



# 2022-23

## 27<sup>th</sup> ANNUAL REPORT

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



JETLYCOT DENIMS

*go play!*

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

**Jet Knitwears Ltd.**

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

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

Contact: +91 9621363636 & +91 6394751050  
email: [info@jetknit.com](mailto:info@jetknit.com)



## CONTENTS

### *CORPORATE OVERVIEW*

ABOUT JET KNITWEARS LIMITED.....	2
CHAIRMAN'S MESSAGE.....	3
CORPORATE INFORMATION.....	5
AWARDS AND CERTIFICATIONS.....	6
PERFORMANCE TRENDS.....	7

### *STATUTORY REPORTS*

DIRECTOR'S REPORT.....	9
MANAGEMENT DISCUSSION AND ANALYSIS REPORT.....	29

### *FINANCIALS*

INDEPENDENT AUDITORS' REPORT.....	38
BALANCE SHEET.....	50
STATEMENT OF PROFIT AND LOSS.....	51
CASH FLOW STATEMENT.....	52
NOTES TO ACCOUNTS.....	53
STATEMENT ON IMPACT OF AUDIT QUALIFICATION.....	68

### *NOTICE OF AGM*

AGM NOTICE.....	69
ATTENDANCE SLIP.....	82
PROXY FORM.....	83
ROUTE MAP OF AGM VENUE.....	84



## About Jet Knitwears Limited

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

The result of commitment and hard work led us to be pioneers in our field by being awarded by the Government of India several times on the basis of our Quality products, Research and Development and Entrepreneurship. Our long standing tradition of excellence coupled with diligent service and unwavering commitment towards our customers has earned us their trust in such a way that we command a market share of 45%-50% in the markets where we have a presence.

Our in-house facilities conjoined with our experience in the industry have enabled us to develop and deliver breakthrough products that have helped us to win our customers trust. This trust has made our customers Brand Loyal to an extent wherein generations of our customers and consumers are associated with us. To ensure absolute professionalism in our work ethics our Company has the following work policies:

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

### Company's Strategy

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



## CHAIRMAN'S MESSAGE

### Dear Stakeholders

In the past fiscal year, our organization has experienced multiple hurdles throughout the year but our buoyancy towards our work commitments has not only helped us sustain through hard times but also propels us to deliver better.

Further, I would like to address the current industry trends and the impact of external factors on our business. The hosiery industry has been undergoing a period of rapid transformation, driven by shifting consumer preferences, technological advancements, and changing market dynamics. As a forward-thinking organization, we have proactively adapted to these trends, ensuring our products remain relevant and our business stays resilient.



Moreover, it is crucial to acknowledge the influence of current affairs on our industry. The global economic landscape, geopolitical developments, and social changes significantly affect our operations. From supply chain disruptions to frequent fluctuating raw material costs, we have faced challenges that demanded agility and resilience. Nonetheless, our organization has successfully navigated through these turbulent times by implementing robust risk management strategies and maintaining strong relationships with our suppliers and customers.

Being an MSME and a regional brand, we try our best to keep up with the national and international players in the Hosiery segment, who are far ahead of us in terms of advertising & marketing budget and also in the pan India reach to consumers. Given our limited regional reach and our budget constraints, as compared to the other global brands and big players in the market, to be able to survive and sustain in this highly volatile and uncertain business arena is no small achievement. If you compare our level of operations with our peers who are listed on the Main Board of the stock exchanges, whereas we on the other hand are listed on the SME Board, you'll find that there is no plain level field for us, and thus they enjoy an advantageous position in several ways which are instead barriers for us.

Additionally, it would not be incorrect to state that even with limited resources and budget restraints and while facing ever changing market trends and multiple other external factors which brutally effected the industry as a whole, our organization not only sustained through such tough times but also was able to maintain and subsequently enhanced our profits slightly during the past fiscal year as compared to our peers who are national and international players with no such restraints that we face being a regional brand, among whom some of the peers suffered substantial downfall in sales as well as profit while other suffered loss. The past fiscal year was a tough year to survive as a business organization and it's appreciative on part of every stakeholder who did their best to keep organization strong during such times.

On behalf of the Board, I would like to extend my sincere thanks to the shareholders, management team, employees, dealers, retailers, suppliers and all other stakeholders for their



commitment in the performance during the year. I wish the Jet Knitwears Limited team, the very best to continue to operate with more zeal and confidence.

I strongly believe that the worst is behind us and we look forward towards a better future. Our road to success has just began and we have far to go and it would only be possible with the blessings and support of you all.

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

Warm Regards,

**(Balram Kumar Narula)**  
**Chairman**



## CORPORATE INFORMATION

### BOARD OF DIRECTORS & MANAGEMENT

**Mr. Balram Kumar Narula**

Managing Director\*

\*(till May 14, 2023)

**Mr. Rakesh Kumar Narula**

Whole Time Director

**Mr. Anil Kumar Narula**

Whole Time Director

**Mrs. Dinesh Parashar**

Non-Executive Woman Director

**Mr. Ramesh Chandra**

Independent Director

**Mr. Ashok Chandra Bajpai**

Independent Director

**Mr. Ankur Narula**

Chief Financial Officer

**Ms. Vinny Saxena**

Company Secretary And Compliance Officer

### AUDITORS

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

### BANKERS

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

### WORKS

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

### REGISTRAR AND SHARE TRANSFER AGENT

**Big Share Services Pvt Ltd**

E2/3, Ansa Industrial Estate

Sakivihar Road

Sakinaka, Andheri(E)

Mumbai - 400072

SEBI Registration No: INR000001385

### REGISTERED OFFICE

119/410 B-1, Darshan Purwa, Kanpur

Uttar Pradesh - 208012

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

Email ID: [info@jetknit.com](mailto:info@jetknit.com)

[compliance@jetknit.com](mailto:compliance@jetknit.com)

Tele No. : 0512-2217553,

0512-2296128

### BRANCH OFFICE

26A, Appache Nagar, Kongu Main Road,

Tirupur-641607, Tamil Nadu.

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

[anilknarula@gmail.com](mailto:anilknarula@gmail.com)

Tele No : 0421-2224014



# HIGHLY RECOGNIZED AWARDS WON

## INTERNATIONAL AWARD



INTERNATIONAL  
QUALITY CROWN AWARD 2008



## EXPORT AWARD



EXPORT AWARD  
2003-2004

## NATIONAL AWARDS



ALL INDIA 1st QUALITY NATIONAL AWARD  
IN UNDERGARMENTS 2011



1994  
ENTREPRENEURSHIP  
AWARD



2001  
SMALL SCALE QUALITY  
AWARD



2003  
RESEARCH & DEVELOPMENT  
AWARD



2007  
RAJEEV GANDHI QUALITY  
AWARD



2007  
QUALITY PRODUCTS  
AWARD



2008  
RAJEEV GANDHI QUALITY  
AWARD



2009  
QUALITY PRODUCTS  
AWARD

## STATE AWARDS



2012-2013  
QUALITY PRODUCTS  
HOSIERY/GARMENTS



2013-2014  
QUALITY PRODUCTS  
MANUFACTURING SECTOR



2014-2015  
QUALITY PRODUCTS  
MANUFACTURING SECTOR



2016-2017  
QUALITY PRODUCTS  
GARMENTS SECTOR



2017-2018  
QUALITY PRODUCTS  
HOSIERY/GARMENTS

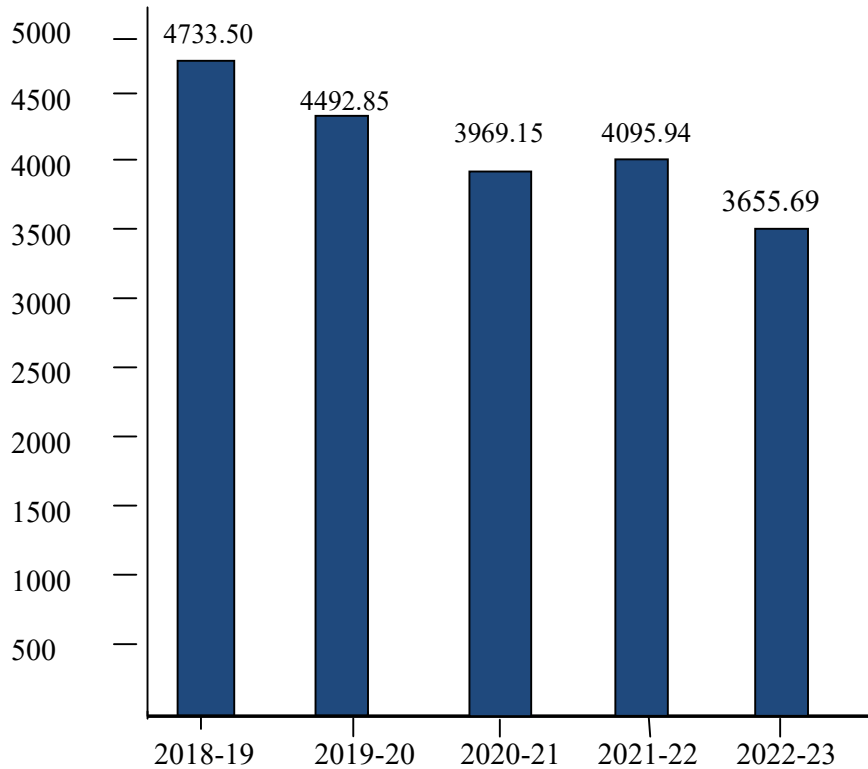
WWW.JETLYCOT.COM



## PERFORMANCE TRENDS

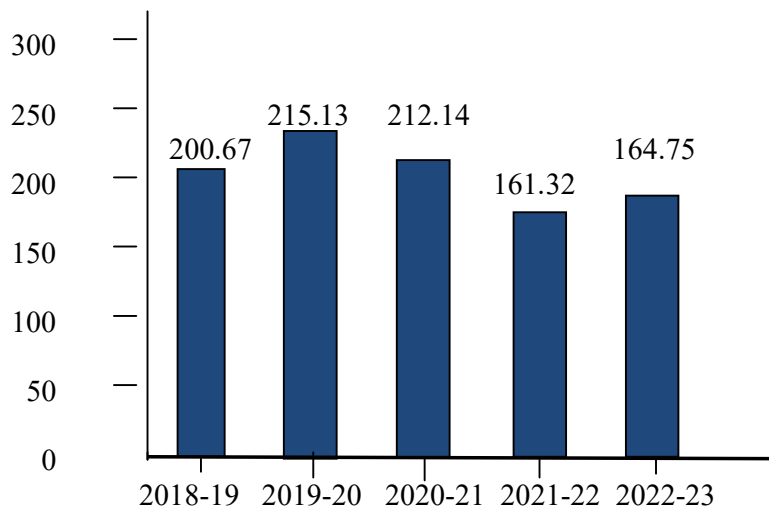
### GROSS INCOME

(₹ In Lakhs)



### PROFIT BEFORE TAX

(₹ In Lakhs)

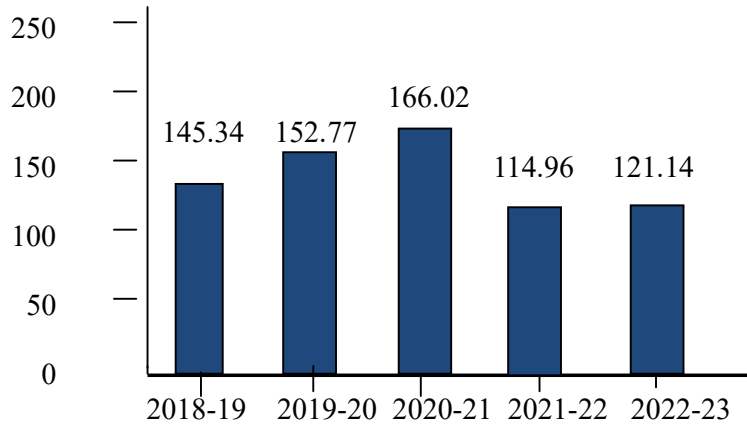






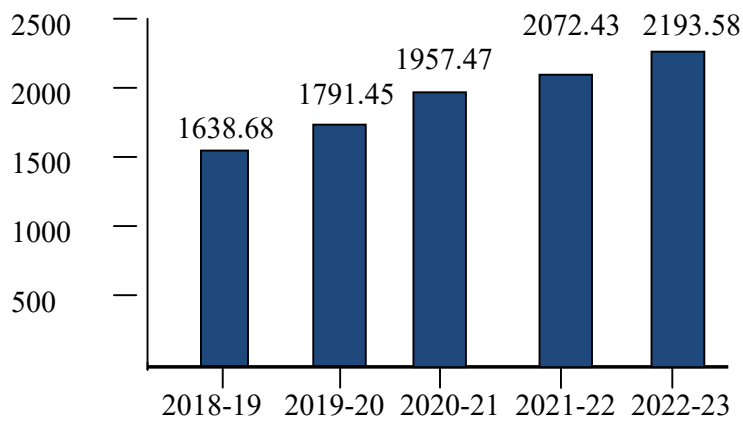
### PROFIT AFTER TAX

(₹ In Lakhs)

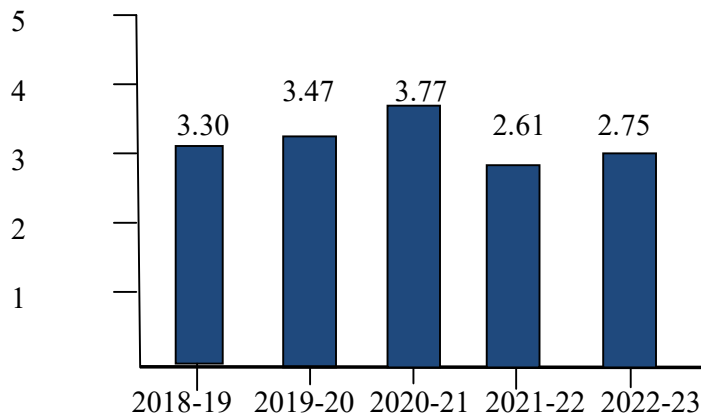


### NET WORTH

(₹ In Lakhs)



### EARNING PER SHARE (in ₹)





## DIRECTORS' REPORT

To,  
The Members of  
**JET KNITWEARS LIMITED**

Your Directors are pleased to present the 27<sup>th</sup> Annual Report on the business and operations of Jet Knitwears Limited (the Company or 'JKL') along with the Audited Financial Statements for the Financial Year ended March 31, 2023.

### 1. FINANCIAL SUMMARY

The Company's standalone financial performance for the year ended 31<sup>st</sup> March, 2023 is summarized as below:

Particulars	(₹ In Lakhs)	
	2022-23	2021-22
<b>Total Income</b>	<b>3655.69</b>	<b>4095.95</b>
Earning before Finance Costs, Depreciation and amortization Expenses and Taxes	328.10	324.01
Less: Finance Cost	116.29	104.27
Less: Depreciation & Amortization Expenses	47.06	58.42
<b>Profit/ Loss before Tax</b>	<b>164.75</b>	<b>161.32</b>
Less: Tax Expense (including deferred tax and tax adjustment of earlier years)	43.61	46.36
<b>Profit After Tax</b>	<b>121.14</b>	<b>114.96</b>
<b>Add: Balance of profit brought forward</b>	<b>971.82</b>	<b>856.86</b>
<b>Less: Appropriations</b>	-	-
<b>Transfer to General Reserve</b>	-	-
<b>Income Tax Adjustment (Net)</b>	-	-
<b>Balance at end of the Year</b>	<b>1092.96</b>	<b>971.82</b>

### 2. STATE OF COMPANY AFFAIRS

Your Directors report that due to high volatility in market, steep increase in raw material prices and several other challenges, your Company faced some decline in sales and revenue levels but was able to achieve growth in net profits during the year under review. The major highlights pertaining to the business and operations of the Company for the year 2022-23 are given below:

- The Revenue from operations stood at ₹3650.35 Lakhs as against ₹4092.89 Lakhs in the previous year showing a *decline of about 10.81%*.
- The Profit before tax is ₹164.75 Lakhs as compared to ₹161.32 Lakhs in the previous year thereby showing the *growth of about 2.13%*.
- The EBITDA increased to ₹328.10 Lakhs from ₹324.01 Lakhs in the previous year and thus showing a rise of about 1.26%.
- The Profit after tax for the year stood at ₹121.14 Lakhs as compared to ₹114.96 Lakhs for the previous year thereby showing a growth of about 5.38%.
- The Earning per Share has also grown to ₹2.75 as against ₹2.61 in the Previous Year.



**3. OBSTACLES FACED DURING THE YEAR**

Due to rising inflation in the country, the purchasing power of the consumers has been reduced significantly leading to stagnancy in demand in the market, especially for regional brands like us. Additionally, rise in the overall raw material consumption cost also impacted the industry and the Company could not increase the required selling price of the products as compared to increase in the cost of raw materials. Further, many international players are entering Indian market with fast fashion clothing and heavy advertising leading to decline in the overall market place for small and regional brands like us.

**4. GROWTH STRATEGY**

Your Company has taken measures for the growth and expansion of the business. We have expanded our clothing range and now we are not limited to just hosiery products and undergarments but we have also ventured into the market of new products such as sweat shirts, jackets denims & hoodies etc. which is a complete different segment in itself. This has resulted into the expansion of our product horizon, opening various doors of opportunities for the Company and thereby exposing our reach to wider market coverage. In addition to this, your company has tried to maintain balance of sales between the e-commerce and retail business.

**5. SUBSIDIARY / ASSOCIATE COMPANY / JOINT VENTURE**

Company does not have any Subsidiary / Associate Company. There were no Joint Ventures entered into by the Company during the financial year 2022-23.

**6. DIVIDEND**

Keeping in view the current economic uncertainties, your directors consider it prudent to plough back the profits and not to recommend any dividend for the financial year 2022-23.

**7. RESERVES**

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

**8. SHARE CAPITAL**

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

**9. COMPOSITION OF BOARD**

The Board of Directors of the Company has an optimum composition of Executive, Non-Executive and Independent Directors in compliance with the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. As on March 31, 2023, Board of Directors comprise of 6 Directors out of which 3 are Executive Directors, 1 is Non Executive Non-Independent Woman Director and 2 are Non Executive Independent Directors which is in compliance with the provisions of Companies Act, 2013. All Independent Directors are eminent persons and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company. Following persons comprise the Board:

Category	Name of Director
----------	------------------



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

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

*(\*Note- The tenure of Mr. Balram Kumar Narula as Managing Director of the Company expired on May 14, 2023 and on EGM held on May 29, 2023, he was re-designated as Chairman (Non-Executive) thus resulting in change in Board's composition after March 31, 2023).*

## 10. DECLARATION BY INDEPENDENT DIRECTORS

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

## 11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Changes in Directors / KMP:

Following persons are the Key Managerial Personnel of the Company *as on March 31, 2023* pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed there under:

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

During the year, Mr. Vishesh Tiwari tendered his resignation from the Office of Company Secretary and Compliance Officer w.e.f. February 20, 2023. Subsequent to his resignation, Ms. Vinny Saxena was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. March 15, 2023.

Further, after the financial year ending March 31, 2023, the tenure of Mr. Balram Kumar Narula expired on May 14, 2023 and he was re-designated as Chairman (Non-Executive) in a duly convened Extraordinary General Meeting held on May 29, 2023.

### Retirement by Rotation:

Pursuant to the provisions of Section 152 of the Companies Act, 2013 read with Rules made thereunder and the Articles of Association of the Company, Mr. Rakesh Kumar Narula (DIN: 00274483), Executive 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. Profile of the Director seeking re-appointment is given in the Statement under Section 102 of the Companies Act, 2013 to the Notice of the ensuing AGM of the Company.

## 12. BOARD MEETINGS

The Board of Directors met 6 times during the financial year 2022-23. The meetings were held on *April 19, 2022; May 30, 2022; August 24, 2022; November 14, 2022; February 04, 2023 and March 15, 2023*. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The attendance of each director in the respective Board Meetings is as follows:

	BM 01/2022-23 19-Apr-22	BM 02/2022-23 30-May-22	BM 03/2022-23 24-Aug-22	BM 04/2022-23 14-Nov-22	BM 05/2022-23 4-Feb-23	BM 06/2022-23 15-Mar-23
BALRAM K. NARULA	P	P	P	P	P	P
RAKESH K. NARULA	P	P	P	P	P	P
ANIL K. NARULA	LOA	P	P	P	P	P
RAMESH CHANDRA	P	P	P	P	P	P
ASHOK C. BAJPAI	P	P	P	P	P	P
DINESH PARSHAR	LOA	P	P	P	P	P

Further, the Independent Directors of the Company also met once during the year on *March 20, 2023*; without the presence of Executive Directors, to review the performance of the Executive Directors and that of the Board as a whole.

## 13. COMMITTEES OF THE BOARD & THEIR MEETINGS

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

### Audit Committee

As on the financial year ended March 31, 2023; Audit Committee of the Company comprises of two Independent Directors and one Executive Director with Chairman being an Independent Director as required under Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

During the Financial Year 2022-23, Members of Audit Committee met 4 times. Audit Committee Meetings held on *May 30, 2022; August 24, 2022; November 14, 2022 and February 04, 2023*. The representatives of Statutory Auditors & Internal Auditors, Executives from Accounts & Finance Department are invited to the meetings of the Committee, as and when required. The Internal Auditor reports directly to the Committee. The Company Secretary acts as the Secretary of the Committee. The composition of Audit Committee as on March 31, 2023 and the details of Members attendance at the meetings of the Committee are as under:

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

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

### Nomination and Remuneration Committee



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

The members of Nomination and Remuneration Committee met 3 times during the Financial Year 2022-23 on *August 24, 2022; February 04, 2023 and March 15, 2023*. The composition of Nomination and Remuneration Committee as on March 31, 2023 and the details of Members attendance at the meeting of the Committee are as under:

Name of Members	Category	Meetings attended
Mr. Ramesh Chandra	Chairman (Independent Director)	3
Mr. Ashok Chandra Bajpai	Member (Independent Director)	3
Mrs. Dinesh Parashar	Member (Non-Executive Director)	3

#### Stakeholders Relationship Committee

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

During the Financial Year 2022-23, 5 Committee Meetings were held on *April 19, 2022; May 30, 2022; August 24, 2022; November 14, 2022 and February 04, 2023*. The composition of the Stakeholders Relationship Committee as on March 31, 2023 and the details of Members attendance at the meetings of the Committee are as under:

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

#### 14. EVALUATION OF BOARD'S PERFORMANCE

Your Company being listed on SME Exchange – “NSE Emerge” is exempt under Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, pursuant to the provisions of section 134(3)(p) of Companies Act, 2013, the Board has carried out annual evaluation of the performance of the Board, its Committees and of individual directors based on devised criteria. Furthermore, in a separate meeting of Independent Directors held on March 20, 2023, performance of the Non-Independent Directors and the Board as a whole was also reviewed.

The Company has devised a policy naming (Policy on Nomination & Remuneration and Board Diversity) for performance evaluation of Independent Directors, Board, Committees and other individual directors which includes the criteria and process for the performance evaluation of the Executive/ Non executive Directors, Committees and the board as a whole. The policy is available on the website of the Company i.e. (<https://www.jetlycot.com/pages/policy-of-nomination-remuneration-and-board-diversity>). The evaluation process inter alia consider attendance of Directors at Board and Committee Meetings,



acquaintance with business, communicating inter-se Board Members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy. The Directors expressed their satisfaction with the evaluation process.

## 15. REMUNERATION POLICY

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

## 16. RISK MANAGEMENT

The Company has business Risk Management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on its business objectives and enhance its competitive advantage. It defines the risk management approach across the Company at various levels including the documentation and reporting. Audit Committee of the Company has been entrusted with responsibility to assist the Board in following matters:

- (a) Overseeing the Company's Risk Management process and controls, risk tolerance and Capital Liquidity and funding
- (b) Setting Strategic plans and objectives for Risk Management and review of Risk Assessment of the Company
- (c) Review of the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, product risk and reputational risk as well as the guidelines and processes for monitoring and mitigating such risks.

During the period under review, the Company has not identified any element of risk which may threaten its existence or are very minimal.

## 17. WHISTLE BLOWER POLICY AND VIGIL MECHANISM

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

## 18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

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

## 19. INTERNAL FINANCIAL CONTROLS SYSTEM

The internal control systems commensurate with the size, scale and complexity of the operations of the Company. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with the applicable statutes,



safeguarding assets from unauthorized use, executing transactions with proper authorization, and ensuring compliance with corporate policies.

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

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

## **20. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

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

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

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

## **22. HUMAN RESOURCES**

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

The number of people employed as on March 31, 2023 was 57 (March 31, 2022 was 54). Your Company wishes to put on record its deep appreciation of the co-operation extended and efforts made by all employees.

## **23. CORPORATE SOCIAL RESPONSIBILITY**

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

## **24. PARTICULARS OF EMPLOYEES**

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





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

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

## 26. AUDITORS AND THEIR REPORT

### Statutory Auditor

In terms of the provisions of Section 139 of the Companies Act, 2013, read with provisions of the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, M/s Rajiv Mehrotra & Associates, Chartered Accountants, (FRN: 002253C) Kanpur, were re-appointed as the Statutory Auditors of the Company for a second term of 5 consecutive years in the 26<sup>th</sup> Annual General Meeting held on September 27, 2022 till the conclusion of the 31<sup>st</sup> Annual General Meeting.

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

They have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under the provisions of Regulation 33 of the Listing Regulations.

### Audit Report

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

**Basis for Disclaimer opinion in the Statutory Audit Report:** The company's trade receivables (classified as unsecured and considered good by the management & Net of Provisions) are carried at Rs. 14,50,59,082.00, out of which Rs. 8,43,26,875.00 are outstanding for a period more than six months, which is abnormally high as compared to the turnover of the company. Also out of the above, receivables of Rs. 1,22,24,473.00 are aged more than three years. The balances of these parties are subject to confirmation, and as per the management of the company is recoverable. As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded amount of Trade Receivables and the elements making up the statement of Profit and Loss and statement of cash flows.

### Key Audit Matters (KAM): Substantial Movement of Stock up to production of Finished Goods

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



and movement, recording of consumption, valuation of stocks as at the reporting date involved extensive verification procedures and called for making estimates and judgments.

#### Response to Audit Observations

The Board of Directors of the company furnish following response to the Disclaimer of Opinion made by the Auditor in their Report dated May 27, 2023 for the Standalone Financial Statements for the year ended March 31, 2023:

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, 2023 and the Balance Sheet as at March 31, 2023 are materially correct and as per the management, the trade receivables are considered good and are recoverable in nature. The company's trade receivables consist of outstanding balances from over 3000 parties, spread across various remote locations within the operational area of the Company and are generally low in value individually, since the supply chain of the company largely consists of small retailers, who were severely impacted by the post pandemic effects.

The Management is making full efforts to recover these trade receivables. Further as is evident, during the year under review, the total trade receivables have been reduced by Rs. 70.98 lakhs. Hence, management does not believe there is any material financial impact of the audit qualification.

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

#### **Internal Auditor**

M/s Rajesh Singhania & Associates, Chartered Accountants, has been appointed as the Internal Auditors to perform the Internal Audit of the Company for the Financial Year 2022-23. The Audit Committee of the Board in consultation with the Internal Auditor formulates the scope, functioning, periodicity and methodology for conducting the internal audit.

#### **Secretarial Auditor**

The Board had appointed CS Gopesh Sahu, Practicing Company Secretary (Membership No. 7100, C.P. No. 7800) to undertake the Secretarial Audit of the Company for the Financial Year ended March 31, 2023.

The Secretarial Audit Report for the Financial Year ended March 31, 2023 annexed herewith is marked as **Annexure II** to this Report. The Secretarial Audit Report does not contain any qualification; however, following observation has been made by the Secretarial Auditor in his report:

*Observation No. 1- Mr. Balram Kumar Narula (DIN: 00274566), Managing Director of the Company having attained the age of 70 years on 25.05.2021 has continued to hold office during the financial year. The company needs to comply with provisions of section 196 of the Companies Act, 2013.*



*Observation No. 2- Company Petition filed by Mr. Manoj Agarwal & M/s Haryana Refractories Private Limited Persons acting in Concert & shareholders of the Company is pending before the Hon'ble NCLT, Allahabad Bench.*

Response to Secretarial Audit Observation

Management's Reply to Observation No. 1- The reappointment of Mr. Balram Kumar Narula (DIN-00274566) as Managing Director of the Company for a period of 3 years w.e.f. May 14, 2020 was proposed to shareholders of the company by way of ordinary resolution in the Item no. 3 of Notice of 23<sup>rd</sup> Annual General Meeting. In the 23<sup>rd</sup> Annual General Meeting which was duly convened on September 20, 2019, he was re-appointed as the Managing Director for a fresh tenure of 3 years by shareholders of the company.

An explanatory statement pursuant to Section 102 of the Companies Act, 2013, details pursuant to Regulation 36 of SEBI (LODR) Reg., 2015 as well as clauses of Secretarial Standard-2 also formed part of Notes to the Notice of the 23<sup>rd</sup> AGM containing all details of Mr. Balram Kumar Narula including his date of birth etc. No material information was concealed from shareholders nor was any misleading information provided regarding his appointment.

Thus, Mr. Balram Kumar Narula continued to hold his office as Managing Director of the company even after attaining 70 years of age by virtue of ordinary resolution passed by shareholders in the 23<sup>rd</sup> AGM of the company clearly stating his tenure of 3 years w.e.f. May 14, 2020 to May 14, 2023.

Management's Reply to Observation No. 2- This observation is self-explanatory.

**Cost Audit**

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

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

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

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

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

**Conservation of Energy**

S.No	Particulars	Details
1.	The steps taken or impact on conservation of energy	a) The Company uses indigenous winch machines for processing hosiery cloth which uses lower horse power as per industry norms. b) The Company uses more energy efficient IRO knitting machines which consumes less power than ordinary traditional knitting machines. The Company continuously takes steps to absorb and adopt the latest technologies and innovations in the



		Garment Industry. These initiatives enable the facilities to become more efficient and productive as the company expands, thus helping to conserve energy.
2.	The steps taken by the Company for utilizing alternate sources of energy	The Company has solar units which are helpful in reducing the consumption of electricity from the grid and your Company is in the course of assessing more efficient alternate source of energy suitable for our business operation.
3.	The capital investment on energy conservation equipment's	As per financial statement

**Technology Absorption, Adaption and Innovation**

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



		the most of the production work is done from job work.
--	--	--

### Foreign exchange earnings and outgo

During the financial year 2022-23 under review, the foreign exchange earnings and outgo is nil.

### 29. ANNUAL RETURN

The draft Annual Return of the Company for the year ended on March 31, 2023 as approved by the Board is available on the Company's website and can be accessed at <https://www.jetlycot.com/pages/annual-reports>. Please, also note that in accordance with the provisions of the Companies Act, 2013, the final annual return will be hosted on website of the Company at the given link after the conclusion of AGM and requisite certifications.

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

All contracts/ arrangements/ transactions entered by the Company during the F.Y. 2022-23 with related parties were on an arm's length basis and in the ordinary course of business. There were no material related party transactions (RPTs) undertaken by the Company during the year that require shareholders' approval under Regulation 23(4) of the SEBI Listing Regulations or Section 188 of the Act. The approval of the Audit Committee was sought for all RPTs. All the transactions were in compliance with the applicable provisions of the Act and SEBI Listing Regulations.

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

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

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013. A Complaint Redressal Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. There is zero tolerance towards sexual harassment. Any act of sexual harassment invites serious disciplinary action. No complaints pertaining to Sexual Harassment were received during the Financial Year 2022-23.

### 32. DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) That in the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013 have been followed along with proper explanation relating to material departures;
- ii) That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so



as to give a true and fair view of the state of affairs of the company as at March 31, 2023 and of the profit and loss of the company for the period ended on March 31, 2023;

- iii) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) That the annual financial statements have been prepared on a going concern basis;
- v) That the proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- vi) Proper systems were devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

### 33. SHARE PRICE DATA

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

Month	High (in ₹)	Low (in ₹)
April' 2022*	-	-
May' 2022	93.20	92
June' 2022*	-	-
July' 2022*	-	-
August' 2022*	-	-
September' 2022*	-	-
October' 2022*	-	-
November' 2022*	-	-
December' 2022*	-	-
January' 2023*	-	-
February' 2023	88	88
March' 2023	79.20	64.30

*\*Note: In the Month of April 2022, June 2022, July 2022, August 2022, September 2022, October 2022, November 2022, December 2022 and January 2023; there has been no trading in the Shares of the Company as per Historical Data in the NSE Site.*

### 34. CORPORATE GOVERNANCE

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

### 35. SECRETARIAL STANDARDS



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

### **36. GENERAL**

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

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

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

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

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

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

### **39. INDUSTRIAL RELATIONS**

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

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

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

The code requires trading plan, pre-clearance for dealing in the Company's shares by the Directors and designated persons while in possession of UPSI in relation to the Company and during the period when the trading window is closed. However, there were no such instances in the Company during the year 2022-23.



#### 41. ACKNOWLEDGEMENT

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

**For and on behalf of the  
Board of Directors of Jet Knitwears Limited**

**Place: Kanpur  
Date: August 29, 2023**

**(Rakesh Kumar Narula)  
Whole Time Director  
DIN: 00274483**

**(Balram Kumar Narula)  
Director  
DIN: 00274566**



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

The information required under section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory amendments, modifications, if any, are given below:

- (i) **Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23:**

S. No.	Name of Director	Designation	Ratio
1	Mr. Balram Kumar Narula	Managing Director	<b>6.25</b>
2	Mr. Anil Kumar Narula	Whole Time Director	<b>6.25</b>
3	Mr. Rakesh Kumar Narula	Whole Time Director	<b>6.25</b>
4	Mr. Ramesh Chandra	Independent Director	-
5	Mr. Ashok Chandra Bajpai	Independent Director	-
6	Mrs. Dinesh Parashar	Non-Executive Woman Director	-

- (ii) **Percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary or Manager, if any, in the financial year 2022-23:**

S. No.	Name	Designation	% Increase in remuneration
1	Balram Kumar Narula	Managing Director	-
2	Anil Kumar Narula	Whole Time Director	-
3	Rakesh Kumar Narula	Whole Time Director	-
4	Ankur Narula	Chief Financial Officer	<b>3.39%</b>
5	Vinny Saxena	Company Secretary	-

There is no increment in remuneration paid to the Directors during the year. The increment in remuneration of CFO is due to the commission linked to sales being paid to him. Further, Mr. Vishesh Tiwari resigned from his office *w.e.f.* February 20, 2023 and Ms. Vinny Saxena was appointed as Company Secretary & Compliance officer of the Company *w.e.f.* March 15, 2023.

- (iii) The percentage increase/(decrease) in the median remuneration of employees in the financial year 2022-23: Increase of **9.64%**
- (iv) Number of permanent employees on the rolls of Company at the end of the financial year 2022-23 is **57**.
- (v) Average percentage increase / decrease made in the salaries of employees other than managerial personnel in the financial year i.e. 2022-23 was **15.93%**, whereas the increase in managerial remuneration for the year was **3.39%**.
- (vi) Affirmation, that the remuneration is as per the remuneration policy of the Company.

**For and on behalf of the  
Board of Directors of Jet Knitwears Limited**

**(Rakesh Kumar Narula)  
Wholetime Director  
DIN: 00274483**

**Place: Kanpur  
Date: August 29, 2023**



## ANNEXURE -II

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2023

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of SEBI (LODR), 2015]*

To,  
The Members

#### **JET KNITWEARS LIMITED**

Kanpur

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 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 31<sup>st</sup> March,2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made 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) ;
- (v) 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, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure



- Requirements) Regulations, 2018 (not applicable to the company during the Audit period);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021(not applicable to the company during the Audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (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, 2021; (not applicable to the company during the Audit period)and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(not applicable to the company during the Audit period);
- (vi) Other Laws as per the representation given by the company.

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

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

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

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors of the Company. Ms. Vinny Saxena was appointed as the Company Secretary and Compliance Officer of the company in place of Mr. Vishesh Tiwari who resigned from the post of company secretary and compliance officer.

*Mr. Balram Kumar Narula (DIN: 00274566), Managing Director of the Company having attained the age of 70 years on 25.05.2021 has continued to hold office during the financial year. The company needs to comply with provisions of section 196 of the Companies Act, 2013.*

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

Decisions at the Board Meetings, as represented by the management, were taken unanimously as



recorded in the minutes of the meetings of the Board of Directors or Committees as the case may be.

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

*Company Petition filed by Mr. Manoj Agarwal & M/s Haryana Refractories Private Limited Persons acting in Concert & shareholders of the Company is pending before the Hon'ble NCLT, Allahabad Bench.*

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

Place : Kanpur

Date :29/08/2023

**CS GOPESH SAHU**

FCS:7100

C.P. No. 7800

PRU Certificate No.:1515/2021

**UDIN: F007100E000867377**

*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 : 29/08/2023**



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### ECONOMIC OUTLOOK

#### GLOBAL:

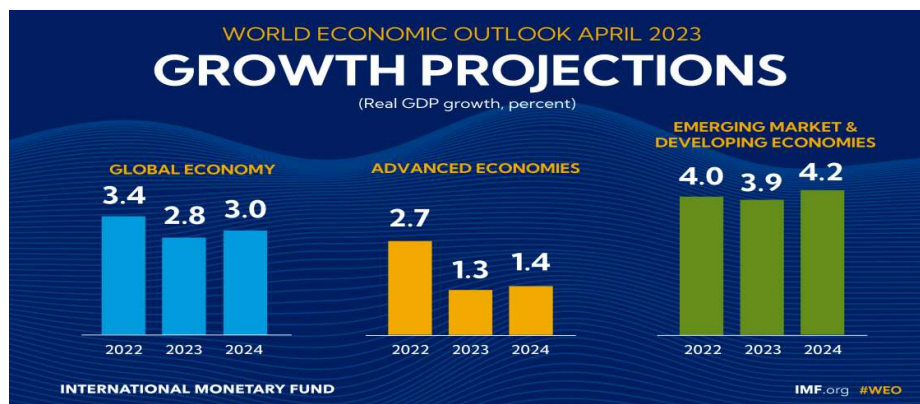
The global economic outlook for the year 2022-23 presented a mix of hope and challenges on the path to recovery from the COVID-19 pandemic. Following the unprecedented downturn in 2021, the global economy has shown signs of improvement, but the journey to a full rebound remains uncertain.

During the year 2022-23, the world's economic growth witnessed a recovery from the setbacks caused by the COVID-19 pandemic. Advanced economies regained momentum as pandemic-related restrictions ease. This rebound led to a moderate global economic growth rate, with emerging markets and developing economies also contributing to the overall expansion.

One of the primary challenges faced during this period was the ongoing struggle with inflation. As economies reopen and demand surges, supply chain disruptions and rising input costs lead to inflationary pressures. Central banks faced the dilemma of balancing economic recovery with inflation containment, potentially resulting in adjustments to monetary policies that impacted borrowing costs and investment decisions. Supply chain disruptions, which emerged during the pandemic, persisted as economies navigate post-pandemic challenges. Shortages of critical components, raw materials, and transportation bottlenecks hampered production capacities and contribute to higher costs for businesses.

Additionally, debt burdens and financial vulnerabilities pose significant risks to the global economic landscape. Public debt as a ratio to GDP soared across the world during COVID-19 and remain elevated, posing a growing challenge for policymakers, particularly as real interest rates are rising across the world. Furthermore, geopolitical tensions (Russia-Ukraine War) and trade disputes between major economies had disrupted global trade and investment flows, affecting overall economic growth. Cooperation and coordination among nations will be vital to resolving such issues and promoting stability in the international economic landscape.

While the economic recovery appears promising, uncertainties surrounding global economy could also cast a shadow on growth prospects. The baseline forecast is for growth to fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023. In conclusion, the global economic outlook for 2022-23 showed potential for growth, but it was subject to risks and uncertainties. With concerted efforts from governments, central banks, and international institutions, it is possible to navigate the certain challenges and lay the groundwork for a resilient and equitable global economy in the years to come.





(Source: Global Economic Outlook, IMF)

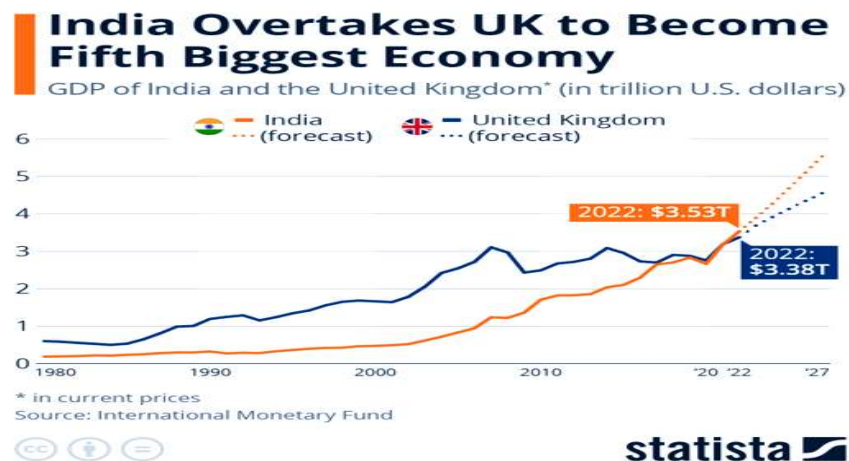
**INDIAN:**

During the fiscal year 2022-23, the Indian economy faced several challenges that significantly impacted its growth trajectory. These challenges were largely a result of the lingering effects of the COVID-19 pandemic, coupled with various domestic and global factors. However, the country demonstrated resilience and initiated measures that led to a gradual economic recovery.

One of the key challenges faced by the Indian economy was the uneven pace of recovery across sectors. While certain industries like information technology and pharmaceuticals witnessed robust growth due to the increased demand for digital services and healthcare products; others, such as tourism, hospitality, and small manufacturing businesses, continued to struggle under the weight of pandemic-induced market slump and reduced consumer spending. The second major challenge was the surge in inflation rates. Rising fuel prices due to Russia Ukraine War, supply chain disruptions, and increased transportation costs put upward pressure on consumer prices. As a result, the cost of living rose, affecting the purchasing power of the average citizen and leading to potential social and political ramifications. The Indian Rupee weakness against the US Dollar also added to inflationary pressure.

To address these challenges, the Indian government introduced a combination of monetary and fiscal policies. Additionally, the government launched various stimulus packages and infrastructure projects to spur economic activity and create job opportunities. Moreover, the government also focused to attract foreign investments and encourage domestic manufacturing. Initiatives like the Production-Linked Incentive (PLI) scheme aimed to enhance India's manufacturing capabilities and reduce dependency on imports.

As a result of these efforts, the Indian economy gradually started to show signs of recovery by the end of 2022-23. The Indian economy grew by 6.8% in 2022- making it the fifth largest economy globally in the terms of nominal GDP. Despite global volatility, GDP growth rates improved, inflation stabilized, and unemployment began to recede. The economy's resilience, combined with the implementation of strategic policies, played a crucial role in navigating the challenges and setting a path towards a more sustainable and inclusive recovery in the following years.





## INDUSTRY STRUCTURE AND DEVELOPMENT

### Textiles & Apparels

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic. The Indian textile and apparel industry is highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool, and silk products to the organized textile industry. The organized textile industry in India is characterized by the use of capital-intensive technology for the mass production of textile products and includes spinning, weaving, processing, and apparel manufacturing.

The global textile market size was valued at USD 1,695.13 billion in 2022 and is anticipated to grow at a compound annual growth rate (CAGR) of 7.6% in terms of revenue from 2023 to 2030. India is the 5th largest producer of textiles in the whole world with a market size of nearly \$22 billion, which the government hopes to build up to \$300 billion by 2047.

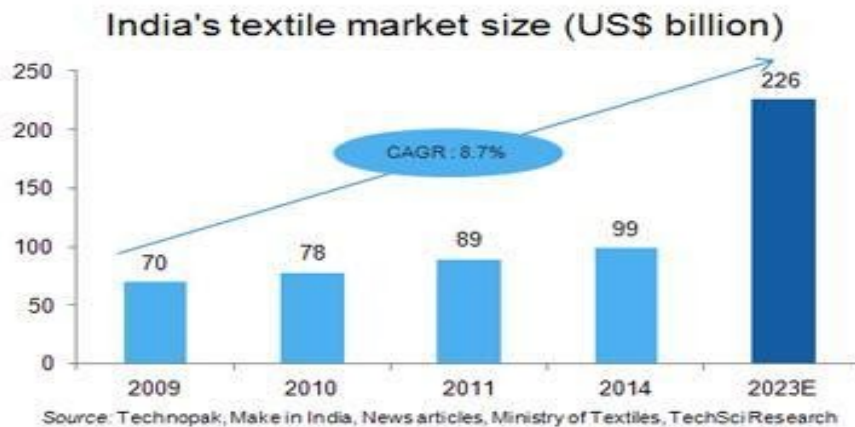
This industry globally as well as domestically serves as the platform offering a huge number of employment opportunities to eligible people. India's textiles industry has around 4.5 Crores employed workers including 35.22 lakhs handloom workers across the country.

India's readymade garment exports to see a CAGR of 12-13% and will surpass \$ 30 Bn by 2027. India's Textiles Exports were highest ever in FY 2021-22, crossing US\$ 44 Bn. The exports comprised of apparel exports at \$12 Bn; home textiles exports at \$4.8 Bn; fabric exports at \$4 Bn; yarn exports at \$3.8 Bn; fiber exports at \$1.8 Bn and others at \$2 Bn. In addition to this, the domestic apparel & textile industry contributes approx. 2% to the country's GDP & 7% of industry output in value terms. The share of textile, apparel and handicrafts in India's total exports was 11.4% in 2020-21. India stands as the 3rd largest exporter of Textiles & Apparel in the world.

India is a largest cotton producer (23%) in the world and has the highest area under cotton cultivation (39% of world area). Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers. In F.Y. 2022-23, exports of readymade garments (RMG) cotton including accessories stood at US\$ 7.68 billion till January 2023. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally. Natural fibres are regarded as the backbone of the Indian textile industry, which is expected to grow from US\$138 billion to US\$195 billion by 2025. Further India is also the 2nd largest producer of silk in the world and 95% of the world's hand-woven fabric comes from the country itself. India has also produced 90 Lakh bales of raw jute in FY 2021-22.

India has also become the second-largest manufacturer of PPE in the world. More than 600 companies in India are certified to produce PPEs today, whose global market worth is expected to be over \$92.5 Bn by 2025, up from \$52.7 Bn in 2019. India also enjoys a comparative advantage in terms of skilled manpower and in cost of production, relative to major textile producers.





In order to attain robust growth in the Indian Textile and Apparel Industry, the Government of India has introduced multiple schemes like Scheme for Capacity Building in Textile Sector (SAMARTH) to address the skilled manpower requirement across textile sector and this scheme was formulated under the broad policy guidelines of “Skill India” initiative and in alignment with the framework adopted for skilling programmes by Ministry of Skill Development and Entrepreneurship. The scheme is approved for implementation till March, 2024.

Additionally, creation of National Technical Textiles Mission for a period of 4 years (2020-21 to 2023-24) was approved with an outlay of Rs.1480 Crores for developing usage of technical textiles in various flagship missions, programmes of the country including strategic sectors.

The Production Linked Incentive (PLI) Scheme is to promote production of MMF apparel, MMF Fabrics and Products of Technical Textiles in the country to create 60-70 global players, attract fresh investment of Rs. 19,000 Crores approximately and generate almost 7.5 Lakhs new employment opportunities.

Further, to attract investment for ‘Make In India’ initiative and to boost employment generation through setting up of 7 (Seven) PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks in Greenfield/Brownfield sites with world class infrastructure including plug and play facility with an outlay of Rs. 4445 Crores for a period of seven years up to 2027-28. Scheme for Integrated Textile Parks (SITP) provides support for creation of world-class infrastructure facilities for setting up of textile units.

Integrated Processing Development Scheme (IPDS) facilitates the textile industry to meet the required environmental standards and to support new Common Effluent Treatment Plants (CETP)/ upgradation of CEPTs in existing processing clusters as well as new processing parks especially in the Coastal Zones. Special Package for Textile and Apparel sector: Rs. 6000 Crore package was launched in June 2016 to boost employment and export potential in the apparel and made up segments.

### **Innerwear Market Segment**

Rapid urbanization across India is one of the key factors driving the growth of the market. With the increasing female workforce participation and rising expenditure capacities, consumer preference is shifting toward trendy intimate wear, sports, bridal, and regular lingerie products. Over the years, innerwear had only been considered as an essential commodity, but there has been a significant shift in trend due to the increasing fashion consciousness among the millennials; it transformed into a fashion statement. As a result of this shift, industry players have placed greater emphasis on widening its



innerwear product range – both men’s as well as women’s. The growing availability of premium, customizable, and economical lingerie variants, coupled with the extensive celebrity collaborations and brand promotion activities on social media to expand the consumer base, are primarily driving the India innerwear market.

The global innerwear market has been bifurcated in terms of product type, material type, end user, age group, category type, distribution channel, and region. According to product type, the market has been segregated into top innerwear, bottom innerwear, and shapewear. Over the last few years, the premium innerwear market has also been gaining significant traction with the entry of global players in collaboration with Indian brands. Higher discretionary spending, rise in number of working women, and the increasing fashion consciousness among the populace, especially the millennials, and the increasing number of middle-class households is projected to catalyse the demand for the inner wear industry. Moreover, the increasing adoption of organized retail channels is providing a thrust to the lingerie market growth. Product manufacturers and vendors are widely utilizing e-commerce platforms to provide premium-quality branded lingerie to consumers with enhanced convenience.



(Source:technavio)

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

### OPPORTUNITIES AND THREATS

#### Opportunities.

- The Indian government has several portals for the welfare of laborers. Udyam, NCS, e-Shram, and ASEEM are the government portals that help people in finding employment in various MSMEs. All these portals are now interlinked to help business owners in finding manpower.



- The Union Finance Minister has emphasized the development of infrastructure and the setting of centralized Effluent treatment plants for the textile industry under IPDS and CETP. So, funds are allotted in the current budget for these purposes, for the best interest of this industry in India.
- Production-linked incentive (PLI) scheme launched for promoting the apparel industry has attracted investment of Rs. 19,000 Crores approximately and generate almost 7.5 Lakhs new employment opportunities.
- With regard to 'Make In India' initiative and to boost employment generation through setting up of 7 (Seven) PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks in Greenfield/Brownfield sites with world class infrastructure
- Increase in fashion and brand consciousness making consumers more aspirational and discerning; increasing urban women population and women corporate workforce has proved to be beneficial for women segment of apparel market.
- Today with technological advancements, we notice a wide array of comfortable fabrics being used. From nylon to organic cotton, spandex blend cotton fabric to modal and from micro-fiber to more durable material. This has led to product innovations in the industry.

### Threats & challenges

- The post pandemic effects and multiple global as well as domestic factors have slowed down the commercial activities. The lack of funds to buy raw materials for production was another drawback in this industry. Political tensions or militant activities in some places hinder the smooth operations of the textile industry there. Many textile companies face severe labor shortages and a lack of regular transportation if their factories are located in remote places.
- The inflation in the Indian economy results in frequent demands among laborers for salary hikes. Thus, industry owners do not find the means to expand their business and compete with global textile leaders from other countries.
- The high cost of power in India is another hindrance to textile production. Most modern machines are power-driven, which raises the overall production costs for business owners.
- Fluctuating prices of the raw materials such as cotton, yarn, and chemicals, and thereby raising price of the finished products not be viable in a competitive market.
- Ever changing fashion needs of consumers put industry players in a pressure to constantly adapt emerging fashion trends in the markets.
- Several International apparel brands are entering into India as the country is emerging as one of the largest apparel market in the world and on the other hand new start ups are entering market with aggressive marketing and discounts.

### PRODUCT –WISE PERFORMANCE

The company is engaged in the business of manufacturing garments. Therefore there is no separate reportable segment. However, your Company have been marketing products through strong brands “JET” and “LYCOT”. “JET” is 36 years old whereas “LYCOT” is 16 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	2022-23	2021-22
1.	Hosiery Products	2942.01	1422.67
2.	Winter Garments	265.04	240.14
3.	Ladies Garments	319.52	318.61
4.	Cotton Cloth	86.40	2069.95
5.	Jeans	37.39	41.51
	<b>Total</b>	<b>3650.35</b>	<b>4092.89</b>

## RISK AND CONCERN

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

### ➤ Availability of Labour

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

### ➤ Economic Uncertainty:

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

### ➤ Increase in Input and Labour costs:

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

## OUTLOOK

The future of the textile market and the innerwear category appears promising domestically as well as globally. In anticipation of growing demand, the company has substantially expanded its installed capacity. Your Company operates from Kanpur with having dealers/vendors in Uttar Pradesh. Enhancing our presence in additional region will enable us to reach out to a larger population. Further, our Company believes in maintain long term relationship with our customers by adding value through innovations, quality assurance and timely delivery of our products which will ultimately enhance our sales. It has been



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

**INTERNAL CONTROL SYSTEM AND ADEQUACY**

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

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

In order to achieve operational excellence and maintain a competitive edge, the Company invests in building and nurturing a strong talented pool by instituting best practices with respect to its employees. The Company makes substantive and sustained efforts towards building an eco-system which promotes the development and advancement of all its employees and employees feel a sense of belonging to the Company and camaraderie with their team, and aspire for individual excellence while contributing to achieve departmental objectives. The Company has strength of about 57 employees as on March 31, 2023.

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

- Our Revenue from operations has decreased from ₹4092.89 Lacs (F.Y. 2021-22) to Rs. ₹3650.35 Lacs during the financial year 2022-23.
- The Depreciation and amortization expense has decreased from ₹58.42 Lacs (FY 2021-22) to ₹47.06 Lacs (FY 2022-23).
- Our Operating, Administrative and other expenses have been decreased from ₹647.62 Lacs (FY 2021-22) to ₹ 582.73 Lacs (FY 2022-23).
- Net profit has increased from ₹114.96 Lacs (FY 2021-22) to ₹121.14 Lacs (FY 2022-23).

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

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

S.no.	Particulars	FY 2022-23	FY 2021-22	% Variance	Reason for variation of more than 25%
(i)	Debtors Turnover	2.57	2.50	2.86	-
(ii)	Inventory Turnover	1.92	2.34	-18.13	-
(iii)	Interest Coverage Ratio	2.81	3.15	-10.84	-
(iv)	Current Ratio	2.31	2.27	1.44	-
(v)	Debt Equity Ratio	0.77	0.89	-12.44	-
(vi)	Operating Profit Margin (%)	7.55%	6.58%	14.80	-
(vii)	Net Profit Margin (%)	3.32%	2.81%	18.15	-
(viii)	Return on Net Worth (%)	14.89%	15.84%	-6.04	-



## CAUTIONARY STATEMENT

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

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



## **INDEPENDENT AUDITORS' REPORT**

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

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

We were engaged to audit the accompanying standalone financial statements of Jet Knitwears Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss, and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

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

The company's trade receivables (classified as unsecured and considered good by the management & Net of Provisions) are carried at Rs.14,50,59,082.00, out of which Rs.8,43,26,875.00 are outstanding for a period more than six months, which is abnormally high as compared to the turnover of the company. Also out of the above, receivables of Rs.1,22,24,473.00 are aged more than three years. The balances of these parties are subject to confirmation and as per the management of the company, are recoverable.

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

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

We draw the attention towards the followings

1. We have not verified the physical inventory and cash position as on 31st March 2023, and have relied upon the physical verification reports provided by the management in this behalf.
2. The records relating to the WIP Stock are not commensurate with the magnitude of data relating to the same, as more than 30 job workers and 4 different stages are involved. As per the management, a system for data maintenance of the same currently under development.
3. The Company has called for the information from the creditors regarding their registration as Micro /Small enterprises under MSME Act, 2006, therefore the disclosure made in Balance Sheet under Trade Payables (Note No 6) are to the extent of the information received from some creditors.
4. We draw attention towards clause (L) to Note no 1 describing the transactions with the related parties. Our opinion is not modified in respect of the same.
5. The Balances of Trade Payables appearing in Note No.6 to the Audited Financial Statements are subject to confirmation.



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

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

Our opinion is not qualified in respect of the above.

#### **KEY AUDIT MATTERS**

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

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

#### **Substantial Movement of Stock up to production of Finished Goods**

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

#### **How our audit addressed the key audit matter**

For the matter referred to above, our procedures included, among others, procedures of physical examination, end to end verification of stock transfers, other relevant documentation/correspondence,





including post balance sheet date events, reports submitted to Banks and other authorities, assessing management's conclusions etc. in view of the laid down accounting and measurement principles.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

The other information included in the annual report, are expected to be made available to us after the date of this auditor's report.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### ***MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS***

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.



Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are



therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

(A) As required by the Companies (Auditors' Report) Order, 2020("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(B) As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup>March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup>March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements.
  - ii. The Company does not have any long term contracts including derivative contracts requiring a provision for material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

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

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

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

**Kanpur, 27<sup>th</sup> May 2023  
UDIN: 23451027BGUVNK1140**

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



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

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

**Re: Jet Knitwears Limited, we report that:**

- (i) a. (A) As per information provided to us by the management of the company, the company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets, however the same has not been provided to us for the verification therefore we are unable to comment on the same.  
(B) As per information and explanations given to us, all the intangible assets have been completely amortized in the books of the company and as on the date of the financial statements the written down value of the same is zero.
- b. The company has a regular programme for physical verification of all assets over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, it is reasonable having regard to the size of the company and the nature of its assets.
- c. According to the information and explanations given to us, we report that the immovable properties capitalized in the books of account of the company consists of Building which consists of Leasehold improvements only. No other immovable properties requiring title deed are capitalized in the books of account of the company.
- d. The company has not revalued any of its property, plant and equipment (including right-to-use assets) and intangible assets during the year.
- e. No proceedings have been initiated during the year or are pending against the company as at March 31<sup>st</sup>, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made thereunder.
- (ii) a. As explained to us, the inventory has been physically taken by the management during the year at all the factory and accompanying warehouses of the company. In our opinion, the coverage and procedures of such verification by the management are appropriate. On the basis of the report of physical stock verification conducted by the Management of the company, we report that no discrepancy of 10% or more was noticed, and the minor discrepancies noticed on such verification were properly dealt with in the books of account.
- b. The company has been sanctioned working capital limits in excess of rupees five crores, in aggregate from banks and financial institutions on the basis of security of current assets. On verification of the monthly stock and book debt statements submitted by the Company to such banks/financial institutions with the books of account of the Company, we are of the opinion that the same contains minor differences only.
- (iii) The Company has not made investments in subsidiary companies during the year.
  - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any companies, firms, Limited Liability Partnerships or other entity during the year, and hence reporting under clause 3(iii)(a) parts (A) and (B) of the Order are not applicable.
  - (b) In our opinion, the investments are, prima facie, not prejudicial to the Company’s interest.



- (c) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any companies, firms, Limited Liability Partnerships or other entity during the year, and hence reporting under clause 3(iii)(c), (d), (e) and (f) of the Order are not applicable.
- (iv) In Our opinion and according to the information and explanations given us, there is no non-compliance with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees. The company has not granted any loans, secured or unsecured to parties covered in the register maintained under section 189 of the Companies Act 2013.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any public deposits. As per the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or Tribunal.
- (vi) In our opinion and according to the information and explanations given to us, the company is not liable for maintenance of cost records u/s 148 of the Companies Act, 2013 as it is registered under the Micro, Small and Medium Enterprises Development Act, 2006.
- (vii) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including investor education protection fund, income tax, sales tax, wealth tax, service tax, & customs duty and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, customs duty, VAT, cess and other material statutory dues were in arrears as at 31<sup>st</sup> March 2023 for a period of more than six months from the date they became payable.
- (b) As per the information and explanations given to us and on the basis of the verification of the records of the company, the details of statutory dues which have not been deposited on account of disputes are as under:

<u>Liability/Dispute</u>	<u>Amount</u>	<u>Period to which it relates</u>
Income Tax Department	1,00,617.38	Prior years
Income Tax Department	1,35,408.41	2021-22
Income Tax Department	650.00	2013-14

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



- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the company has not raised loans during the year on pledge of securities held in its subsidiaries.
- (x) (a) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x) (b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanations given to us, no whistle blower complaints were received by the Company during the year (and up to the date of this report) and hence reporting under clause 3(xi) (c) of the Order is not applicable.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable
- (xiii) In our opinion and according to the information and explanations given to us, the company has complied with Sections 177 and Section 188 of the Companies Act, 2013, where applicable, for all transactions with related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit report for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered in to any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3 (xvi) (a), (b) and (c) of the Order is not applicable.



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

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

**Kanpur, 27<sup>th</sup> May 2023  
UDIN: 23451027BGUVNK1140**

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





**ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT  
(Referred to in Para 2(f) under ‘Report on Other legal and Regulatory Requirements’ section of  
our report of even date)**

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

We have audited the internal financial controls with reference to financial statements of Jet Knitwears Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

***Auditors’ Responsibility***

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to Financial Statements.

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

A company's internal financial controls with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of



financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Financial Statements include those policies and procedures that:

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

***Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements***

Because of the inherent limitations of internal financial controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

***Opinion***

In our opinion, to the best of our information, and according to the explanations given to us, the company has, in all material aspects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls over financial reporting were operating effectively as at March 31<sup>st</sup> 2023, 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, 27<sup>th</sup> May 2023  
UDIN: 23451027BGUVNK1140**

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

**JET KNITWEAVES LIMITED**

CIN: L19101UP1996PLC019722

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

**BALANCE SHEET AS AT 31st MARCH, 2023**

PARTICULARS	NOTE NO.	AS AT 31.03.2023 (` in lacs)	AS AT 31.03.2022 (` in lacs)
<b>EQUITY AND LIABILITIES</b>			
<b>(1) SHAREHOLDER'S FUNDS</b>			
(a) Share Capital	2	440.72	440.72
(b) Reserves and Surplus	3	1,752.86	1,631.72
(c) Money received against share warrants		-	-
<b>(2) SHARE APPLICATION MONEY PENDING ALLOTMENT</b>			
		-	-
<b>(3) NON-CURRENT LIABILITIES</b>			
(a) Long Term Borrowings	4	194.85	305.71
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		20.63	19.99
<b>(4) CURRENT LIABILITIES</b>			
(a) Short Term Borrowings	5	1,202.64	1,055.93
(b) Trade Payables	6	302.50	472.58
(c) Other Current Liabilities	7	136.23	137.20
(d) Short Term Provisions		-	-
<b>TOTAL</b>		4,050.42	4,063.85
<b>ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment and Intangible Assets	8		
(i) Property, Plant and Equipment		157.49	175.64
(ii) Intangible Assets		-	-
(iii) Capital work-in-progress		25.40	-
(iv) Intangible assets under development		-	-
(b) Non Current Investments	9	0.25	0.25
(c) Deferred tax Assets (Net)	10	20.36	20.95
(d) Long-Term Loans and Advances	11	49.80	79.80
<b>(2) CURRENT ASSETS</b>			
(a) Current Investments		-	-
(b) Inventories	12	1,816.21	1,993.54
(c) Trade Receivables	13	1,450.59	1,521.57
(d) Cash and Cash Equivalents	14	419.66	141.57
(e) Short-Term Loans and Advances	15	76.77	106.04
(f) Other Current Assets	16	33.89	24.50
<b>TOTAL</b>		4,050.42	4,063.85
<b>Significant Accounting Policies</b>	1		
<b>As Per Our Report of Even Date</b>		<b>For and on Behalf of the Board of Directors of Jet Knitweaves Ltd.</b>	
<b>For Rajiv Mehrotra &amp; Associates</b>		<b>Rakesh Kumar Narula</b>	<b>Balram Kumar Narula</b>
Firm Reg.No.002253C		(Wholetime Director)	(Director)
Chartered Accountants		(DIN:00274483)	(DIN: 00274566)
(PARTNER)			
Fahed Rashid			
M.No.451027			
Kanpur, 27th May, 2023		<b>Ankur Narula</b>	<b>Vinny Saxena</b>
UDIN- 23451027BGUVNK1140		(Chief Fin. Officer)	(Company Secretary)

**JET KNITWEARS LIMITED**

CIN: L19101UP1996PLC019722

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

STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 31st MARCH, 2023

PARTICULARS	NOTE NO.	Figures as at the end of the Current Reporting Period (` in lacs)	Figures as at the end of the Previous Reporting Period (` in lacs)
<b>INCOME</b>			
(a) Revenue From Operations	17	3,650.35	4,092.89
(b) Other Income	18	5.33	3.06
(c) Total Income (a+b)		3,655.69	4,095.95
<b>EXPENDITURE</b>			
(d) Cost of Materials Consumed	19	2,478.20	3,412.11
(e) Purchase of Stock-In-Trade		-	-
(f) Changes in inventories of finished goods, work-in-progress and Stock-In-Trade	20	122.42	(420.64)
(g) Employee Benefit Expense	21	144.25	126.09
(h) Finance Costs	22	116.29	104.27
(i) Depreciation and Amortization Expense	8	47.06	58.42
(j) Other Expenses	23	582.73	647.62
(k) Total Expenses		3,490.94	3,927.87
<b>Profit/(Loss) before exceptional, extraordinary, prior period items and tax (c-k)</b>		164.75	168.08
Exceptional Items		-	-
<b>Profit before extraordinary &amp; prior period items and tax</b>		164.75	168.08
Extraordinary Items		-	-
Prior Period Items		-	6.76
<b>Profit before Tax</b>		164.75	161.32
<i>Tax Expenses</i>			
Current Tax		42.67	51.68
Deferred Tax		0.59	(5.36)
Tax Adjustment- earlier years		0.35	0.04
<b>Profit/(Loss) for the period from continuing operations (l)</b>		121.14	114.96
Profit/(Loss) for the period from discontinuing operations		-	-
Tax expense for discontinuing operations		-	-
<b>Profit/(Loss) for the period from discontinuing operations (after Tax) (m)</b>		-	-
<b>Profit/(Loss) for the period (l+m)</b>		121.14	114.96
Earnings Per Equity Share (Rs.)			
- Basic (Face Value of Rs.10 each)		2.75	2.61
- Diluted (Face Value of Rs.10 each)		2.75	2.61
<b>Significant Accounting Policies</b>	1		
<b>As Per Our Report of Even Date</b>			<b>For and on Behalf of the Board of Directors of Jet Knitwears Ltd.</b>
<b>For Rajiv Mehrotra &amp; Associates</b> Firm Reg.No.002253C Chartered Accountants		<b>Rakesh Kumar Narula</b> (Wholetime Director) (DIN:00274483)	<b>Balram Kumar Narula</b> (Director) (DIN: 00274566)
(PARTNER) Fahed Rashid M.No.451027		<b>Ankur Narula</b> (Chief Fin. Officer)	<b>Vinny Saxena</b> (Company Secretary)
Kanpur, 27th May, 2023 UDIN- 23451027BGUVNK1140			

**JET KNITWEARS LIMITED**

CIN: L19101UP1996PLC019722

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

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2023**

Particulars	Year Ended 31.03.2023 Amount (` in lacs)	Year Ended 31.03.2022 Amount (` in lacs)
<b>I) CASH FROM OPERATIONS</b>		
A. PROFIT AFTER TAX	121.14	114.96
B. ADJUSTMENTS:		
Depreciation	47.06	58.42
Finance Costs	116.29	104.27
Deferred tax	0.59	(5.36)
Provision for Gratuity	0.63	1.13
	164.58	1.13
<b>Adjustments for Changes in working Capital</b>	285.72	273.42
Decrease/(Increase) in Sundry Debtors	70.98	178.36
Decrease/(Increase) in Loans & Advances	59.27	(12.46)
Decrease/(Increase) in Other Current Assets	(9.39)	(0.24)
Decrease/(Increase) in Inventories	177.33	(489.75)
Increase/(Decrease) in Trade Payables	(170.08)	83.68
Increase/(Decrease) in Current Liabilities	(0.97)	(13.69)
Increase/(Decrease) in Short Term Provisions	0.00	0.00
<b>NET CASH FROM OPERATIONS</b>	412.86	19.33
<b>II) CASH FROM INVESTING ACTIVITIES</b>		
Fixed Assets purchased during the period	(54.31)	(20.36)
<b>NET CASH FROM INVESTMENT ACTIVITIES</b>	(54.31)	(20.36)
<b>III) CASH FROM FINANCING ACTIVITIES</b>		
Increase in Borrowed Funds	35.84	47.25
Finance Costs	(116.29)	(104.27)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	(80.45)	(57.02)
Net Increase in cash and cash equivalents	278.10	(58.04)
Cash and Cash equivalents as at the beginning of the period	141.57	199.61
Cash and Cash equivalents as at the end of the period	419.66	141.57

## Notes :

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

**Significant Accounting Policies**

1

As Per Our Report of Even Date

For and on Behalf of the  
Board of Directors of Jet Knitwears Ltd.For Rajiv Mehrotra & Associates  
Firm Reg.No.002253C  
Chartered Accountants(PARTNER)  
Fahed Rashid  
M.No.451027Kanpur, 27th May, 2023  
UDIN- 23451027BGUVNK1140Rakesh Kumar Narula  
(Wholetime Director)  
(DIN:00274483)Balram Kumar Narula  
(Director)  
(DIN: 00274566)Ankur Narula  
(Chief Fin. Officer)Vinny Saxena  
(Company Secretary)

**NOTE NO.2  
SHARE CAPITAL**

PARTICULARS	AS AT 31.03.2023 (` in lacs)	AS AT 31.03.2022 (` in lacs)
Share Capital Authorised Share Capital 65,00,000 Equity Shares Of Rs.10/- Each	650.00	650.00
Issued, Subscribed & Paid Up Capital 44,07,200 (P.Y.44,07,200) Equity Shares Of Rs.10/- Each Fully Paid Up	440.72 440.72	440.72 440.72

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

**a) Shareholding of Promoters**

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

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

Particulars	AS AT 31.03.2023		AS AT 31.03.2022	
	No.	Amount(` in lacs)	No.	Amount(` in lacs)
Balance at the beginning of the year	4,407,200	440.72	4,407,200	440.72
Add: Issued during the year	-	-	-	-
Less: Shares Bought Back	-	-	-	-
Balance at the end of the year	4,407,200	440.72	4,407,200	440.72

**c) Terms/ rights attached to equity shares**

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

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

Name of the Shareholder	AS AT 31.03.2023		AS AT 31.03.2022	
	%	No. of Shares	%	No. of Shares
KANCHAN NARULA	9.72%	428175	9.72%	428175
USHA NARULA	6.22%	274145	6.22%	274145
ANIL KUMAR NARULA	10.10%	445025	10.10%	445025
BALRAM NARULA	5.47%	240920	5.47%	240920
JYOTI NARULA	5.86%	258280	5.86%	258280
RAKESH KUMAR NARULA	6.91%	304595	6.91%	304595
HARYANA REFRACTORIES PVT LTD	2.31%	102000	5.17%	228000
MANOJ AGARWAL	8.75%	385500	3.13%	138000

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

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

**NOTE NO. 3****RESERVES & SURPLUS**

PARTICULARS	AS AT 31.03.2023 (` in lacs)	AS AT 31.03.2022 (` in lacs)
<b>SECURITIES PREMIUM</b>		
Balance at the beginning of the year	659.89	659.89
Add: Premium Received during the year	-	-
Balance as at the end of the year	659.89	659.89
<b>PROFIT &amp; LOSS</b>		
Balance at the beginning of the year	971.83	856.87
Add: Net Profit for the Year	121.14	114.96
Balance as at the end of the year	1,092.97	971.83
	<b>1,752.86</b>	<b>1,631.72</b>

**NOTE NO. 4****LONG TERM BORROWINGS**

(` in lacs)

PARTICULARS	NON CURRENT PORTION		CURRENT MATURITIES	
	AS AT 31.03.2023	AS AT 31.03.2022	AS AT 31.03.2023	AS AT 31.03.2022
<b>Secured Loans</b>				
<b>From Banks</b>				
Term Loans	164.95	266.29	100.67	97.04
<b>From Others</b>	-	-	-	-
<b>Unsecured Loans</b>				
<b>From Banks</b>	-	-	-	-
<b>From Others</b>				
Loans and Advances from Related Parties- Unsecured	29.90	39.42	-	-
	194.85	305.71	100.67	97.04

## 1. Term loans include:

- (a) Rupee Term Loan (including their current maturities) of ` 120. lakhs from HDFC Bank Ltd. under the scheme of Guaranteed Emergency Credit Line (GECL) announced by the Honourable Finance Minister on 20th May 2020 under which a term loan of 20% of the outstanding of Working Capital Limit as on 29th Feb 2020 was provided which was under cover of 100% credit guarantee by NCGTC. The repayment of Principal amount towards the same has started from 7th Aug 2021 which will be done in 48 equated installments
- (b) Rupee Term Loan (including their current maturities) of ` 122.29 lakhs from HDFC Bank Ltd. under the scheme of Guaranteed Emergency Credit Line (GECL) has been sanctioned on 02/03/2022. The repayment of Principal amount towards the same will start from 7th May 2024 which will be done in 36 equated installments
- (c) Rupee Term Loan (including their current maturities) of ` 9.56 lakhs from HDFC Bank Ltd. which is secured against hypothecation of the Company's Vehicles financed by the bank.
- (d) Rupee Term Loan (including their current maturities) of ` 6.79 lakhs from Toyota Financial Services India Ltd., which is secured against India Ltd. which is secured against hypothecation of the Company's Vehicles financed by the bank.
- (e) Rupee Term Loan (including their current maturities) of ` 6.98 lakhs from IndusInd Bank Ltd., which is secured against India Ltd. which is secured against hypothecation of the Company's Vehicles financed by the bank.

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

**NOTE NO. 5****SHORT TERM BORROWINGS**

(` in lacs)

PARTICULARS	AS AT 31.03.2023	AS AT 31.03.2022
Loans Repayable on Demand - Secured Loans From Banks		
(a) Working Capital Limits (Secured against hypothecation of inventories & receivables, as per details below)	1,101.97	958.89
Current Maturities Of Term Loan	100.67	97.04
	<b>1,202.64</b>	<b>1,055.93</b>

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

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



<b>NOTE NO. 6</b>			
<b>TRADE PAYABLES</b>			
(` in lacs)			
PARTICULARS	AS AT 31.03.2023		AS AT 31.03.2022
Trade Payables for Goods			
(a) Due to micro and small enterprises	1.52		1.99
(b) Due to others	182.17		289.86
Trade Payables for Expenses			
(a) Due to micro and small enterprises.	-		0.39
(b) Due to others	118.81		180.33
	302.50		472.58

As regards the disclosure requirements under the Micro, Small & Medium Enterprises Development Act, 2006, and Schedule III of the Companies Act, 2013, it may be mentioned that the company had called for information and details from its 'Suppliers' regarding their registration status and classification under the Act as Medium, Small or Micro enterprises. Based on the information received upto the date of these Financial Statements, the Trade Payables are classified as under:

<b>Trade Payables ageing schedule</b>						(` in lacs)
Particulars		Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	2-3 years/More than 3 years	
(i) MSME	CY	1.52	-	-	-	1.52
	PY	2.38	-	-	-	2.38
(ii) Others	CY	300.98	-	-	-	300.98
	PY	469.39	0.81	-	-	470.20
(iii) Disputed dues - MSME	CY	-	-	-	-	-
	PY	-	-	-	-	-
(iv) Disputed dues - Others	CY	-	-	-	-	-
	PY	-	-	-	-	-
Total	CY	302.50	-	-	-	302.50
	PY	471.77	0.81	-	-	472.58

<b>NOTE NO. 7</b>			
<b>OTHER CURRENT LIABILITIES</b>			
(` in lacs)			
PARTICULARS	AS AT 31.03.2023		AS AT 31.03.2022
Advance from Customers	58.56		47.67
Other Payables (Including statutory dues, establishment expenses due etc.)	46.61		44.18
Security Deposits received from customers	26.46		27.43
Advance Received Towards DDU-GKY Scheme (Net of advances paid towards the same)	4.60		17.92
	136.23		137.20

Note: The company was sanctioned a new Skill Development Project under Deen Dayal Upadhyay - Grameen Kaushalya Yojna (DDU GKY Scheme) of Assam State Rural Livelihoods Mission (ASRLM) to train 1000 Candidates in projects (Rural Youth as defined in guidelines of DDU-GKY) with placement linkage by setting up a training/skill center at Majuli and Karimganj for the State of Assam. The company received Rs.207.90 lacs from the Central and State Government towards the scheme against which an advance/expenditure of Rs 203.30 lacs has been incurred by the company towards the project. The financial statements and other financial information regarding the same is subject to audit by a separate auditor.

<b>NOTE NO.9</b>			
<b>NON-CURRENT INVESTMENTS</b>			
(` in lacs)			
PARTICULARS	AS AT 31.03.2023		AS AT 31.03.2022
<b>Unquoted equity investments, fully paid up</b>			
Jet Knit Indiculus Pvt. Ltd. (2500 Shares)	0.25		0.25
	0.25		0.25

<b>NOTE NO.10</b>			
<b>DEFERRED TAX ASSETS (NET)</b>			
(` in lacs)			
PARTICULARS	AS AT 31.03.2023		AS AT 31.03.2022
<b>Deferred Tax Asset</b>			
Accelerated Depreciation for Tax purposes	54.80		15.92
Deductions claimed for Balance Sheet items			
Expenses allowable on payment basis	0.00		5.03
Others			
<i>Gross Deferred Tax Assets</i>	20.36		20.95
<b>Net Deferred tax asset</b>	20.36		20.95





<b>NOTE NO. 11</b>			
<b>LONG TERM LOANS AND ADVANCES</b>			
(` in lacs)			
PARTICULARS	AS AT 31.03.2023		AS AT 31.03.2022
Advance for Purchase of Land	49.80		79.80
	49.80		79.80

<b>NOTE NO. 12</b>			
<b>INVENTORIES</b>			
(` in lacs)			
PARTICULARS	AS AT 31.03.2023		AS AT 31.03.2022
Raw Material	54.18		109.10
Consumable Stores	4.66		4.45
Work-In-Progress	475.30		444.24
Finished Goods	1,282.07		1,435.75
	1,816.21		1,993.54

<b>NOTE NO. 13</b>			
<b>TRADE RECEIVABLES</b>			
<b>UNSECURED, CONSIDERED GOOD</b>			
(` in lacs)			
PARTICULARS	AS AT 31.03.2023		AS AT 31.03.2022
Receivables outstanding for a period exceeding six months from the date they are due for payment	843.27		752.60
Other Receivables	627.68		789.33
Less: Provision for Doubtful debtors	(20.36)		(20.36)
	1,450.59		1,521.57

<b>Trade Receivables ageing schedule</b>							(` in lacs)
Particulars		Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	CY	627.68	417.22	226.44	47.42	114.51	1,433.28
	PY	767.72	408.84	126.28	84.06	116.49	1,503.40
(ii) Undisputed Trade Receivables – considered doubtful	CY	-	-	-	-	-	-
	PY	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	CY	-	0.55	7.83	1.20	7.73	17.31
	PY	1.25	8.21	-	3.57	5.15	18.18
(iv) Disputed Trade Receivables considered doubtful	CY	-	-	-	20.36	-	20.36
	PY	-	-	20.36	-	-	20.36
Total	CY	627.68	417.78	234.27	68.98	122.24	1,470.95
	PY	768.98	417.05	146.64	87.63	121.63	1,541.93

<b>NOTE NO. 14</b>			
<b>CASH &amp; CASH EQUIVALENTS</b>			
(` in lacs)			
PARTICULARS	AS AT 31.03.2023		AS AT 31.03.2022
Cash In Hand	102.35		90.08
Balances With Scheduled Banks			
- In Current Accounts	314.13		13.06
- In Current Accounts (DDU-GKY Scheme) (Refer Note - 7)	2.17		37.42
- In Fixed Deposits	1.00		1.00
	419.66		141.57

<b>NOTE NO. 15</b>			
<b>SHORT TERM LOANS &amp; ADVANCES</b>			
(` in lacs)			
PARTICULARS	AS AT 31.03.2023		AS AT 31.03.2022
<b>Unsecured and Considered Good</b>			
Balances with Revenue Authorities	57.11		75.53
Prepaid Expenses	4.15		3.54
Other Advances	15.50		26.96
	76.77		106.04



<b>NOTE NO.16</b>			
<b>OTHER CURRENT ASSETS</b>			
(` in lacs)			
PARTICULARS	AS AT 31.03.2023		AS AT 31.03.2022
Security Deposits	14.98		14.74
Advances to Suppliers	18.87		9.76
Other Current Assets	0.05		-
	33.89		24.50
<b>NOTE NO.17</b>			
<b>REVENUE FROM OPERATIONS</b>			
(` in lacs)			
PARTICULARS	Current Year		Previous Year
Sale of Products	3,830.52		4,300.92
	3,830.52		4,300.92
Less: Goods & Service Tax Realised	180.17		208.03
	3,650.35		4,092.89
<b>NOTE NO.18</b>			
<b>OTHER INCOME</b>			
(` in lacs)			
PARTICULARS	Current Year		Previous Year
Other Income	0.10		-
Round Off	0.00		-
Duty Drawback	1.03		-
Profit on Sale of Assets	4.20		3.06
	5.33		3.06
<b>NOTE NO.19</b>			
<b>COST OF MATERIAL CONSUMED</b>			
(` in lacs)			
PARTICULARS	Current Year		Previous Year
Opening Stock	109.10		39.99
Purchases	1,776.77		2,456.68
Direct Expenses	646.51		1,024.53
	2,532.38		3,521.20
Less: Closing Stock	54.18		109.10
Cost of Material Consumed	2,478		3,412.11
<b>NOTE NO.20</b>			
<b>INCREASE/(DECREASE) IN FINISHED GOODS/STOCK &amp; WIP</b>			
(` in lacs)			
PARTICULARS	Current Year		Previous Year
Inventories at the Beginning Of The Year			
Work-In-Progress	444.24		610.44
Finished Goods	1,435.75		851.99
Consumable Goods	4.45		1.38
	1,884.44		1,463.81
Inventories at the End Of The Year			
Work-In-Progress	475.30		444.24
Finished Goods	1,282.07		1,435.75
Consumable Goods	4.66		4.45
	1,762.03		1,884.44
Net Increase/Decrease in Stock	122		(420.64)

**NOTE NO.21****EMPLOYEE BENEFITS EXPENSES**

(` in lacs)

PARTICULARS	Current Year	Previous Year
Salaries and Wages	97.75	83.73
Staff Welfare Expenses	1.80	1.74
Provision for Gratuity	0.63	1.13
Director's Remuneration	27.00	27.00
Bonus	8.26	6.61
Contribution to Provident Fund and other funds	8.80	5.87
	144.25	126.09

**NOTE NO.22****FINANCE COSTS**

(` in lacs)

PARTICULARS	Current Year	Previous Year
Bank Charges	1.56	2.42
Interest Paid to Bank	111.07	98.86
Interest Paid to Others	3.66	2.99
	116.29	104.27

**NOTE NO.23****OTHER EXPENSES**

(` in lacs)

PARTICULARS	Current Year	Previous Year
Payments to Auditors		
(a) Auditor	4.00	3.75
(b) Taxation Matters	-	-
Repairs & Maintenance	26.68	19.60
Freight & Cartage Outward	6.70	2.86
Rent	49.11	48.54
Printing & Stationery	10.80	12.16
Rebate & Discount	149.94	142.56
Bad Debts Written Off	23.48	111.62
Provision for Doubtful Debt	-	20.36
Miscellaneous Expenses	37.54	30.27
Security Expenses	12.19	10.52
Sales Promotion	52.04	52.69
Advertisement & Publicity	52.84	48.72
Brokerage & Commission	40.16	41.13
Power & Fuel	14.94	17.20
Legal, Professional and Consultancy	14.44	5.47
Charity & Donation	0.21	0.81
Rates and Taxes	2.74	3.13
Travelling Expenses	17.38	13.04
Telephone Expenses	4.64	4.59
Vehicle & Delivery Van Expenses	52.63	52.44
Insurance	10.29	6.15
	582.73	647.62



**NOTE NO.8**  
**PROPERTY, PLANT AND EQUIPMENT**  
(` in lacs)

PARTICULARS	----- GROSS BLOCK -----			----- DEPRECIATION -----			--- NET BLOCK ---		
	AS AT 01.04.2022	ADDITIONS	SALE/ TRF	AS AT 31.03.2023	FOR THE YEAR	TRD	TRF/ ADJ.	UPTO 31.03.2023	AS AT 31.03.2022
LEASEHOLD IMPROVEMENTS	14.29	11.31	-	25.60	0.67	-	-	10.95	14.65
COMPUTER, PRINTER & PERIPHERALS	67.91	2.77	-	70.69	2.10	-	-	68.26	2.42
FURNITURE & FIXTURES	22.93	0.21	-	23.14	0.12	-	-	23.05	0.09
ELECTRIC INSTALLATION	6.60	-	-	6.60	0.34	-	-	6.34	0.26
VEHICLE	263.13	9.47	3.93	268.66	14.84	-	2.74	214.16	54.50
OFFICE EQUIPMENT	68.50	6.28	-	74.78	5.72	-	-	66.32	8.45
PLANT & MACHINERY	378.21	0.05	-	378.26	23.25	-	-	301.15	77.11
<b>TOTAL</b>	<b>821.56</b>	<b>30.10</b>	<b>3.93</b>	<b>847.73</b>	<b>47.06</b>	<b>-</b>	<b>2.74</b>	<b>690.24</b>	<b>157.49</b>
CWIP (BUILDING)	-	25.40	-	25.40	-	-	-	-	25.40
<b>GRAND TOTAL</b>	<b>821.56</b>	<b>55.50</b>	<b>3.93</b>	<b>873.13</b>	<b>47.06</b>	<b>-</b>	<b>2.74</b>	<b>690.24</b>	<b>182.89</b>
									<b>175.64</b>



**NOTE NO. 23**  
**RATIOS**

Particulars	Formula	Current Period		Previous Period		Current Period	Previous Period	% Variance	Reason for variance (in lacs)
		Numerator	Denominator	Numerator	Denominator				
(a) Current ratio	Current Assets / Current Liabilities	3,797.12	1,641.36	3,787.22	1,665.70	2.31	2.27	1.75%	-
(b) Debt-equity ratio	Total Term Liabilities / Total Net Worth	1,699.99	2,193.58	1,834.22	2,072.44	0.77	0.89	12.44%	-
(c) Debt service coverage ratio	EBIDTA / Interest on Long Term Borrowing + Current Maturities of Long Term Borrowings	326.54	211.74	328.35	195.90	1.54	1.68	-7.99%	-
(d) Return on equity ratio	PAT *100 / Average Shareholder's Equity	121.14	2,133.01	114.96	2,014.96	5.68%	5.71%	-0.46%	-
(e) Inventory turnover ratio	Net Sales / Average Inventory	3,650.35	1,904.87	4,092.89	1,748.67	1.92	2.34	-18.13%	-
(f) Trade receivables turnover ratio	Adjusted Sales / Average Debtors	3,824.94	1,486.08	4,030.72	1,610.75	2.57	2.50	2.86%	-
(g) Trade payables turnover ratio	Adjusted Purchases / Average Creditors	1,932.17	387.54	2,688.98	430.74	4.99	6.24	-20.13%	-
(h) Net capital turnover ratio	Net Sales / Working Capital	3,650.35	2,155.76	4,092.89	2,121.51	1.69	1.93	-12.23%	-
(i) Net profit ratio	Net Profit *100 / Net Sales	121.14	3,650.35	114.96	4,092.89	3.32%	2.81%	18.15%	-
(j) Return on capital employed	EBIDTA *100 / Capital Employed	326.54	2,193.58	328.35	2,072.44	14.89%	15.84%	-6.04%	-
(k) Return on investment	Return on Investment / Average Investment	NA	NA	NA	NA	NA	NA	NA	-



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(PARTNER)  
Fahed Rashid  
M.No.451027Kanpur, 27th May, 2023  
UDIN- 23451027BGUVNK1140Rakesh Kumar Narula  
(Wholetime Director)  
(DIN:00274483)Balram Kumar Narula  
(Director)  
(DIN: 00274566)Ankur Narula  
(Chief Fin. Officer)Vinny Saxena  
(Company Secretary)**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****Note no.1****Significant Accounting Policies****(A) (i) Basis of Accounting:**

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

The financial statements have been prepared on a historical cost basis.

The financial statements are presented in Indian Rupees (INR) except where otherwise indicated.

The financial statements are approved for issue by the Company's Board of Directors on May 27, 2023.

**(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.

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

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

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

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

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

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

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

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

**(C) Cash Flow:**

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

**(D) Provisions, Contingent Liabilities and Commitments:**

(i) Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The company has provided for a Provision for doubtful debt of Rs.20,35,512.

(ii) The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

(iii) If the effect of the time value of money is material, provisions are to be discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is proposed to be used, the increase in provision due to the passage of time is recognized as a finance cost.



- (iv) Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.
- (v) Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- (vi) The company has the following disputed liabilities/demand raised by statutory authorities as on 31/03/2023.

<u>Liability/Dispute</u>	<u>Amount</u>	<u>Period to which it relates</u>
Income Tax Department	1,00,617.38	Prior Years
Income Tax Department	1,35,408.41	2021-22
Income Tax Department	650.00	2013-14

**(E) Prior Period Items:**

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

**(F) Revenue Recognition:**

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

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

- i. Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- ii. The initial cost of an asset comprises its purchase price, any costs directly attributable to bringing the asset into its present location and condition, necessary for it to get ready for its intended use.
- iii. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- iv. Spare parts, which meet the definition of Property, plant and equipment, are capitalized as Property, plant and equipment. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit and Loss at the time of consumption.
- v. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The useful lives for various categories of property, plant and equipment are as given below:

S.N.	Description	Useful Life as per Schedule II of the	Useful life
------	-------------	---------------------------------------	-------------





		<b>Companies Act, 2013</b>	
1.	Leasehold Improvements	30 years	30 years
2.	Plant and Machinery other than continuous process plant not covered under specific	15 years	15 years
3.	Furniture and fittings	10 years	10 years
4.	Office equipment	05 years	05 years
5.	Vehicles- Four wheelers	08 years	15 years
6.	Vehicles- Two wheelers	10 years	10 years
7.	Computers and peripherals	Servers- 06 years Others-03 years	5 years

vi. Depreciation on property, plant and equipment is provided on pro-rata 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.

vii. Capital Work in Progress:

As on the balance sheet date, the company has incurred a capital work in progress amounting to Rs 25,40,000 for a property that is not currently registered in the name of the company. The company has entered into a lease agreement for the said property, which is yet to be registered.

According to the terms of the lease agreement, the company will be liable to pay rent once the property is ready for use.

**(H) Foreign currency transaction during the current year:**

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

**(I) Employee Benefit Expenses:**

**Short term employee benefits**

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

**Provident fund**

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees' salary. The Company contributes a part of the contributions to the Government administered Provident/Pension Fund. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable through the provident fund scheme as and expense, when an employee renders related services.

**Other long term employee benefits**



The company does not have any structured Employee's Gratuity Fund Scheme. However the company provides for its gratuity liability as a defined benefit plan. The liabilities with respect to Gratuity Plan are determined on the basis of calculation specified under Payment of Gratuity Act, 1972. The company has taken a actuary valuation report in this respect. Details of the same are as follows:

Amounts in Balance Sheet at Period-End	31-03-22	31-03-23
Defined Benefit Obligation	19,99,455	20,62,825
Fair value of Plan Assets	-	-
Funded Status - (Surplus)/Deficit	19,99,455	20,62,825
Past Service Cost not yet Recognised	-	-
Unrecognised Asset due to Limit in Para 58(B)	-	-
(Asset)/Liability Recognised in the Balance Sheet	19,99,455	20,62,825

Amounts Recognised in Statement of Profit & Loss at Period-End	31-03-21	31-03-22
	to 31-03-22	To 31-03-23
Service Cost	1,57,535	1,39,313
Interest Cost	1,24,867	1,36,487
Expected Return on Plan Assets	-	-
Past Service Cost	-	-
Net Actuarial Losses/(Gains) Recognised during the period	(1,69,333)	(2,12,430)
(Gain)/Loss due to Settlements/Curtailments/Terminations/Divestitures	-	-
Unrecognised Asset due to Limit in Para 58(B)	-	-
Total Expense/(Income) included in "Employee Benefit Expense"	1,13,069	63,370

Current / Non-Current Bifurcation	31-03-22	31-03-23
Current Benefit Obligation	4,88,847	5,99,213
Non- Current Benefit Obligation	15,10,608	14,63,612
(Asset)/Liability Recognised in the Balance Sheet	19,99,455	20,62,825

**(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 Disclosures:**

**(a) Key Management Personnel**

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

**(b) Enterprises over which Directors and their relatives are able to exercise**

**Significant influence:**

Anil Kumar Narula HUF, Ankur Kumar Narula HUF, Balram Narula HUF, Bhushan Narula HUF, Gaurav Narula HUF, Rakesh Kumar Narula HUF, Rohit Narula HUF, Satish Narula HUF, Frontline Exports Pvt. Ltd., Jet Knit Indclus Pvt. Ltd., Venus Knitwears Co. Pvt. Ltd.

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

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

(Amount in ₹)

Particulars	Key Management Personnel		Relatives of Key Managerial Personnel		Enterprises over which Directors & their Relatives are able to exercise significant influence	
	CY	PY	CY	PY	CY	PY
Rent	13,02,000	9,18,000	10,98,000	7,04,500	-	-
Remuneration	34,20,000	34,20,000	34,20,000	33,00,000	-	-
Interest	17,614	17,940	2,91,584	2,05,604	-	64,405
Commission	22,92,640	11,47,978	-	12,38,329	-	-
Sale	-	-	87,28,085	-	-	67,18,694
Purchase	-	-	5,72,515	7,37,690	-	5,52,726
Job Work Charges	-	-	-	-	57,74,680	1,06,21,905
Repayment of Loan Received	2,11,569	-	7,82,272	-	1,22,256	9,56,300
Reimbursement of expenses	2,27,200	-	-	-	21,100	-

**(M) Earning per Share:**



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

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

The company has not issued any potentially dilutive equity shares.

**(N) Tax Expense:**

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

- a) **Current Tax:** Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.
- b) **Deferred Tax:** Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 utilized.

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 utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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



**Statement on Impact of Audit Qualifications for the**  
**Financial Year ended March 31, 2023**  
**[Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]**

I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In Lacs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. In Lacs)
	1.	Turnover / Total income	3655.69	3655.69
	2.	Total Expenditure	3490.94	3490.94
	3.	Net Profit	164.75	164.75
	4.	Earnings Per Share	2.75	2.75
	5.	Total Assets	4050.42	4071.73
	6.	Total Liabilities	1856.84	1878.15
	7.	Net Worth	2193.57	2193.57
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

**II 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:** Fourth 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, 2023 and the Balance Sheet as at March 31, 2023 are materially correct and as per the management the trade receivables are considered good and are recoverable in nature. The company's trade receivables consist of outstanding balances from over 3000 parties, spread across various remote locations within the country and are generally low in value individually, since the supply chain of the company largely consists of small retailers, who were severely impacted by the COVID-19 pandemic. The Management is making full efforts to recover these trade receivables. Further as is evident, during the year, the total trade receivables have been reduced by around Rs.70.98 lakhs. 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 abnormally high; a significant part of the trade receivables has also remained overdue for more than three years. Further several trade receivables remained subject to confirmation by the respective parties upto the date of our report. However, as per the Management, the trade receivables which are good and recoverable and have been stated to be classified accordingly in the Financial Statements. In the absence of any conclusive evidence as regards the recoverability of these trade receivables and considering the materiality of the amount involved, we have issued a disclaimer of opinion.

**III Signatories:**

For Rajiv Mehrotra & Associates  
Chartered Accountants  
FRN : 002253C  
CA Fahed Rashid  
Partner  
M.No. 451027

Date: May 27, 2023  
Place: Kanpur

Mr. Rakesh Kumar Narula  
(Wholetime Director)

Mr. Ankur Narula  
(Chief Financial Officer)

Mr. Ramesh Chandra  
(Chairman, Audit Committee)



# JET KNITWEARS LIMITED

Regd. Office: 119/410-B-1Darshan Purwa, Kanpur, U.P. 208012

CIN: L19101UP1996PLC019722

Website: [www.jetlycot.com](http://www.jetlycot.com), E-mail: [info@jetknit.com](mailto:info@jetknit.com)

## NOTICE

Notice is hereby given that the 27<sup>th</sup> Annual General Meeting of the Members of the Company will be held on **Friday, September 29, 2023 at 04:00 PM** at Registered office of the Company at **119/410 B-1, Darshan Purwa, Kanpur -208012** to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements for the financial year ended on March 31, 2023 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. **Appointment of Mrs. Avantika Mishra (DIN: 10269748) as Independent Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) and on the recommendation of the Nomination & Remuneration Committee, the Board of Directors appointed **Mrs. Avantika Mishra (DIN: 10269748)** as an Additional Independent Director of the Company w.e.f. August 29, 2023; who has submitted a declaration that she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations and is eligible for appointment and who holds office up to the date of ensuing Annual General Meeting; the consent of the members of the company be and is accorded to appoint her as Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for first term of five year with effect from August 29, 2023 to August 28, 2028.



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

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

**Sd/-**

**(Vinnu Saxena)**

**Company Secretary &  
Compliance Officer**

**Date: 29.08.2023**

**Place: Kanpur**

**NOTES FOR MEMBERS' ATTENTION:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 27<sup>th</sup> ANNUAL GENERAL MEETING ('AGM') OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF OR HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS (48) BEFORE THE SCHEDULED TIME OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF COMPANIES, SOCIETIES, ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION / AUTHORITY, AS APPLICABLE, ISSUED ON BEHALF OF THE NOMINATING ORGANIZATION.**

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

2. The relevant details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India (ICSI), in respect of the persons seeking re-appointment/appointment as a Director under Item No. 2 & 3 is mentioned under point number 20.
3. The Board of Directors has not recommended any final dividend for the Financial Year ended on March 31, 2023.
4. The Register of Members and Share Transfer books of the Company shall remain closed from September 23, 2023 to September 29, 2023 (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 or the RTA of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or its RTA quoting their Folio number or their Client ID number with DPID number, as the case may be.
7. 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.

8. 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.
9. 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.).
10. The Securities and Exchange Board of India (‘SEBI’) has mandated the transfer of securities to be carried out only in dematerialised form (except in case of transmission or transposition of securities) effective from 1st April, 2019. Accordingly, requests for physical transfer of securities of listed entities shall not be processed from 1st April, 2019 onwards. In view of such amendment and in order to eliminate the risks associated with physical holding of shares, Members who are holding shares in physical form are hereby requested to dematerialise their holdings. For any help, the Shareholders may contact to the Registrar & Transfer Agent at email id [investor@bigshareonline.com](mailto:investor@bigshareonline.com) and to Company Secretary at email id [compliance@jetknit.com](mailto:compliance@jetknit.com) or [info@jetknit.com](mailto:info@jetknit.com)
11. Members/Proxies are requested to deposit the Attendance Slip duly filled in and signed for attending the Meeting. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution, Power of Attorney or such other valid authorizations, authorizing them to attend and vote on their behalf at the Meeting. Members who hold shares in dematerialized form are requested to bring their DP ID and client ID No(s) for easier identification of attendance at the Meeting. Members are requested to affix their signatures at the space provided on the attendance slip annexed to the proxy form and hand over the slip at the entrance of the meeting hall.
12. In case of joint holders attending the Meeting, the member whose name appears as the first holder in the order of names as per the Register of Members will be entitled to vote.
13. SEBI & Ministry of Corporate Affairs is promoting electronic communication as a contribution to greener environment. Accordingly, as a part of green initiative and referring to MCA General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 02/2022 dated 05.05.2022 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 soft copy of the Notice of the AGM along with the Annual Report 2022-23 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Members may note that this Notice and the Annual Report 2022-23 will also be available on the Company’s website [www.jetlycot.com](http://www.jetlycot.com) and on the website of the Stock Exchange i.e. NSE Limited at [www.nseindia.com](http://www.nseindia.com).
14. All relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on all working days, up to and including the date of the Meeting. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are



interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.

- 15. The businesses set out in the Notice will be transacted through electronic voting system and the Company is also providing facility to vote through ballot paper at the venue of AGM. Instructions and other information relating to e-voting are given in this Notice under Note No. 19.
- 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 7 (seven) days before the date of the Meeting, so that the information required may be made available at the Meeting.
- 17. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically. Manner of registering / updating email addresses is as under:
  - i) Members holding shares in physical mode, who have not registered / updated their email addresses with the Company, are requested to inform the Company with details of folio number and attaching a self-attested copy of PAN card at [info@jetknit.com](mailto:info@jetknit.com) or [compliance@jetknit.com](mailto:compliance@jetknit.com) or to the RTA Big Share Services Private Limited at [mukesh@bigshareonline.com](mailto:mukesh@bigshareonline.com).
  - ii) Members holding shares in dematerialized mode, who have not registered / updated their email addresses with their Depository Participants are requested to register their email addresses with the Depository Participants with whom they maintain their demat accounts.
- 18. A route map showing direction to reach the venue of the 27<sup>th</sup> Annual General Meeting is given at the end of this notice as per the requirement of Secretarial Standards -2 on General Meeting.

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

- a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; the Company is pleased to provide to its members remote e-voting facility to exercise their right to vote on resolutions set forth in this Notice convening the 27<sup>th</sup> Annual General Meeting to be held on Friday, September 29, 2023 at 04:00 PM at Registered Office of the Company at 119/410 B-1, Darshan Purwa, Kanpur through physical mode. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting').
- b) The Company has engaged the services of National Securities Depository Limited ("NSDL") as the Agency to provide e-voting facility.
- c) E-voting facility will be available during the following voting period:

Commencement of E-Voting	End of E-Voting
From 09:00 AM (IST) on Tuesday, September 26, 2023	Upto 5:00 PM (IST) on Thursday, September 28, 2023

- d) During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the *cut-off date i.e. September 22, 2023* may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it



subsequently. Further, the Members who have casted their vote electronically shall not vote by way of poll, if held at the Meeting. However, the members who have already casted their votes through remote e-voting will remain eligible to attend the meeting.

- e) The Members of the Company holding shares on the “cut-off date” of *September 22, 2023* only shall be entitled to avail the facility of remote e-voting. Cut-off date means the date on which the right of voting of the members shall be reckoned and a person who is not a member as on the cut-off date should treat this notice for information purposes only.
- f) Any person, who become a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. *September 22, 2023* may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA.
- g) The process and manner for remote e-voting are as under:

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

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

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period Ifyou are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></li> </ol>



either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

- Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

**NSDL Mobile App is available on**



Individual Shareholders holding securities in demat mode with CDSL

- Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
- After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.
- If the user is not registered for Easi/Easiest, option to register is available at CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login & New System Myeasi Tab and then click on registration option.
- Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on



	registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 22 55 33

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*



4. Your User ID details are given below :

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

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

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

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:

- a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on



the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

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

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

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csgopesh@gmail.com](mailto:csgopesh@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 022 - 4886 7000 and 022 - 2499 7000 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to ([compliance@jetknit.com](mailto:compliance@jetknit.com)).



2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account Statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to ([compliance@jetknit.com](mailto:compliance@jetknit.com)). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
  3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
  4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
- h) Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
  - i) The Board of Directors has appointed Mr. Gopesh Sahu, Practicing Company Secretary, (Membership No. FCS 7100), as Scrutinizer to scrutinize the E-Voting process in a fair and transparent manner.
  - j) The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date i.e. **September 22, 2023.**
  - k) The Results on resolutions shall be declared not later than 48 hours from the conclusion of the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolutions.
  - l) The Results declared along with the Scrutinizer's Report(s) will be available on the Company's website i.e. [www.jetlycot.com](http://www.jetlycot.com) and on the website of NSDL <https://evoting.nsdl.com>. The results shall simultaneously be communicated to the Stock Exchange, where the share of the company is listed.
- 20. The details required to be given in pursuance of Regulation 36 (3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) of ICSI regarding Directors seeking appointment/re-appointment:**

Name of the Director and DIN	Mr. Rakesh Kumar Narula (DIN- 00274483)	Mrs. Avantika Mishra (DIN- 10269748)
Designation	Promoter and Whole Time Director	Independent Director
Date of Birth	18/01/1958	31/07/1994
Qualification	Graduate in Commerce	Graduate in Law (LLB) and Graduate in Commerce (B.Com)
Date of Original Appointment	April 02, 1996	August 29, 2023
No. of Board	6 out of 6	-





Meetings attended during the Year		
Experience and Expertise	He is a businessman having rich experience of more than 34 years in hosiery manufacturing specializing in Sales and Production. He has wide experience in stitching, bleaching and knitting.	She is a Secretarial and Compliance Associate having experience of more than 5 years in the field of legal, secretarial, regulatory compliances and corporate governance. Her experience in various fields will bring value to the Company.

Relationship between Directors, Manager and other Key Managerial Personnel	Mr. Rakesh Kumar Narula is the real brother of Mr. Balram Kumar Narula (Chairman) and Mr. Anil Kumar Narula (Whole Time Director) and uncle of Mr. Ankur Narula (Chief Financial Officer)	Independent from the Management.		
Directorship in other Companies	Front Line Exports Private Limited	-		
No. of Equity Shares held in the company	304595 ( Jet Knitwears Limited)	-		
Terms and conditions of reappointment & Remuneration sought for	Same as existing Terms & Conditions	Refer item no. 3 of Explanatory Statement annexed.		
Details of remuneration last drawn (2022-23)	9,00,000/- p.a.	-		
Chairmanship/Membership of Committees in the Board of other Companies	Name of Company	Name of Committee	Name of Company	Name of Committee
	NIL		NIL	

Date: 29.08.2023  
Place: Kanpur

**By the Order of the Board  
For JET KNITWEARS LIMITED  
Sd/-  
(Vinny Saxena)  
Company Secretary &  
Compliance Officer**



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013 AND REGULATION 36 OF THE SEBI LISTING REGULATION:**

**ITEM NO. 3**

The Board of Directors of the Company, on recommendation of Nomination & Remuneration Committee, at its meeting held on August 29, 2023, appointed Mrs. Avantika Mishra (DIN: 10269748) as an Additional Independent Director of the Company to hold office up to the date of ensuing Annual General Meeting.

Accordingly the Board recommends to the shareholders, appointment of Mrs. Avantika Mishra (DIN: 10269748) as an Independent Director for first term of five year with effect from August 29, 2023 to August 28, 2028. The Company has received a declaration from Mrs. Avantika Mishra confirming that she meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received her consent to act as a Director in terms of Section 152 of the Companies Act, 2013 and a declaration that she is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mrs. Avantika Mishra fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for her appointment as an Independent Director of the Company and she is independent of the management. Considering her knowledge and experience, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint her as an Independent Director for a period of five year with effect from August 29, 2023.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise, in the resolution set out at Item No. 3

The Board recommends the Resolution set out at Item No. 3 of the Notice for approval by the members.

**By the Order of the Board  
For JET KNITWEARS LIMITED  
Sd/-  
(Vinnu Saxena)  
Company Secretary &  
Compliance Officer**

**Date: 29.08.2023  
Place: Kanpur**



# JET KNITWEARS LIMITED

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

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

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

I hereby record my presence at the 27<sup>th</sup> Annual General Meeting of the Company at **Registered Office of the Company at 119/410, B-1, Darshan Purwa, Kanpur-208012.**

I am a shareholder of the Company\*

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

Name of Shareholder/Proxy:.....



Signature of Shareholder/Proxy: .....

\* Please strike off any one which is not applicable.

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

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

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





# JET KNITWEARS LIMITED

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

## 27<sup>th</sup> Annual General Meeting

### PROXY FORM Form MGT-11

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

I/We.....  
 .....of.....  
 .....in the district of .....being a member  
 / members of **JET KNITWEARS LIMITED** hereby appoint  
 .....of.....  
 .....or failing him/her  
 .....as my/our proxy to attend and vote for me/us and on  
 my/our behalf at the 27<sup>th</sup> Annual General Meeting to be held on Friday, September 29, 2023 at 04:00 PM  
 at Registered office of the Company at 119/410 B-1, Darshan Purwa, Kanpur.

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

Resolution No.	Resolutions	Optional*	
		For	Against
<b>ORDINARY BUSINESS</b>			
1	To receive, consider and adopt the audited financial statements for the financial year ended on March 31, 2023 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.		
<b>SPECIAL BUSINESS</b>			
3	Appointment of Mrs. Avantika Mishra (DIN: 10269748) as Independent Director of the Company.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2023

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

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

Affix a₹ 1/- Revenue Stamp
-------------------------------------

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

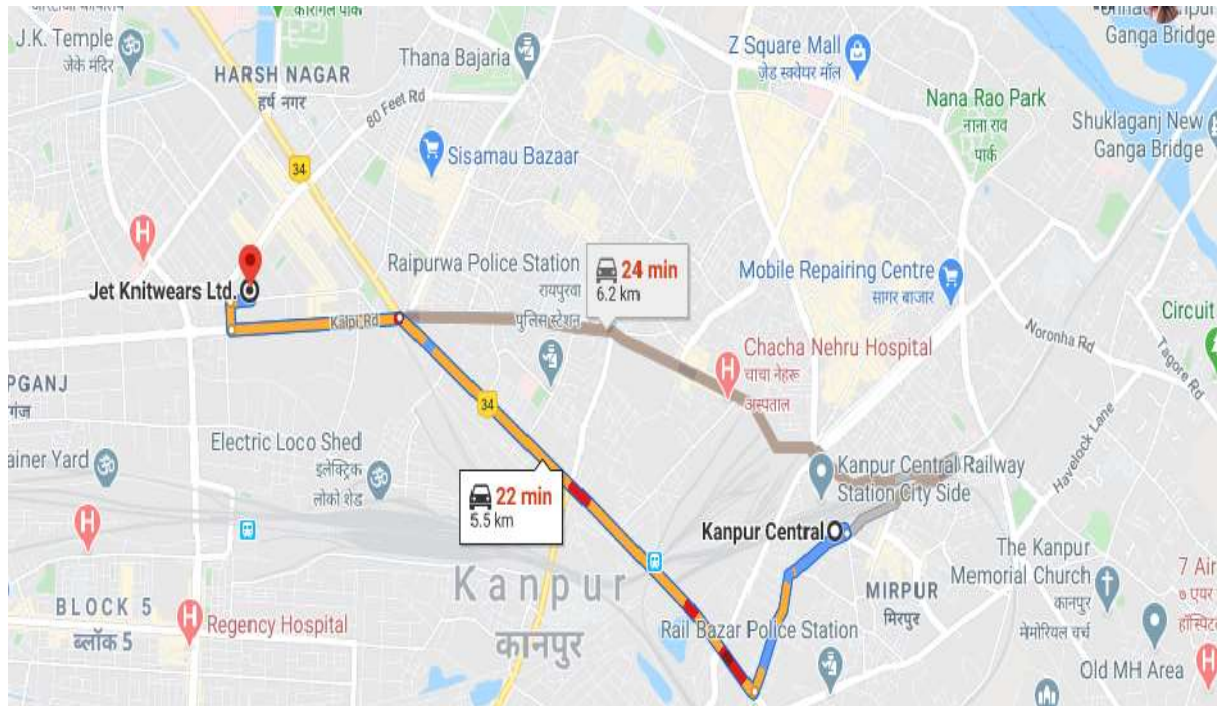


**NOTES:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
5. Appointing proxy does not prevent a member from attending in person if he so wishes.
6. In the case of joint holders, the signatures of any one holder will be sufficient, but names of all the joint holders should be stated.

\*\*\*\*\*

**ROUTE MAP TO THE AGM VENUE**







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

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

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