	1451489.90	207889.39	0.00	1659379.29	907417.90	132822.39	0.00	0.00	1040240.29	619139.00	544072.00
Block & Design		4418291.62	704206.08	0.00	5122497.70	3360223.62	749807.08	0.00	0.00	4110030.70	1012467.00	1058068.00
CCTV Camera	5.00	1090438.00	119432.50	0.00	1209870.50	787387.00	218462.50	0.00	0.00	1005849.50	204021.00	303051.00
Cease Fire		19139.00	0.00	0.00	19139.00	19138.00	0.00	0.00	0.00	19138.00	1.00	1.00
Cellular Phone	5.00	71948.00	163721.05	0.00	235669.05	71947.00	8033.05	0.00	0.00	79980.05	155689.00	1.00
Cylinder		69727.00	0.00	0.00	69727.00	69726.00	0.00	0.00	0.00	69726.00	1.00	1.00
Fax Machine	5.00	371536.00	236332.88	0.00	607868.88	212582.00	80042.88	0.00	0.00	292624.88	315244.00	158954.00
Fridge	5.00	107525.00	0.00	0.00	107525.00	102306.00	5218.00	0.00	0.00	107524.00	1.00	5219.00
Office Equipment	5.00	49870.00	0.00	0.00	49870.00	49869.00	0.00	0.00	0.00	49869.00	1.00	1.00
Telephone	5.00	123375.00	0.00	0.00	123375.00	105758.00	17616.00	0.00	0.00	123374.00	1.00	17617.00
Television	5.00	1542331.89	135004.65	0.00	1677336.54	1278429.89	288254.65	0.00	0.00	1566684.54	110652.00	263902.00
UPS	5.00	373583.73	33474.58	0.00	407058.31	226308.73	67496.58	0.00	0.00	293805.31	113253.00	147275.00
Water Cooler	5.00	217215.00	8203.13	0.00	225418.13	84552.00	41813.13	0.00	0.00	126365.13	99053.00	132663.00
Weighing Machine	5.00	99070.00	8037.29	0.00	107107.29	99069.00	887.29	0.00	0.00	99956.29	7151.00	1.00
Plant & Machinery												
Boiler	15.00	115700.00	0.00	0.00	115700.00	86320.00	21983.00	0.00	0.00	108303.00	7397.00	29380.00
Generator		166833.00	0.00	0.00	166833.00	166831.00	0.00	0.00	0.00	166831.00	2.00	2.00
Tubewell		31795143.85	5613745.10	0.00	37408888.95	16143498.85	2173881.10	0.00	0.00	18317379.95	19091509.00	15651645.00
Others		2728590.21	2669.00	0.00	2731259.21	1313788.21	173045.00	0.00	0.00	1486833.21	1244426.00	1414802.00
TOTAL		1948100.00	213559.32	0.00	2161659.32	13377236.00	130389.32	0.00	0.00	1467625.32	694034.00	610864.00
		9819.20	0.00	0.00	9819.20	9806.20	12.00	0.00	0.00	9818.20	1.00	13.00
		27108634.44	5397516.78	0.00	32506151.22	13482668.44	1870434.78	0.00	0.00	15353103.22	17153048.00	13625966.00
TOTAL		64035422.07	9810763.32	0.00	73846185.39	41861409.07	6205792.32	0.00	0.00	48067201.39	25778984.00	22174013.00

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

PARTICULARS	As at March 31st, 2018		As at March 31st, 2017
<i>Deferred Tax Asset</i>			
Accelerated Depreciation for Tax purposes Deductions claimed for Balance Sheet items	540,500.00		397,539.00
Expenses allowable on payment basis	356,300.00		0.00
Others			
<i>Gross Deferred Tax Assets</i>	<i>896,800.00</i>		<i>397,539.00</i>
Net Deferred tax asset	896,800.00		397,539.00

NOTE 10- INVESTMENTS

PARTICULARS	As at March 31st, 2018		As at March 31st, 2017
Unquoted equity investments, fully paid up	25,000.00		25,000.00
	25000.00		25000.00

NOTE NO. 11**INVENTORIES**

PARTICULARS	As at March 31st, 2018		As at March 31st, 2017
Raw Material	4,105,072		2,713,447
Work-In-Progress	36,230,340		12,759,336
Finished Goods	40,809,049		33,628,889
	81,144,461		49,101,672

NOTE NO. 12**TRADE RECEIVABLES****(UNSECURED AND CONSIDERED GOOD)**

PARTICULARS	As at March 31st, 2018		As at March 31st, 2017
Receivables outstanding for a period exceeding six months from the date they are due for payment	56,686,455		609,767
Other Receivables	109,739,378		139,285,185
	166,425,833		139,894,952

NOTE NO.13**CASH & CASH EQUIVALENTS**

PARTICULARS	As at March 31st, 2018		As at March 31st, 2017
Cash In Hand	11,511,965		11,685,591
Balances With Scheduled Banks - In Current Accounts	2,870,453		1,036,741
	14,382,418		12,722,333

NOTE NO.14**SHORT TERM LOANS & ADVANCES**

PARTICULARS	As at March 31st, 2018		As at March 31st, 2017
- Unsecured and Considered Good			
Balances with Revenue Authorities	8,333,822		3,971,602
Prepaid Expenses	368,039		462,516
Other Current Assets	5,136,943		13,415,730
	13,838,804		17,849,848

NOTE NO.15**OTHER CURRENT ASSETS**

PARTICULARS	As at March 31st, 2018		As at March 31st, 2017
- Unsecured and Considered Good Security Deposits	1,041,944		1,810,644
	1,041,944		1,810,644

NOTE NO.16**REVENUE FROM OPERATIONS**

PARTICULARS	Current Year		Previous Year
Sale of Products	571,540,017		432,697,501
	571,540,017		432,697,501
Less: Sale Tax Paid	5,827,701		-
Less: Goods & Service Tax Realised	13,750,947		-
Less: Sale from Tirupur to Headoffice	121,501,566		-
	430,459,804		432,697,501

NOTE NO.17**OTHER INCOME**

PARTICULARS	Current Year		Previous Year
Other Income	116,762		75,198
Profit on Sale of Assets	100,000		379,047
	216,762		454,245

NOTE NO.18**COST OF GOODS CONSUMED**

PARTICULARS	Current Year		Previous Year
Opening Stock	2,713,447		2,169,943
Purchases	294,835,312		277,840,321
Direct Expenses	73,715,665		63,531,544
	371,264,424		343,541,807
Less: Closing Stock	4,105,072		2,713,447
Cost of Material Consumed	367,159,352		340,828,360

NOTE NO.19**INCREASE/(DECREASE) IN FINISHED GOODS/STOCK & WIP**

PARTICULARS	Current Year		Previous Year
Inventories at the Beginning Of The Year			
Work-In-Progress	33,628,889		37,091,688
Finished Goods	12,759,336		19,889,774
	46,388,225		56,981,462
Inventories at the Beginning Of The Year			
Work-In-Progress	36,230,340		33,628,889
Finished Goods	40,809,049		12,759,336
	77,039,389		46,388,225
Net Increase/Decrease in Stock	(30,651,164)		10,593,237

NOTE NO.20**EMPLOYEE BENEFITS EXPENSES**

PARTICULARS	Current Year		Previous Year
Salaries and Wages	3,242,618		3,142,078
Staff Welfare Expenses	406,076		689,178
Provision for Gratuity	1,152,993		-
Director's Remuneration	1,620,000		1,620,000
Bonus	277,159		249,481
Executive Salary	3,840,000		3,840,000
Stipend	177,773		421,625
Contribution to Provident Fund and other funds	689,301		580,656
	11,405,920		10,543,018

NOTE NO.21**FINANCE COSTS**

PARTICULARS	Current Year		Previous Year
Bank & Other Charges	258,913		475,613
Interest Paid to Bank	8,685,988		9,575,072
Interest Paid to Others	1,000,576		1,012,961
	9,945,476		11,063,646

NOTE NO.22**OTHER EXPENSES**

PARTICULARS	Current Year		Previous Year
Payments to Auditors as			
(a) Auditor	150,000		95,000
(b) Taxation Matters	-		-
Repairs & Maintenance	1,738,465		1,750,296
Freight & Cartage Outward	1,171,639		1,485,652
Rent	2,315,529		2,012,596
Printing & Stationery	618,824		547,039
Rebate & Discount	10,410,185		6,876,523
Miscellaneous Expenses	7,872,743		3,887,485
Preliminary Expenses Written Off	-		573,791
Security Expenses	492,271		837,713
Advertisement & Publicity	11,706,464		12,251,294
Commission	4,045,596		2,023,110
Electricity Expenses	1,557,200		1,429,503
Legal, Professional and Consultancy	305,180		180,364
Charity & Donation	46,490		121,000
Rates and Taxes	261,618		307,478

Travelling Expenses	654,743		1,107,612
Telephone & Telex	729,665		816,196
Vehicle Running & Maintenance	5,685,630		5,626,517
Insurance	624,486		538,737
-	50,386,728		42,467,906

Significant Accounting Policies**1****As Per Our Report of Even Date**

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

ASHISH LALWANI
(PARTNER)
M.No.426684

Kanpur, 30th May 2018

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

Balram Kumar Narula
Managing Director

Rakesh Kumar Narula
Whole-Time Director

Ankur Narula
Chief Financial Officer

Divya Saxena
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS***Note no.1******Significant Accounting Policies*****(A) (i) Basis of Accounting:**

The Financial Statements have been prepared under the Historical Cost convention, in Accordance with generally accepted accounting principles including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The Company generally follows mercantile system of accounting and recognizes significant item of income & expenditure on accrual basis.

(ii) Consistency:

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

(iii) Current v. Non-Current classification:

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

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

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

All other assets are classified as non-current.

(b) A liability is current when:

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

All other liabilities are classified as non-current.

(B) Inventories

(i) The inventory at the end of the year has been recognized on the First in First out basis.

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

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

(C) Cash Flow:

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

(D) Provisions, Contingent Liabilities and Commitments:

- (i) Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- (ii) The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.
- (iii) If the effect of the time value of money is material, provisions are to be discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is proposed to be used, the increase in provision due to the passage of time is recognized as a finance cost.
- (iv) Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.
- (v) Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- (vi) The company has the following disputed liabilities/demand raised by Income Tax Department as on 31/3/2018.

<u>S. No.</u>	<u>Liability of Dispute</u>	<u>Amount</u>	<u>Period to which it relates</u>
1.	Income Tax Department	234344.58	TDS defaults of previous years
2.	Income Tax Department	1546.98	TDS defaults of F.Y.17-18
3.	Income Tax Department	47814.00	A.Y.2004-05
4.	Income Tax Department	1088.00	A.Y.2006-07
5.	Income Tax Department	2068.00	A.Y.2010-11
6.	Income Tax Department	111770.00	A.Y.2011-12
7.	Service Tax Department	449823.00	01.04.2007 to 31.07.2011

(E) Prior Period Items:

Wherever required, the same have been classified as per accounting standard.

(F) Revenue Recognition:

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

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

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

(H) Foreign currency transaction during the current year:

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

(I) Employee Benefit Expenses:**Short term employee benefits**

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

Provident fund

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees' salary. The Company contributes a part of the contributions to the Government administered Provident/Pension Fund. The

Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable through the provident fund scheme as 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 not undertaken any actuarial valuation against its gratuity liability.. The Company does not make any yearly/periodic contributions as regards gratuity and meets its liability from its cash accruals as and when a claim for the same arises.

(J) Borrowing Cost:

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

(K) Segment Reporting:

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

(L) Related Party Disclosers:

(a) Key Management Personnel

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

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

Frontline Exports Pvt. Ltd., Anil Kumar Narula HUF, Ankur Kumar Narula HUF, Balram Narula HUF, Bhushan Narula HUF, Gaurav Narula HUF, Rakesh Kumar Narula HUF, Rohit Narula HUF, Satish Narula HUF

(c) Relatives of Key Managerial Personnel:

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

(Amount in ₹)

Particulars	Key Management Personnel	Relatives of Key Managerial Personnel	Enterprises over which Directors & their Relatives are able to exercise significant influence
Rent	33600.00	20400.00	-
Remuneration	2100000.00	3360000.00	-
Interest	16620.00	711463.00	210068.00
Job Work Charges	-	-	7737300.00

(M) Earning per Share:

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

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

The company has not issued any potentially dilutive equity shares.

(N) Tax Expense:

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

- 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.
- Deferred Tax:** Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to

allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

- (O) Several debit and credit balances are subject to confirmation by parties.
- (P) Previous Year's figures have been regrouped/rearranged wherever necessary to conform to the figures for the current year.

As Per Our Report of Even Date

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

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

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

**Balram Kumar Narula
Managing Director**

**Rakesh Kumar Narula
Whole-Time Director**

Kanpur, 30th May 2018

**Ankur Narula
Chief Financial Officer**

**Divya Saxena
Company Secretary**

JET KNITWEARS LIMITED

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

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

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

NOTICE

Notice is hereby given that the Twenty-Second Annual General Meeting of the Members of the Company will be held on **Thursday, September 27, 2018** at **01:00 PM** at **The Ganges Club Ltd. 9/50-A, Arya Nagar, Kanpur-208002**, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements for the financial year ended on 31st March, 2018, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in place of Mr. Rakesh Kumar Narula (DIN: 00274483) who retires by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment.

SPECIAL BUSINESS:

3. To Make Investment Or Give Loan/ Guarantee/ Provide Any Security

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

“RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act 2013 and the rules made thereunder and other applicable provisions if any, consent of the members of the Company be and is hereby accorded to the Board of Directors to give any loans to any person or other body corporate, give any guarantees or to provide security in connection with a loan to any other body corporate or person, or acquire by way of subscription, purchase or otherwise, the securities of any other body corporate exceeding sixty percent of company's paid up capital and its free reserves and securities premium account or one hundred percent of its free reserves and securities premium account whichever is more as the Board of Directors may think fit, provided that the total loans or investments made, guarantees given, and securities provided shall not any time exceed ₹ 100,000,000/- (Rupees Ten Crore Only).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of the Company be and is hereby authorized to take from time to time all decisions and such steps as may be necessary for giving loans, guarantees or providing securities or for making such investments and to execute such documents, deeds, writings, papers and/or agreements as

may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorised to make necessary entries in the registers and to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution.”

By the Order of the Board
For JET KNITWEARS LIMITED

Place: Kanpur
Date: 27.08.2018

(Divya Saxena)
Company Secretary & Compliance Officer

NOTES FOR MEMBERS' ATTENTION:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF OR HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS (48) BEFORE THE COMMENCEMENT OF THE MEETING. i.e. BY 01:00 P.M. ON SEPTEMBER 27, 2018. PROXIES SUBMITTED ON BEHALF OF COMPANIES, SOCIETIES, ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION / AUTHORITY, AS APPLICABLE, ISSUED ON BEHALF OF THE NOMINATING ORGANIZATION.**

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

3. The relevant details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) of the person seeking re-appointment as a Director under Item No. 2 is also annexed.
4. The Register of Members and Share Transfer books of the Company shall remain closed from September 21, 2018 to September 27, 2018 (both days inclusive).

5. Members may please note that no gifts, gift coupons, or cash in lieu of gifts will be distributed at meeting, in compliance with Section 118(10) of the Companies Act, 2013 and the Secretarial Standards issued by Institute of Company Secretaries of India.
6. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
7. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or its RTA quoting their Folio number or their Client ID number with DPID number, as the case may be.
8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agent, Bigshare Services Pvt. Ltd. to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Bigshare Services Pvt. Ltd.
9. Non-resident Indian Members are requested to inform Registrar and Share Transfer Agent, immediately of:
 - i. the change in the residential status on return to India for permanent Settlement.
 - ii the particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code number, if not furnished earlier.
10. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form shall submit their PAN details to the Company at its Registered Office or to the Registrar and Share Transfer Agent (Bigshare Services Pvt. Ltd.)
11. Members are requested to convert their Share(s) lying in physical form to the Demat form for easy transferability of Shares. For any help, the Shareholders may contact to the Registrar & Transfer Agent at email id investor@bigshareonline.com and to Company Secretary at email id compliance@jetknit.com or info@jetknit.com
12. Equity Shares of the Company are under compulsory demat trading by all the investors. Considering the advantage of scripless trading, members are encouraged to consider dematerialisation of their shareholdings so as to avoid inconvenience in future.
13. Members/Proxies are requested to deposit the Attendance Slip duly filled in and signed for attending the Meeting. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution, Power of Attorney or such other valid authorizations, authorizing them to attend and vote on their behalf at the Meeting. Members who hold shares in dematerialized form are requested to bring their DP ID and client ID No.(s) for easier identification of attendance at the Meeting. Members are requested to affix their signatures at the space

provided on the attendance slip annexed to the proxy form and hand over the slip at the entrance of the meeting hall.

14. SEBI & Ministry of Corporate Affairs is promoting electronic communication as a contribution to greener environment. Accordingly, as a part of green initiative, soft copy of the Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. Further, in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 136 of the Companies Act, 2013 including Rules made there under for Members who have not registered their E-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2017-18 will also be available on the Company's website www.jetlycot.com.
15. All relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on all working days, upto and including the date of the Meeting. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
16. Members desirous of obtaining any information on Annual Financial Statements of the Company at the Meeting are requested to write to the Company at least 10 (ten) days before the date of the Meeting, so that the information required may be made available at the Meeting.
17. Members may pursuant to section 72 of the Companies Act 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 file nomination in prescribed form SH-13 with the respective depository participant.
18. A route map showing direction to reach the venue of the 22nd Annual General Meeting is given at the end of this notice as per the requirement of Secretarial Standards -2 on General Meeting.
19. Voting system:
 - Pursuant to the provisions of section 108 of the Companies Act, 2013, rules 20 and 21 of the Companies (Management & Administration) Rules 2014 and sub Reg. (1) & (2) of Reg. 44 of SEBI (LODR) Regulations, 2015, the Company is not required to provide mandatorily to its members the electronic facility to exercise their right to vote at the AGM. Therefore, the facility for voting through polling paper shall be made available at the meeting and the members attending the Meeting shall be able to exercise their right at the Meeting through polling paper. A Proxy can vote in the ballot/poll process.
 - A Member present in person or by Proxy shall, on a poll or ballot, have votes in proportion to his share in the paid up equity share capital of the company, subject to differential rights as to voting, if any, attached to certain shares as stipulated in the Articles or by the terms of issue of such shares. A Member who is a related party is not entitled to vote on a Resolution relating to approval of any contract or arrangement in which such Member is a related party.
 - The Members of the Company holding shares on the "cut-off date" of September 20, 2018 are entitled to vote on the resolutions proposed. Cut-off date means the date on which the right of voting of the members shall be reckoned and a person who is not a member as on the cut-off date should treat this notice for information purposes only.

- The results of the Ballot process will be placed by the company on its website www.jetlycot.com within 48 hours from the conclusion of the AGM and also communicated to the stock exchanges, where the shares of the company are listed.
- The resolutions proposed will be deemed to have been passed on the date of the AGM subject to the receipt of the requisite number of votes in favor of the resolutions.
- Mr. Gopesh Sahu, Practicing Company Secretary, (Membership No. FCS 7100) has been appointed as the Scrutiniser to scrutinise the Ballot process.

20. The details required to be given in pursuance of Regulation 36 (3) of the SEBI (LODR), Regulations, 2015 for re-appointment of Directors are as under:

Name of the Director and DIN	Mr. Rakesh Kumar Narula (00274483)		
Designation	Promoter and Whole Time Director		
Date of Birth	18/01/1958		
Qualification	Graduate in Commerce		
Date of Appointment	May 15, 2015		
Expertise	He is a businessman having rich experience of more than 30 years in hosiery manufacturing specializing in Sales and Production. He has wide experience in stitching, bleaching and knitting.		
Relationship between Directors	Mr. Rakesh Kumar Narula is the real brother of Mr. Balram Kumar Narula (Managing Director) and Mr. Anil Kumar Narula (Whole Time Director)		
Directorship in other Companies	Front Line Exports Private Limited		
No. of Equity Shares held in the company	234860 (Jet Knitwears Limited)		
Chairmanship/Membership of Committees in the Board of other Companies	Name of the Company	Name of the Committee	Chairman/ Member
	NIL	NIL	NIL

By the Order of the Board
For JET KNITWEARS LIMITED

Place: Kanpur
Date: 27.08.2018

(Divya Saxena)
Company Secretary & Compliance Officer

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

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of i) Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account or, ii) Hundred per cent of its free reserves and securities premium account, whichever is more, if special resolution is passed by the members of the Company. As a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment, providing loans or give guarantee or provide security in connection with loans for an amount not exceeding ₹ 10 Crore.

The investment(s), loan(s), guarantee(s) and security(ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made there under. These investments are proposed to be made out of own/ surplus funds/internal accruals and or any other sources including borrowings, if necessary, to achieve long term strategic and business objectives. None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

By the Order of the Board
For JET KNITWEARS LIMITED

Place: Kanpur
Date: 27.08.2018

(Divya Saxena)
Company Secretary & Compliance Officer

JET KNITWEARS LIMITED

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

22nd Annual General Meeting

ATTENDANCE SLIP

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

I hereby record my presence at the 22nd Annual General Meeting of the Company at on Thursday, September 27, 2018.

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

22nd Annual General Meeting

PROXY FORM

Form MGT-11

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

I/We.....
.....of.....
.....in the district ofbeing
a member / members of **JET KNITWEARS LIMITED** hereby appoint
.....of.....
.....or failing him/her
.....as my/our proxy to attend and vote for me/us and on
my/our behalf at the 22nd Annual General Meeting to be held on Thursday, September 27, 2018 at 1.00 PM or at any adjournment thereof.

Master Folio:	
No. of Shares:	

DP ID**:	
Client ID**:	

Resolution No.	Resolutions	Optional*	
		For	Against
ORDINARY BUSINESS			
1	Adoption of Audited Financial Statements and Reports of the Directors and the Auditors.		
2	Re-appoint Mr. Rakesh Kumar Narula (DIN: 00274483) who retires by rotation.		
SPECIAL BUSINESS			
3.	To Make Investment or Give Loan/ Guarantee/ Provide Any Security.		

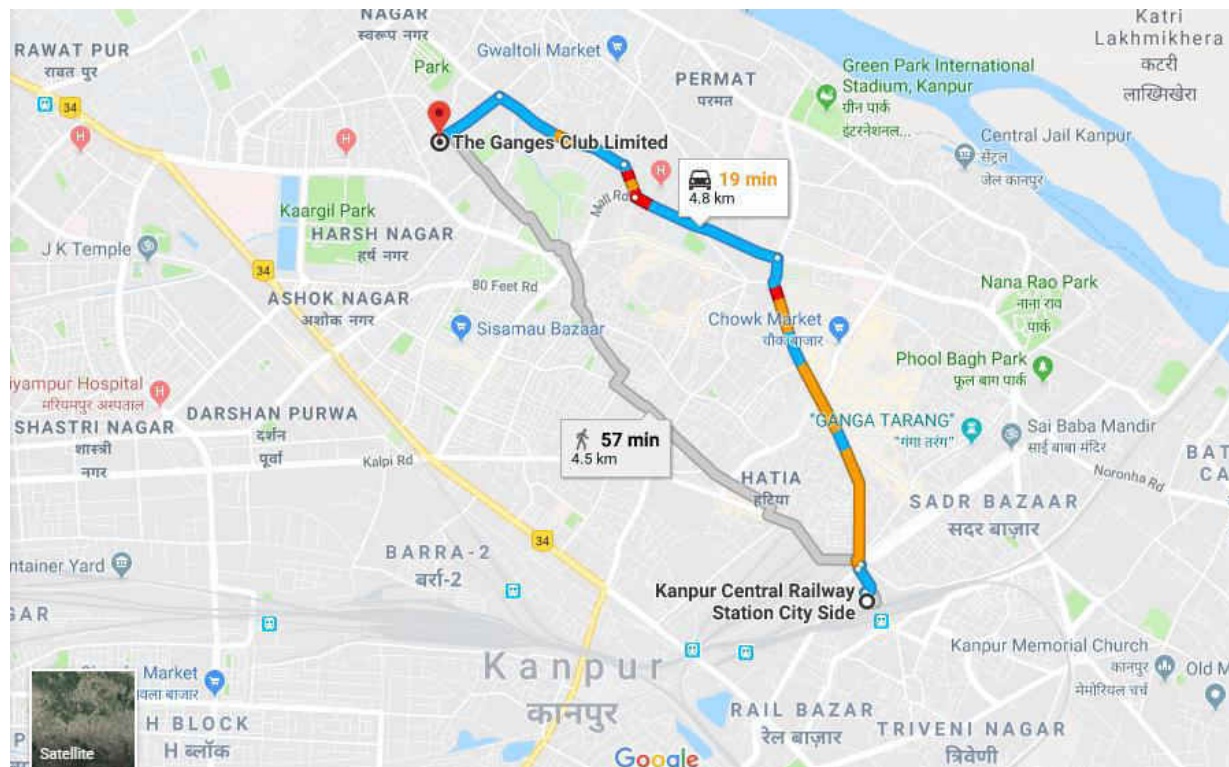
Signed this -----day of-----2018
Signature of Shareholder-----
Signature of Proxy Holder(s) -----

Affix a
₹ 1/-
Revenue
Stamp

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

NOTES:

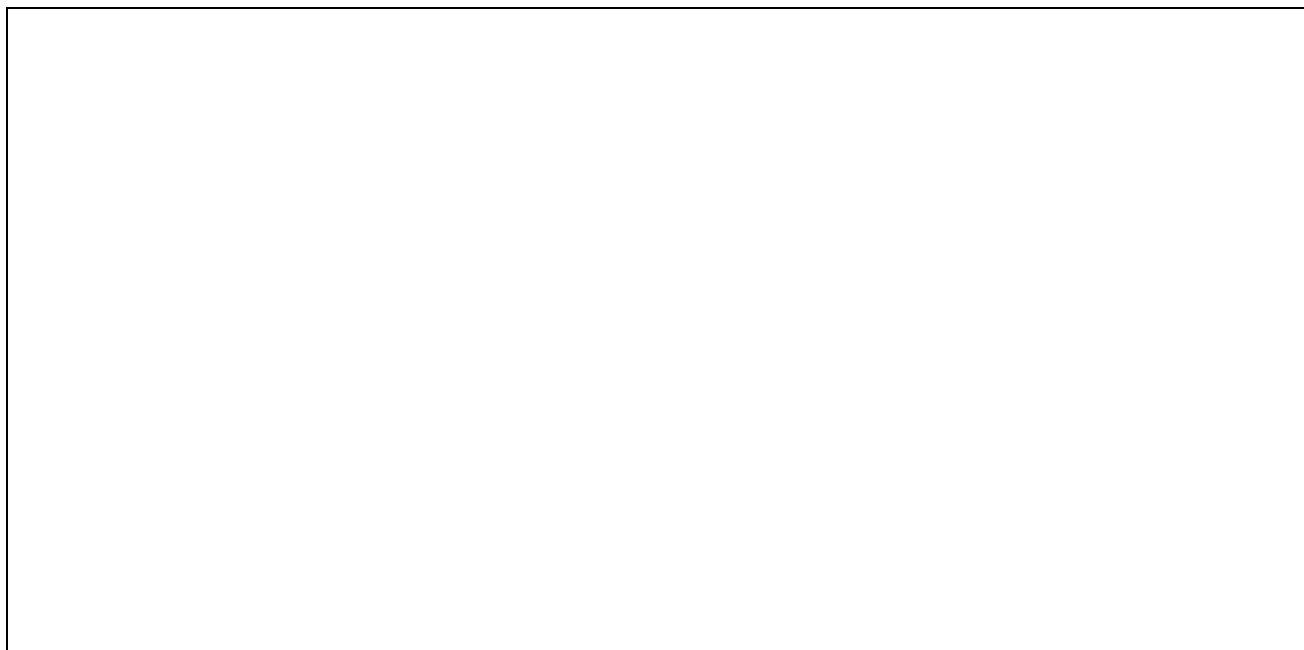
- 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- 2. A Proxy need not be a member of the Company.**
- 3. A person can act as proxy on behalf of members not 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. In the case of joint holders, the signatures of any one holder will be sufficient, but names of all the joint holders should be stated.**

ROUTE MAP TO THE AGM VENUE

This image shows a full page of blank, lined paper. It features approximately 20 evenly spaced horizontal black lines across its entire width, typical of notebook or legal stationery. The paper is otherwise completely empty, with no margins, text, or other markings.

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

BOOK POST



If Undelivered, Please Return to:

JET KNITWEARS LIMITED

Reg Office: 119/410-B-1 Darshan Purwa

Kanpur UP 208012

Contact No: 0512-2217553, 0512-2296128



AUTHENTIC
★ ★ ★ ★ ★
Original
CLOTHING
Exclusive Jeans

LYCOT CLOTHING