

JET KNITWEARS LIMITED

Regd. Office: 119/410 B-1 DARSHAN PURWA, KANPUR, UTTAR PRADESH-208012
 E-mail : info@jetknit.com, Contact No. : 0512-226198, 0512-2217553, Website : www.jetlycot.com
 CIN No. : L19101UP1996PLC019722

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE HALF AND YEAR ENDED ON MARCH 31, 2020

(Rs. in Lakhs)

	PARTICULARS	Half Year Ended		Year Ended		
		FOR THE HALF YEAR ENDED 31.03.2020 (AUDITED)	FOR THE HALF YEAR ENDED 30.09.2019 (Un-Audited)	FOR THE HALF YEAR ENDED 31.03.2019 (AUDITED)	FOR THE YEAR ENDED 31.03.2020 (AUDITED)	FOR THE YEAR ENDED 31.03.2019 (AUDITED)
I	Revenue from Operations	2083.94	2408.86	2397.76	4492.80	4732.85
II	Other Income	0.00	0.05	0.40	0.05	0.65
III	Total Revenue (I+II)	2083.94	2408.91	2398.16	4492.85	4733.50
IV	Expenses					
	a) Cost of Material Consumed	1295.82	1664.65	2048.27	2960.47	3532.89
	b) Purchase of Stock in Trade	290.17	129.27	40.33	419.44	79.01
	c) Change in inventories of Finished Goods, Work-in-process and Stock in trade	-145.29	11.18	-413.90	-134.11	-127.95
	d) Employee Benefits Expenses	68.14	54.04	70.16	122.18	123.36
	e) Finance Cost	61.32	59.27	49.45	120.59	109.60
	f) Depreciation and amortisation expenses	31.62	28.61	26.14	60.23	57.17
	g) Other Expenses	386.66	342.25	496.29	728.91	758.75
	Total Expenses (IV)	1988.45	2289.27	2316.74	4277.72	4532.83
V	Profit/(Loss) before exceptional items and extra-ordinary items and tax (III-IV)	95.49	119.64	81.42	215.13	200.67
VI	Exceptional Items	0.00	0.00	0.00	0.00	0.00
VII	Profit/(Loss) before extra-ordinary items and tax (V-VI)	95.49	119.64	81.42	215.13	200.67
VIII	Extraordinary Items	0.00	0.00	0.00	0.00	0.00
IX	Profit before tax (VII-VIII)	95.49	119.64	81.42	215.13	200.67
X	Tax Expenses :					
	a) Current Tax	36.58	27.52	25.10	64.10	58.42
	b) Deferred Tax	-1.74	0.00	-2.71	-1.74	-3.13
	c) Income Tax Adjustment	0.00	0.00	0.00	0.00	0.05
XI	Profit/(Loss) for the period (IX-X)	60.65	92.12	59.03	152.77	145.33
XII	Other Comprehensive Income (net of tax)	0.00	0.00	0.00	0.00	0.00
XIII	Total Comprehensive Income for the period (XI+XII)	60.65	92.12	59.03	152.77	145.33
XIV	Paid-up Equity Share Capital (of Rs. 10/-each)	440.72	440.72	440.72	440.72	440.72
XV	Other Equity	0.00	0.00	0.00	0.00	
XVI	Earning Per Share					
	a) Basic	1.38	2.09	1.34	3.47	3.30
	b) Diluted	1.38	2.09	1.34	3.47	3.30



STATEMENT OF ASSETS AND LIABILITIES

Disclosure as required under regulation 33 of the SEBI(Listing obligations and disclosure requirements) Regulations, 2015

	PARTICULARS	As at 31st March, 2020(Audited)	As at 31st March, 2019 (Audited)
A	ASSETS		
1	Non Current Assets		
a)	Property, Plant and Equipment		
ii)	Tangible Assets	233.99	251.67
iii)	Intangible assets	0.00	0.00
iv)	Capital work-in progress	0.00	0.00
v)	Intangible assets under development	0.00	0.00
b)	Non-Current Investments	0.25	0.25
c)	Long Term Loans & Advances	0.00	0.00
d)	Deferred Tax Assets (Net)	13.84	12.10
e)	Other non-current assets	0.00	0.00
	Total Non Current Assets	248.08	264.02
2	Current Assets		
a)	Current Investments	0.00	0.00
b)	Inventories	1068.25	962.96
c)	Trade Receivable	1698.68	1869.11
d)	Cash & Cash Equivalents	280.50	72.89
e)	Short Term Loans & Advances	158.19	212.80
f)	Other Current assets	14.83	13.78
	Total Current Assets	3220.45	3131.54
	Total Assets	3468.54	3395.56
B	EQUITY AND LIABILITIES		
1	Equity		
a)	Share Capital	440.72	440.72
b)	Reserve and Surplus	1350.73	1197.96
	Total Equity	1791.45	1638.68
2	Non-Current Liabilities		
a)	Long Term Borrowings	66.10	62.75
b)	Deferred tax liabilities (net)	0.00	0.00
c)	Other long term liabilities	0.00	0.00
d)	Long Term Provisions	17.68	14.32
	Total Non-Current Liabilities	83.78	77.07
3	Current Liabilities		
a)	Short term Borrowings	936.24	955.24
b)	Trade Payables		
(A)	total outstanding dues of micro enterprises and small enterprises;	9.61	3.63
(B)	total outstanding dues of creditors other than micro enterprises and small enterprises;	293.55	511.75
c)	Other Current Liabilities	289.80	150.77
d)	Short term Provisions	64.10	58.42
	Total Current Liabilities	1593.30	1679.81
	Total - Equity and Liabilities	3468.54	3395.56

NOTES :

1 The above Audited Financial Results have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at their meeting held today.

2 Figures for the period have been regrouped wherever necessary in order to make them comparable.

3 The Figures of the half year ended March 31, 2020 are the balancing figures between Audited figures for the year ended on March 31, 2020 and year to date figures upto the half year ended on September 30, 2019

4 Company is operating in single segment only. Hence, Segment Results is not applicable to the Company.

5 **Estimation of uncertainties relating to the global health pandemic (COVID-19)**

The COVID-19 pandemic is spreading throughout the world, including India, which led to nation-wide lockdown from March 22, 2020.

Company had temporary shutdown all the operations at the manufacturing facilities and other offices of Jet Knitwears Limited in compliance with government directions in the wake of COVID 19 outbreak from March 23, 2020. Consequently, revenues and the profitability for the year ended March 31, 2020 have been adversely affected. Further, Company has partially resumed its operations with limited staff at some of the office locations including its Registered Office at 119/410, B-1, Darshan Purwa, Kanpur as per the direction of the Government and after obtaining necessary permissions as required.

Revenues and earnings are expected to be adversely impacted in the first half of FY 2021, the extent of which will depend on containment of impact of CoVID-19 and the damage done by pandemic. It may also impact the recoverability from the trade receivables.

ON BEHALF OF THE BOARD OF DIRECTORS



(Balam Kumar Narula)
Managing Director
DIN: 00274566

Place : KANPUR
Date : July 24, 2020

STATEMENT OF CASH FLOW FOR THE PERIOD ENDED MARCH 31, 2020		
Particulars	As at 31st March, 2020(Audited) Amount (.)	As at 31st March, 2019 (Audited) Amount (.)
I) CASH FROM OPERATIONS		
A. PROFIT BEFORE TAX	21,512,861.01	20,067,492.57
B. ADJUSTEMENTS:		
Depreciation	6,022,762.80	5,717,195.14
Finance Costs	12,059,363.85	10,959,820.77
Tax Paid	(5,841,500.00)	(4,674,650.00)
Interest Received	0.00	(32,904.91)
Deferred tax	0.00	0.00
Provision for Gratuity	335,772.00	279,697.00
	12,576,398.65	32,316,650.57
	34,089,259.66	
Adjustments for Changes in working Capital		
Decrease/(Increase) in Sundry Debtors	17,042,854.81	(20,485,279.49)
Decrease/(Increase) in Loans & Advances	5,461,410.48	(7,441,558.61)
Decrease/(Increase) in Other Current Assets	(105,216.00)	(336,000.00)
Decrease/(Increase) in Inventories	(10,528,880.28)	(15,151,986.70)
Increase/(Decrease) in Trade Payables	(21,221,740.20)	18,970,350.35
Increase/(Decrease) in Current Liabilities	13,902,694.67	668,271.49
Increase/(Decrease) in Short Term Provisions	0.00	0.00
NET CASH FROM OPERATIONS	38,640,383.14	8,540,447.61
II) CASH FROM INVESTING ACTIVITIES		
Fixed Assets purchased during the period	(4,255,234.58)	(5,104,599.61)
Interest Received	0.00	32,904.91
NET CASH FROM INVESTMENT ACTIVITIES	(4,255,234.58)	(5,071,694.70)
III) CASH FROM FINANCING ACTIVITIES		
Increase in Borrowed Funds	(1,565,103.60)	397,668.66
Finance Costs	(12,059,363.85)	(10,959,820.77)
NET CASH FROM FINANCING ACTIVITIES	(13,624,467.45)	(10,562,152.11)
Net Increase in cash and cash equivalents	20,760,681.11	(7,093,399.19)
Cash and Cash equivalents as at the beginning of the period	7,289,018.68	14,382,417.87
Cash and Cash equivalents as at the end of the period	28,049,699.79	7,289,018.68





JET KNITWEARS LTD.

CIN - L19101UP1996PLC019722

Manufacturers & Exporters of Quality Knitted Undergarments

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020 [Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	4492.85	4492.85
	2.	Total Expenditure	4340.08	4340.08
	3.	Net Profit	152.77	152.77
	4.	Earnings Per Share	3.47	3.47
	5.	Total Assets	3468.54	3468.54
	6.	Total Liabilities	1677.09	1677.09
	7.	Net Worth	1791.45	1791.45
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
I	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification: Please refer Audit Report-Basis for Disclaimer of Opinion		
	b.	Type of Audit Qualification : Disclaimer of Opinion		
	c.	Frequency of qualification: First Time		
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA		
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification: Based on the Management analysis and assumptions, we believe that the Profit and Loss Account and Cash Flow Statement for the year ended March 31, 2020 and the Balance Sheet as at March 31, 2020 are materially correct and as per the management the trade receivables are considered good and are recoverable in nature. The Management is making full efforts to recover these trade receivables. Hence, management does not believe there is any material financial impact of the audit qualification. (ii) If management is unable to estimate the impact, reasons for the same: Not Applicable (iii) Auditors' Comments on (i) or (ii) above: As is stated in our report, the trade receivables are recoverable as per the management but due to economic uncertainty created by the worldwide pandemic COVID-19 and also since the same are standing since long time, we are unable to comment upon the same.		

119/410, B-1, Darshanpurwa, Kanpur -208012, U.P., INDIA

+915122217553 +915122296128

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

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



III.	Signatories:	
☐	Mr. Balram Kumar Narula, Managing Director	
☐	Mr. Ankur Narula, CFO	
☐	Mr. Ramesh Chandra, Audit Committee Chairman	
☐	CA Ashish Lalwani Partner For Rajiv Mehrotra & Associates Chartered Accountants FRN: 002253C	
Place: Kanpur		
Date: July 24, 2020		



RAJIV MEHROTRA & ASSOCIATES

CHARTERED ACCOUNTANTS

H.O. : 3/3A, Vishnupuri, Kanpur - 208 002 • Tel. : 0512-2531806

Fax : 0512-2531806 • E-mail : rma.consult@gmail.com

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

DISCLAIMER OF OPINION

We were engaged to audit the accompanying standalone half yearly financial results for the half year ended March 31, 2020, and year to date results for the period from 01.04.2019 to 31.03.2020 of M/s Jet Knitwears Limited ("The Company"), being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

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

BASIS FOR DISCLAIMER OF OPINION

The company's trade receivables (classified as unsecured and considered good by the management) are carried at Rs.16,98,68,258.00, out of which Rs.9,88,07,728.00 are outstanding for a period more than six months, which is abnormally high as compared to the turnover of the company. Further, out of these trade receivables exceeding six months, trade receivables of Rs.4,33,67,944.00 are outstanding for a period of more than 1 year. We have also not received confirmations from these parties, which however as per the management of the company is recoverable.

As a result of these matters and also owing to the economic uncertainty created by world-wide pandemic COVID-19, we were unable to determine whether any adjustments might have been found necessary in respect of recorded amount of Trade Receivables and the elements making up the statement of Profit and Loss and statement of cash flows.

EMPHASIS OF MATTER

We draw attention towards the fact that owing to the COVID-19 restrictions, we could not verify the physical inventory and cash as on 31st March 2020.

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

Our opinion is not qualified in respect of the same.

MANAGEMENT'S RESPONSIBILITIES FOR THE STANDALONE FINANCIAL RESULTS

These standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also

includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Results

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

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

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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

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

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

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

Other Matters

The standalone financial results include the results for the half year ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date up to the half year ended September 30, 2019 of the current financial year which were subjected to limited review by us.

For Rajiv Mehrotra & Associates
Chartered Accountants
FRN: 002253C



UDIN: 20426684AAAACN4990

Place of signature: Kanpur

Date: July 24, 2020