



Jet Knitwears Ltd.

21st Annual Report 2016-17

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Glimpses of Listing Ceremony





ABOUT JET KNITWEARS LIMITED

Excellence is a tradition at Jet Knitwears Ltd., which has helped it grow manifold. From its humble beginnings in 1969, it has grown today to be one of the leading manufacturers and exporters of Cotton hosiery products in the country with a strong workforce and a distribution network of more than 10,000+ retailers.

Our Company was incorporated as Jet Knitwears Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated April 02, 1996 in Kanpur, Uttar Pradesh. Subsequently, the name of our Company was changed to Jet Knitwears Limited vide fresh certificate of incorporation dated April 01, 2015. The company was incorporated to takeover the running business of partnership firm M/s Jet Knitwears Company along with all the assets and liabilities, approvals, permits, registrations, etc.

Our Company operates its manufacturing unit from 57-A, Dada Nagar, Kanpur-208022, Uttar Pradesh and 26 A, Appachi Nagar, Kangu Main Road, Tirupur-641607, Tamil Nadu.

Our company is engaged in the business of manufacturing of intimate garments for men, women and children such as vests, briefs, brassiere, panties, socks, T-shirts and casual wears. The company markets its products through its own brands like **“Lycot Australia”, “Jet”, “Jet Eco”, “Fresh-Long”, “Boski” and “Take- off”**

Our Company cater 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. Our Company believes in providing those products to our consumers that are Skin Friendly and Anti-Bacterial.

Jet Knitwears Ltd. has developed dermatologist recommended, azo free dyed clothes targeted to adults and children with mild to severe skin allergies. This line includes latex-free, spandex-free, lycra-free, nylon-free and polyester-free cotton apparel.

WE ARE WINNER OF THE INTERNATIONAL QUALITY CROWN AWARD 2008 LONDON AND HIGHEST NATIONAL AWARDED COMPANY IN INDIA FOR QUALITY PRODUCTS.

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.

LETTER TO THE SHAREHOLDERS

MANAGING DIRECTOR CORNER



TO OUR SHAREHOLDERS

I feel honoured to present the First Annual Report as being a Listed Company. It has been a year with many rewarding moments, as well as some challenges. Though a year of transition, we made solid and tremendous progress on many fronts, including building out strategic platforms, while establishing exciting new ones.

It gives me a great pleasure to announce that M/s Jet Knitwears Ltd is the First Company in the state of Uttar Pradesh to be listed under the NSE Emerge (SME platform) of National Stock Exchange on the 7th of October, 2016. Our IPO was oversubscribed by 3.76 times which in itself is a landmark for a SME listed company.

With its humble beginnings 50 years ago, Jet Knitwears Ltd has won National Accolades on various fronts such as Research & Development, Quality Products and Entrepreneurship along with the most coveted First Prize in the Quality Undergarments category by the President of India in 2013.

We have also been honoured across International borders with Quality products in Gold Category from BID, Spain and counted as Top 500 brands in Asia.

Owing to the above recognition, Jet Knitwears Ltd has been inducted into Limca Book of Records, 2011 for receiving most number of National Awards in our MSME sector in India. It is also noticeable that Jet Knitwears Ltd is the only company in India to be awarded with so many accolades.



With a strong network of more 5000 Retailers and round about 1000 Dealers which are being served directly by the company has shown so much faith during the subscription process.

Before being listed, our major business operation was in the state of Uttar Pradesh & Uttarakhand only but post IPO we have expanded our sales/marketing activities in Bihar by opening our retail depot at Patna. The company has a vision of being a PAN India brand as more and more states will be added for expanding our business operations throughout India.

The legacy of working in a 50 year old organisation is based on the following good practice

- *Faith in work*
- *Continuous improvements in the manufacturing process*
- *Best product at reasonable price.*
- *Customer satisfaction*

Post IPO, we have adopted one more good practice to the above list which is

- ***Satisfaction of investor/shareholders of the company*** and we are working on it.

Our Directors, Executives, Managers, hardworking employees, labours work as a team to achieve the above mentioned goals with a backing of 40 years old Brand name and the customer has full faith in our product of our team manufactures.

We have introduced Lycot Australia Brand 10 Years ago for the upmarket segment which is doing very well in the market.

It is indeed a mark able landmark that the company has shown 91.55% growth in its Net profit in the financial year 2016-2017 as compared to the previous financial year 2015-2016 in which the Net profit growth was 3.17%, therefore on behalf of my team members, We will also strive to capitalize on available opportunities in the financial markets and attain new horizons. I assure all my shareholders and stakeholders who have shown faith in our company that we shall leave no stone unturned to keep producing outstanding results year after year.



On behalf of the Board of Directors, I would like to thank all our customers, dealers, distributors, shareholders and other business associates for their continued support. I sincerely thank all our employees for their outstanding effort and commitment. I would like to take this opportunity to thank my colleagues on the Board for their mature counsel

Thanking You

Balram Narula

Managing Director

OUR MISSION

We will always strive to work towards our company principles which are: Faith in work, continuous improvement in the Manufacturing Process, by providing the best product at reasonable price, customer and investor's Satisfaction and setting new standards of excellence

OUR VISION

We will aim to be one of the leading and foremost manufacturers of Hosiery undergarments & casual wears while expanding our business operation across various states and eventually Pan India. In the future we would also like to cross international borders by making a presence in our own Brand name.

CORPORATE INFORMATION

BOARD OF DIRECTORS:

NAMES OF THE DIRECTORS	DESIGNATION
Mr. Balram Kumar Narula	Managing Director
Mr. Rakesh Kumar Narula	Whole Time Director
Mr. Anil Kumar Narula	Whole Time Director
Mr. Ramesh Chandra	Independent & Non Executive Director
Mr. Ashok Chandra Bajpai	Independent & Non Executive Director
Mrs. Dinesh Parashar	Independent & Non Executive Director

CHIEF FINANCIAL OFFICER:

Mr. Ankur Narula

COMPANY SECRETARY AND COMPLIANCE OFFICER:

Miss Abhishree Vaijapurkar

AUDITORS:

Statutory Auditor:

Pankaj Khanna & Associates

4/278-B, Vishnupuri

Kanpur- 208001

Internal Auditor:

SPK & Co. Chartered Accountants

305, Block C, Shyam Nagar,
Kanpur-2080007

Secretarial Auditor:

Gopesh Sahu, Company Secretaries

205-A Anand Tower 117/K/13, Sarvodaya Nagar,
Kanpur-208025

BOARD COMMITTEE:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

BANKERS:

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

REGISTRAR AND SHARE TRANSFER AGENT:

Big Share Services Pvt Ltd

E2, 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 UP 208012
CIN: L19101UP1996PLC019722
Website: www.jetlycot.com
Email ID: info@jetknit.com
compliance@jetknit.com
Tele No: 0512:2217553,
0512-2296128

BRANCH OFFICE

26A, Appache Nagar, Kongu Main Road,
Tirupur-641607, Tamil Nadu.
Email ID: info@jetknit.com,
anilknarula@gmail.com
Tele No: 0421-2224014,
09362248612

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NOTICE

21st Annual General Meeting

Notice is hereby given that the 21st Annual General Meeting of the members of **Jet Knitwears Limited** will be held on Friday, the **29th day of September, 2017** at Cawnpore Club, Canttonment, Kanpur-208004, Uttar Pradesh at 1:00 PM to transact the following business

ORDINARY BUSINESS:

1. Adoption of Audited Financial Statements and Reports of the Directors and the Auditors.

To receive, consider and adopt the audited financial statements for the financial year ended on 31st March, 2017, together with the Reports of the Board of Directors and the Auditors thereon.

2. Re-appoint Mr. Anil Kumar Narula (DIN: 00274462) who retires by rotation.

To reappoint a director Mr. Anil Kumar Narula (DIN: **00274462**) who retires by rotation at this annual general meeting and being eligible offers himself for reappointment.

3. Appointment of M/s Rajiv Mehrotra & Associates Chartered Accountants, as the Statutory Auditor of the company.

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

“RESOLVED THAT pursuant to the provisions of Section 139,141,142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force), with the recommendation of the



Audit Committee the consent of the members be and is hereby accorded to appoint **M/s Rajiv Mehrotra & Associates Chartered Accountants (FRN:002253C)**, as the Statutory Auditor of the company for a period of 5 years from the conclusion of this Annual General Meeting till the conclusion of 25th Annual General meeting to be held for the Financial Year ended on 31st March 2022 subject to the ratification as to the said appointment at every Annual General Meeting, on such remuneration including other expenses as may be mutually agreed by and between the Board of Directors and the Auditor of the Company

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to do all such acts, deeds, matters, things, which may deem necessary in order to give effect to the above resolution”.

For and on behalf of Board of directors

JET KNITWEARS LIMITED

Date: 26.08.2017
Place: Kanpur

Balram Kumar Narula
Managing Director
DIN: 00274566

NOTES:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

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. The instrument of proxy in order to be effective, should be deposited at the registered office of the company or the Registrar of the company, Bigshare Services Pvt. Ltd duly completed and signed not less than 48 hours before the commencement of the meeting. A proxy form is annexed herewith. Proxies submitted on behalf of the companies, societies etc. Must be supported by an appropriate resolution/authority letter as applicable, on behalf of the nominating organization. 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”) of the person seeking re-appointment as a Director under Item No. 2 is also annexed.
3. Corporate Members (i.e. other than Individuals, HUF, etc.) shall send certified true copy of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Company to attend the AGM
4. The Register of Members and Share Transfer books of the Company will remain closed from **20th September 2017 to 29th September, 2017** (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. Members are requested to:



- a. Intimate to the Company's Registrar & Share Transfer Agent, M/s. Bigshare Services Pvt. Ltd., E2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri(E), Mumbai-400072 their Depository Participant ("DP"), regarding changes if any, in their registered address and their E-mail ID at an early date.
 - b. Quote their Registered Folio Numbers and/or DP Identity and Client Identity Number in their correspondence.
 - c. Bring their copy of Annual Report and the Attendance Slip which is duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No. with them at the Annual General Meeting as a measure of economy as the same will not be supplied again at the meeting. All the correspondence relating to share transfers should be addressed to registrar and transfer agents of the Company, viz. Bigshare Services Pvt. Ltd.
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.
- 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 physical form can submit their PAN details to Bigshare Services Pvt. Ltd.
8. Members are requested to convert their Share(s) lying in physical form to the Demat form for easy transferability of Shares. For any help, the Shareholders may contact to the Registrar & Transfer Agent at email id investor@bigshareonline.com and to Company Secretary at email id compliance@jetknit.com or info@jetknit.com
 9. Pursuant to provisions of Section 72 of the Companies Act, 2013 members holding Shares in physical mode are advised to file a Nomination Form in respect of their Shareholding. Any Member wishing to avail this facility may submit the prescribed statutory form SH-13 to the Company Share transfer agent.
 10. 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.
 11. SEBI & Ministry of Corporate Affairs is promoting electronic communication as a contribution to greener environment. Accordingly, as a part of green initiative, soft copy of the Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the



Company / Depositories, unless any Member has requested for a physical copy of the same. Further, in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 136 of the Companies Act, 2013 including Rules made there under for Members who have not registered their E-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2016-17 will also be available on the Company's website www.jetlycot.com.

12. Members who have not registered their E-mail address so far are requested to register their E-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company, electronically.
13. The route map showing directions to reach the venue of the 21st Annual General Meeting is annexed.
14. All documents referred to in Notice shall be open for inspection at the Registered Office of the Company between 10:30 a.m. to 11:30 a.m. on all working days, up to and including the date of the Annual General Meeting of the Company.
15. Members seeking any information with regard to the accounts of the Company are requested to write to the Company at its registered Office, so as to reach at least 10 days before the date of the Meeting to enable the Management to keep the information ready.
16. Voting procedure
 - a) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting will be able to exercise their right at the meeting through ballot paper. The Cut off Date for determining the members who are entitled to vote through ballot Paper process is **21st September 2017**, only Members as on the cut-off date, would be entitled to vote at the meeting.
 - b) Mr. Gopesh Sahu Company Secretary in Practice (COP No. 7800) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting process in a fair and transparent manner.
 - c) The Chairman shall, at the end of discussion on the resolutions in AGM on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM.
 - d) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - e) The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.jetlycot.com after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the shares of the Company are listed.

DETAILS OF THE DIRECTOR SEEKING APPOINTMENT/REAPPOINTMENT AT THE 21st ANNUAL GENERAL MEETING OF THE COMPANY

(In pursuance to Regulation 36(3) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015

Name of the Director	Mr. Anil Kumar Narula		
Designation	Promoter and Whole Time Director		
Date of Birth	30/03/1956		
Date of Appointment	01 st June 2015		
Functional Expertise	He is a Businessman having rich experience of more than 35 years in marketing and manufacturing of Hosiery Undergarments. He is managing Tirupur Manufacturing Unit of the company. Mr. Anil Kumar Narula is member of South India Hosiery Manufacturers Association. He is actively engaged in company's decision making and policy formulation providing significant input in promotion of company's business.		
Qualifications	Post Graduate(M.com)		
Directorship in other companies	Front Line Exports Private Limited		
No. of Equity Shares held in the company	304760(Jet Knitwears Limited)		
Membership in the Committees of the Board	Name of the company	Name of the Committee	Chairman/ Member
	NIL	NIL	NIL
Inter se relationship with Directors	Mr. Anil Kumar Narula is the real brother of Mr. Balram Kumar Narula(Managing Director) and Mr. Rakesh Kumar Narula(Whole Time Director)		

DIRECTOR'S REPORT

To
The Members,
JET KNITWEARS LIMITED
KANPUR

Your Directors have pleasure in presenting their Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31,2017.

1.FINANCIAL SUMMARY

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

Particulars	Amount (In Rs.Lakhs)	
	2016-2017	2015-2016
Revenue from operations	4326.97	3854.94
Profit/ Loss from operations before, finance cost, Depreciation and tax	287.19	247.27
Less: Finance Cost	110.63	122.90
Less: Depreciation	56.52	55.60
Profit/ Loss before Tax & Prior Period Expenses	120.03	68.77
Tax Expense (including deferred tax and tax adjustment of earlier years)	41.43	27.74
Profit After Tax	78.60	41.04

2. FINANCIAL HIGHLIGHTS AND OPERATION

The Key highlights pertaining to the business of the company for the year 2016-17 and period subsequent there to have been given hereunder:

- The total Revenue from operations of the Company during the financial year 2016-17 was Rs.4326.97 (Lakhs) against the revenue from operations of Rs. 3854.94 (Lakhs) in the previous financial year 2015-16

- The Net Profit/(Loss) before tax and prior item for the year under review at Rs. 120.03 (Lakhs) was likewise higher than that of profit in the previous year of Rs. 68.77(Lakhs).
- The Net Profit/(Loss) after tax for the year under review at Rs. 78.60 (Lakhs) was likewise higher than that of profit in the previous year of Rs. 41.034(Lakhs) The Earning Per Share (EPS) of the company is Rs.1.93 per share
- The Directors trust that the shareholders will find the performance of the company for financial year 2016-17 to be satisfactory. The performance of the Company during the current year continues to be encouraging barring unforeseen circumstances, Your Directors are hopeful about the performance of the company to be better in the upcoming financial years.

3. DIVIDEND

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for its activities and therefore, do not propose any dividend for the Financial Year ended March 31, 2017.

4. TRANSFER TO RESERVES

As per the Financial Statements during the financial year under review the Company has not transferred any amount to its reserves.

5. CHANGES IN THE SHARE CAPITAL STRUCTURE

During the year under review, the company has made following changes in the capital structure

a) Authorized Share Capital:

Your company has not changed its Authorized Share capital during the year under review.

b) Issued, subscribed and paid up Share Capital:

During the year 2016-2017 pursuant to the approval by the members at their Extra Ordinary General Meeting held on 07th August 2016 the company has approached the Capital Market with an Initial Public Offer of 10,83,000 Equity Shares of the face value of Rs. 10/- each ("Equity Shares") at an Issue Price of Rs. 39/- per Equity Share including the premium price of Rs. 29/- per Equity Shares aggregating to Rs.422.37 Lakhs (The Issue) of

which 57000 Equity Shares of Rs 10/each fully paid up was reserved for subscription by market maker to the issue by way of a fixed price issue. The allotment of the Equity Shares was finalized in consultation with the Designated Stock Exchange namely National Stock Exchange of India Limited (NSE), SME eMerge Platform on 3rd October 2016

In pursuance to the Initial Public Offer your Company allotted 10,83,000 (Ten Lakhs Eighty Three Thousand) equity shares of Rs. 10/- each at a premium of Rs. 39/- each to the subscribers of shares at Initial Public Offer.

c) Issue of Bonus Shares

Your Company had not issued Bonus Shares during the financial year under review.

d) Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

e) Issue of shares with differential voting rights, sweat equity shares and employees stock options

During the financial year under review the company has not issued any shares with differential voting rights nor granted stock option, nor Sweat Equity.

f) Provision of money by company for purchase of its own shares by employees or by Trustees for the benefit of employees: N.A.

5.MATERIAL CHANGES DURING THE FINANCIAL YEAR

a)Listing with “NSE-EMERGE”

After Successful completion of Initial Public Offer, your company got listed at SME platform of National Stock Exchange of India Ltd. i.e. NSE- EMERGE on 07th October 2016

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

There were no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Director Report as given below:



7. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

8. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

During the year the Company was having Jet Knit Indclus Private Limited as its Associate Company. However, the company has sold its Investment equal to 14.92% (2000 Equity Shares) held in its name in Associate Company (M/s Jet Knit Indclus Pvt Ltd) which was 33.5% (4500 Equity Shares) before such sale and the company has approved this Sale of Investments in a Board Meeting held on 16th February 2017. Hence, Jet Knit Indclus Pvt Ltd is no more our Associate Company. Thus, the requirement of furnishing information relating to performance and financial position of the Subsidiary, Associate and Joint Venture Companies is not applicable.

9. AUDITORS AND THEIR REPORT

Statutory Auditor

M/s. Pankaj Khanna & Associates Chartered Accountants, (FRN: 002144C) Kanpur, were appointed as Statutory Auditors Of the company in the Annual General meeting held on 30.09.2015 to hold office till the conclusion of the 24th Annual General Meeting for the financial year ended as on 31st March 2020 in accordance with the provisions of the Companies Act, 2013. However, their terms of appointment and remuneration was subject to ratification by the members at every Annual General Meeting held after appointment during their tenure of office.

As per the provisions of Section 139(2) a listed company cannot re appoint an Audit Firm as auditor for more than two 5 consecutive years. Now your Company being a listed entity attracting provisions of section 139(2) and therefore the tenure of the retiring Statutory Auditor, i.e M/s Pankaj Khanna & Associates Chartered Accountants couldn't be extended further from this date of ensuing Annual General Meeting and the retiring Auditors have offered to resign in compliance of the provisions of Companies Act, 2013 . Therefore, as per the provisions of the Companies Act 2013, with the prior recommendation of the Audit Committee and subject to the consent of the shareholders in the ensuing Annual General meeting the company has proposed to appoint **M/s. Rajiv Mehrotra & Associates**



Chartered Accountants, Kanpur (Membership No: 71428), FRN :002253C as the Statutory Auditors of the company for a period of 5 years, to hold office from the conclusion of this Annual General Meeting till the conclusion of 25th Annual General Meeting to be held for the year ended on 31st March 2022.

The new Statutory Auditors have confirmed their eligibility and qualification under Section 141 of the Companies Act, 2013.

Audit Report

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

The Auditor's Report for the financial year 2016-17 does not contain any qualification, reservation or adverse remark.

Internal Auditor

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

Secretarial Auditor

M/s. Gopesh Sahu, Practicing Company Secretaries, was appointed to conduct the secretarial audit of the Company for the financial year 2016-17 in the board meeting held on 24th March 2017, in terms of Section 204 of the Companies Act, 2013 and the rules there under. The Secretarial Audit Report for the financial year 2016-17 forms the part of the Annual Report as **ANNEXURE D** to the Board Report. The Auditors query on Registration under Gratuity Act is taken note of and necessary directions has been issued to the legal department to take appropriate steps.

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.

10.CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of the business of the company

11.DETAILS OF CHANGES IN THE DIRECTORS OR KEY MANAGERIAL PERSONNEL

During the year under review, the changes in the Directors and Key Managerial Personnel are herein below.

- During the year under review, Ms. Parul Gupta, resigned from the post of Company Secretary & Compliance Officer of the Company w.e.f., 20th April 2016 and was succeeded by Mr. Yogi Srivastava.
- During the year under review, Mr. Yogi Srivastava appointed as a Company Secretary & Compliance Officer of the Company w.e.f., 18th August 2016 and who later resigned on 07th October 2016.
- Further ,Miss Abhishree Vaijapurkar was appointed to the post of as a Company Secretary & Compliance Officer of the Company w.e.f., 14th October 2016

Retirement by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Anil Kumar Narula(DIN:00274462) Whole time Director, of the Company, will retire by rotation at the ensuing AGM of the Company and being eligible offer himself for reappointment. The Board of Directors of the Company has recommended his re-appointment.

12.DEPOSITS

Your Company has neither invited/ accepted nor renewed any Deposit from the public under Schedule V of the Companies Act, 2013, read with Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

The details relating to deposits, covered under Chapter V of the Act,-

- (a) accepted during the year: **N.A.**
- (b) remained unpaid or unclaimed as at the end of the year; **N.A.**
- (c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved- **N.A.**
 - (i) At the beginning of the year; **N.A.**
 - (ii) Maximum during the year; **N.A.**

(iii) At the end of the year; **N.A.**

(d) the details of deposits which are not in compliance with the requirements of Chapter V of the Act; **N.A.**

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

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

Conservation of Energy

S.No	Particulars	Details
1.	The steps taken or impact on conservation of energy	<p>a) The company uses indigenous winch machines for processing hosiery cloth which uses lower horse power as opposed to industry norms.</p> <p>b) The company uses more energy efficient IRO knitting machines which consumes less power than ordinary traditional knitting machines.</p> <p>The company ensures that there is optimum utilization of energy with maximum possible savings by avoiding any known wastages of energy monitoring and reviewing energy usage.</p>
2.	The steps taken by the Company for utilizing alternate sources of energy	The company has installed 60 KW solar units which completely eliminate the consumption of electricity from the grid and your Company is in the course of assessing more efficient alternate source of energy suitable for our business operation.
3.	The capital investment on energy conservation equipment's	As per financial statement

Technology Absorption

S.No	Particulars	Details
1.	The efforts made towards technology absorption	A)The company reuse the water utilized in processing of cloth which results in conserving the water. The company has installed proper plants for the re use of said water. The industry norm wash 1

		kg of hosiery cloth ad our standard machines. The Company is having “Effluent Treatment Plant” to process the effluents 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
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: N.A 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 during the last three years reckoned form 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

Foreign exchange earnings and outgo

During the financial year 2016-2017 under review, the foreign exchange earnings and outgo is **NIL**

14.CORPORATE SOCIAL RESPONSIBILITY

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

15.BOARD MEETINGS

Composition of the Board

The Board of Directors of the company has an optimum composition of Executive, Non executive and Independent Director. As on 31st March 2017, the Board comprises of 6 (Directors), out of which 3 are executive directors,, 3 are Non executive Independent director including a Women director.

The Board of Directors of the Company met **16(sixteen)** times during the year on 12/04/2016, 02/06/2016, 05/07/2016, 08/07/2016, 18/08/2016, 10/10/2016, 15/09/2016, 21/09/2016, 03/10/2016, 14/10/2016, 12/12/2016, 16/01/2017,30/01/2017, 02/02/2017, 16/02/2017, 24/03/2017 in respect of which proper notices were given and the proceedings were properly recorded, signed and maintained in the Minutes book kept by the Company for the purpose. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SS-1 prescribed by Institute of Company Secretaries of India (ICSI)

The attendance of each director at the board Meeting and Annual General Meeting is as follows

Name of Directors	Category/ Designation	Meetings held during the tenure of the Directors	Meetings Attended	Attendance at the last AGM held On 29 th August, 2016	No. of committee/ membership in which he/she is a member and Chairperson
Mr. Balram Kumar Narula	Promoter/ Managing Director	16	15	Yes	Member in Audit Committee and Chairman in Committee of Directors
Mr. Anil Kumar Narula	Promoter/ Whole Time Director	16	03	No	None
Mr. Rakesh Kumar Narula	Promoter/ Whole Time Director	16	16	Yes	Member in Stakeholder's Relationship Committee and Committee of Directors

Mr. Ashok Chandra Bajpai	Non Executive Independent Director	16	15	Yes	Chairman in Stakeholder's Relationship committee
Mr. Ramesh Chandra	Non Executive Independent Director	16	16	Yes	Chairman in Audit committee, Nomination and Remuneration Committee and member in committee of Directors
Mrs. Dinesh Parashar	Non Executive/ Women Director	16	04	No	Member in Audit Committee, Nomination and Remuneration Committee and Stakeholder's Relationship committee

16. COMMITTEES OF THE BOARD

Currently, the Board has 4 committees: the Audit Committee, Nomination & remuneration Committee, and the Shareholder Relationship Committee and the Committee of Directors

Audit Committee

As per the provisions of Section 177 of the Companies Act, 2013, Audit Committee of the Board of Directors of the company has an optimum composition of Executive, Non executive and Independent Director as required under the Act and the members of Audit Committee met 7(seven) times during the year on 01/04/2016, 05/07/2016, 21/09/2016, 14/10/2016, 24/11/2016, 02/01/2017, and 10/03/2017.

The details of the composition and meetings of its committees is provided

Chairman and Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Mr. Ramesh Chandra	Chairman	07	07
Mr. Balram Kumar Narula	Member	07	07
Mrs. Dinesh Parashar	Member	07	07

Nomination and Remuneration Committee

As per the provisions of Section 178 of the Companies Act, 2013, The Nomination and Remuneration Committee of the Board of Directors of the company has an optimum composition of Executive, Non executive and Independent Director as required under the Act and the members of Nomination and Remuneration Committee met 4 (Four) times during the year on 01/04/2016, 01/08/2016, 14/10/2016 and 10/03/2017

The details of the composition and meetings of its committees is provided

Chairman and Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Mr. Ramesh Chandra	Chairman	04	04
Mr. Ashok Chandra Bajpai	Member	04	04
Mrs. Dinesh Parashar	Member	04	04

Stakeholder's Relationship Committee

As per the provisions of Section 178 of the Companies Act, 2013, The Stakeholder's Relationship Committee of the Board of Directors of the company has an optimum composition of Executive, Non executive and Independent Director as required under the Act and the members of Stakeholder's Relationship Committee met 2 (Two) times during the year on 23/09/2016 and 30/01/2017

The details of the composition and meetings of its committees is provided

Chairman and Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Mr. Ashok Chandra Bajpai	Chairman	2	2
Mr. Rakesh Kumar Narula	Member	2	2
Mrs. Dinesh Parashar	Member	2	2

Committee of Directors

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

The committee is constituted to take decisions pertaining to day to day business activities of the Company more promptly and to take all the decisions for which board meeting is not

specifically required to be conducted as per the provisions of Section 179 of the Companies Act 2013, or other provisions, if any, rules made there under, subject to any amendment, re enactment or modification thereof.

The Board has constituted this committee on 12th December 2016. No meeting was held from the date of the constitution of this Committee till 31st March 2017,

The details of the composition and meetings of its committees is provided

Chairman and Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Mr. Balram Kumar Narula	Chairman	0	0
Mr. Rakesh Kumar Narula	Member	0	0
Mr. Ramesh Chandra	Member	0	0

17. BOARD EVALUATION

Pursuant to the provisions of section 134(3)(p) the Companies Act, 2013, the Board of directors of the company is committed to get its performance evaluated in order to indentify its strength and areas in which it may improve its functioning. In this regard, the Nomination and Remuneration Committee has established the process for evaluation of the performance of Directors, including the Independent Directors.

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

During the year under review as per the policy for the performance evaluation, formal annual evaluation of the performance of the Directors, including independent directors, the board and its committees was made by the Nomination & Remuneration Committee in their respective meetings.

18. DIRECTORS RESPONSIBILITY STATEMENTS

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) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;



- ii) the directors had selected such accounting policies 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 at the end of the financial year and of the profit and loss of the company for that period ended on 31st March 2017;
- iii) the directors had taken proper and sufficient care 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) the directors had prepared the annual accounts on a going concern basis; and
- v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company has its Associate Company viz. Jet Knit Indclus Pvt Ltd . which has ceased to be its Associate w.e.f 16th February 2017, in pursuance to the sale of 14.92% (2000 Equity Shares) investment out of 33.5% (4500 Equity Shares) held in Associate Company (M/s Jet Knit Indclus Pvt Ltd). Therefore, the company is not required to comply with provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) rules 2014.

20. DECLARATION BY INDEPENDENT DIRECTORS

During the year under review, the Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, and the board is satisfied that all the independent directors meet the criteria of independence mentioned in Section 149(6) of the Companies Act, 2013.

21. COMPANY CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI)

The Board of Directors has code of practices and procedures for fair disclosure of unpublished price sensitive information (UPSI) in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. Under this code the company lays down guidelines and procedures and principals to be followed, and disclosures to be made



while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities. The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information (UPSI), is available on our website

22.POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT OF THE COMPANY

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a Nomination and Remuneration policy namely “Policy on Nomination & Remuneration & Board Diversity” in line with the requirement of Section 178 of the Companies Act, 2013. The policy *inter alia* provides the procedure for selection, appointment and remuneration of Directors and Key Managerial Personnel, including criteria for determining qualifications, positive attributes, and independence of Directors. The same has been uploaded on the website of the company www.jetlycot.com

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the related party transactions entered by the Company in ordinary course of business are old the same are carried forwarded as mentioned in the financial Statements. . The Company presents all related party transactions before the Board specifying the nature, value, and terms and conditions of the transaction. Transaction with related parties are conducted in a transparent manner with the interest of the Company and Stakeholders as utmost priority.

Detailed particulars of contracts or arrangements with related parties required to be given under Section 188 (2) of the Companies Act, 2013, in Form No. AOC-2, are set out in **ANNEXURE C** forming part of the Board’s Report.

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

During the year under review, the Company has not provided guarantees nor has made any investments, which could attract the provisions of Section 186 of the companies Act 2013, but has given short term loans to its suppliers and other related parties as mentioned in the Financial Statements.

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



The company has in place a policy for prevention of sexual harassment naming Anti Sexual Harassment policy in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company has framed proper policy to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. As per Section 22 and 28 of the Sexual harassment of Women at Workplace (prevention, prohibition and redressal) Act, 2013, the Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

The following is the summary of sexual harassment complaints received and disposed off during the financial year 2016-2017.

No of Complaints Received	NIL	No of Complaints Disposed off	NIL
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26. 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 and its departments at various levels including the documentation and reporting.

27. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements. The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

28. PARTICULARS OF EMPLOYEES

During the year under review, there was no employee who has drawn remuneration in excess of the limits set out under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and of Remuneration of Managerial Personnel) Rules, 2014 is attached as **ANNEXURE B**



29. EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 an extract of annual return in MGT 9 as a part of this Annual Report as ANNEXURE A

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

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF)

31. VIGIL MECHANISM AND WHISTLE BLOWER MECHANISM

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the company The Company has established a vigil mechanism for Directors and Employees to report their concerns about unethical behavior, genuine concerns, actual or suspected fraud or violation of the company's Code of Conduct.

The mechanism provides for adequate safeguards against victimization of Directors and employees who avail the vigil mechanism. In exceptional cases, Directors and employees have direct access to the Chairman of the Audit Committee. The detailed disclosure of the Vigil Mechanism & Whistle Blower Policy are made available on the company's website www.jetlycot.com and have also been provided in the Corporate Governance Report.

However, our Company being listed on SME Exchange – “NSE Emerge” is exempt under Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

32. COMPLIANCE WITH THE CODE OF CONDUCT

The board has formulated code of conduct for the Board members and Senior Management of the company, which has been posted on the website of the company, www.jetlycot.com. It is affirmed that all the directors and senior management have complied with the code of conduct framed by the company and confirmation from all the directors, KMP and senior management has been obtained in respect of the F/y 31st March 2017.

33. SHARE PRICE DATA

Our Company got listed at SME platform of National Stock Exchange of India Ltd. i.e. NSE-EMERGE on 07th October 2016. The company's month wise share price data i.e from October 2016 to 31st March 2017 is mentioned below

SHARE PRICE MOVEMENT DATA(MONTHLY)

Month	High	Low
March-2017	78.00	63.00
February-2017	91.90	77.00
January- 2017	93.00	68.50
December-2016	86.60	71.00
November-2016	105.00	59.00
October-2016	123.60	46.80

34. CORPORATE GOVERNANCE

Your company has been complying with the good corporate governance over the years and is committed to the highest standards of compliance. Pursuant to the listing agreement read with Regulations 15 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance with the corporate governance provisions as specified in the Regulations 17 to 27 and clauses (b) to (i) of Regulations 46(2) and Para C, D, and E of Schedule V shall not apply to the company whose specified securities are listed on the SME Exchange.

Therefore, the Corporate Governance Report is not applicable on the company and therefore not provided by the Board.

35. ACKNOWLEDGEMENT

The directors place on record their sincere appreciation for the assistance and co-operation extended by Bank, its employees, its investors and all other associates and look forward to continue fruitful association with all business partners of the company.

For and on behalf of Board of directors

JET KNITWEARS LIMITED

Balram Kumar Narula
Manging Director
DIN: 00274566

Rakesh Kumar Narula
Whole Time Director
DIN: 00274483

Date: 26.08.2017
Place: Kanpur

ANNEXURE TO THE DIRECTOR'S REPORT**Annexure A**FORM NO.MGT-9
EXTRACT OF ANNUAL RETURN

As on Financial Year Ended on 31.03.2017

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

I. REGISTRATION & OTHER DETAILS

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of textile Items, other knitted and crocheted	14309	100%

apparel including hosiery		
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III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S.no	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
N.A	N.A	N.A	N.A	N.A	N.A

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category wise shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF		2999990	2999990	99.99%	2999990	NIL	2999990	73.47%	(26.52%)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-								
	-	2999990	2999990	99.99%	2999990	NIL	2999990	73.47%	(26.52%)
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian		-	-	-	144000		144000	3.52%	3.52%
ii) Overseas		-	-	-	-		-	-	-
b) Individuals/HUF		-	-	-	-		-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh		210	210	0.006	831210		831210	20.35%	20.35%
*ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh					108000		108000	2.64%	2.64%
c) Others (Firms and dealers)		-	-	-	-		-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	210	210	0.006	1083200	10	1083210	26.52%	26.52%
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	210	210	0.006	1083200	10	1083210	26.52%	26.52%



C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)		3000200	3000200	100%	4083190	10	4083200	100%	100%

B) Shareholding of Promoter(including promoter Group)

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	ANIL KUMAR NARULA	304760	10.15%	NIL	304760	7.46%	NIL	-2.69%
2	KANCHAN NARULA	285160	9.50%	NIL	285160	6.98%	NIL	-6.98%
3	SANDHYA NARULA	253960	8.46%	NIL	253960	6.22%	NIL	-2.24%
4	RAKESH KUMAR NARULA	234860	7.82%	NIL	234860	5.75%	NIL	-2.07%
5	USHA NARULA	227480	7.58%	NIL	227480	5.57%	NIL	-2.01%
6	JYOTI NARULA	182000	6.06%	NIL	182000	4.46%	NIL	-1.6%
7	BALRAM KUMAR NARULA	153820	5.12%	NIL	153820	3.77%	NIL	-1.35%
8	RAKESH KUMAR NARULA HUF	1,48,100	4.94%	NIL	1,48,100	3.63%	NIL	-1.31%
9	ROHIT NARULA	137300	4.57%	NIL	137400	3.37%	NIL	-1.20%
10	ANIL KUMAR NARULA HUF	1,34,100	4.47%	NIL	1,34,100	3.28%	NIL	-1.19%
11	BALRAM KUMAR NARULA HUF	1,18,340	3.94%	NIL	1,18,340	2.90%	NIL	-1.04%
12	BHUSHAN KUMAR NARULA HUF	1,06,700	8.46%	NIL	1,06,700	2.61%	NIL	-5.85%
13	GEETA NARULA	93,000	3.10%	NIL	93,000	2.28%	NIL	-0.82%
14	SAURABH NARULA	91100	3.04%	NIL	91100	2.28%	NIL	-0.76%
15	SATISH KUMAR NARULA HUF	88,100	2.93%	NIL	88,100	2.16%	NIL	-0.77%
16	ROHIT NARULA HUF	70,700	2.36%	NIL	70,700	1.73%	NIL	-0.63%
17	GAURAV NARULA	68,660	2.28%	NIL	68,760	1.68%	NIL	-0.6%

18	VAIBHAV NARULA	65,100	2.17%	NIL	65,100	1.59%	NIL	-0.58%
19	PRASHANT NARULA	61,000	2.03%	NIL	61,000	1.49%	NIL	-0.54%
20	ANKUR NARULA	59,100	1.97%	NIL	59,100	1.45%	NIL	-0.52%
21	ANKUR NARULA HUF	41,120	1.37%	NIL	41,120	1.01%	NIL	-0.36%
22	ADITYA NARULA	35,000	1.17%	NIL	35,000	0.86%	NIL	-0.31%
23	GAURAV NARULA HUF	33,040	1.10%	NIL	33,040	0.81%	NIL	-0.29%
23	SNEHA NARULA	7100	0.24%	NIL	7100	0.17%	NIL	-0.07%
24	MADHU SABBHARWAL	100	0.01%	NIL	100	0.00%	NIL	-0.01%
25	RUCHI NARULA	100	0.01%	NIL	NIL	NIL	NIL	NIL
26	RADHIKA NARULA	100	0.01%	NIL	NIL	NIL	NIL	NIL
27	PRIYANKA NARULA	100	0.01%	NIL	NIL	NIL	NIL	NIL

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

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

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

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year (01-04-2016)	Date	Increase/ Decrease in the	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)

		No. of Shares	% of total Shares of the Company		Shareholding		No. of Shares	% of total Shares of the Company
1	CHOICE EQUITY BROKING PRIVATE LIMITED (Market Maker)	0	0	01-04-2016	0		0	0
				03.10.2016	57000	Allotment of Shares	57000	1.39%
				21.10.2016	(12000)	Sale	45000	1.10%
				28.10.2016	(6000)	sale	39000	0.955%
				04.11.2016	3000	Purchase	42000	1.03%
				18.11.2016	9000	Purchase	51000	1.25%
				25.11.2016	(51000)	Sale	(51000)	0%
				02.12.2016	3000	Purchase	3000	0.73%
				13.01.2017	3000	Purchase	6000	0.14%
				20.01.2017	(3000)	Sale	3000	0.73%
				24.02.2017	3000	Purchase	6000	0.14%
				03.03.2017	3000	Purchase	9 000	0.22%
				10.03.2017	3000	Purchase	12000	0.29%
				24.03.2017	3000	Purchase	15000	0.36%
31-03-2017	-	-	15000	0.37%				
2	WEALTH FIRST PORTFOLIO MANAGERS	0	0	01-04-2016	0		0	0
				03.10.2016	27000	Allotment of Shares	27000	0.66%
				31-03-2017	-	-	27000	0.66%
3	PREMLATHA	0	0	01-04-2016	0		0	0
				09-12-2016	15000	Purchase	15000	0.37%
				16-12-2016	12000	Purchase	27000	0.66%
				31-03-2017	-	-	27000	0.66%
4	BHIKAM CHAND RAJESH	0	0	01-04-2016	0		0	0
				01-12-2016	15000	Purchase	15000	0.37%
				16-12-2016	9000	Purchase	24000	0.59%
				31-03-2017	-	-	24000	0.59%
5	PREMAL V MEHTA	0	0	01-04-2016	0		0	0
				03-10-2016	12000	Allotment of Shares	12000	0.29%
				21-10-2016	6000	Purchase	18000	0.44%

				31-03-2017	-	-	18000	0.44%
6	SAURABH AGRAWAL	0	0	01-04-2016	0	0	0	0
				03-10-2016	15000	Allotment of Shares	15000	0.36%
				31-03-2017	-	-	15000	0.36%
7	HCL COAL INTERNATIONAL PRIVATE LIMITED	0	0	01-04-2016	0	0	0	0
				09-12-2016	9000	Purchase	9000	0.22%
				23-12-2016	6000	Purchase	15000	0.36%
				31-03-2017	-	-	15000	0.36%
8	MUFIN FINANCE PRIVATE LIMITED	0	0	01-04-2016	0	0	0	0
				03-10-2016	12000	Purchase	12000	0.29%
				31-03-2017	-	-	12000	0.29%
9	NISHA JAIN	0	0	01-04-2016	0	0	0	0
				30-12-2016	0	Purchase	6000	0.14%
				31-03-2017	0	Purchase	12000	0.29%
10	CHOICE EQUITY BROKING PRIVATE LIMITED (Corporate Member)	0	0	01-04-2016	0	0	0	0
				25-11-2016	0	Purchase	54000	1.32%
				02-12-2016	(9000)	Sale	45000	1.10%
				24-02-2017	(6000)	Sale	39000	0.95%
				31-03-2017	-	-	39000	0.95%

Note; The top ten shareholders reflect the position as on 31st March 2017 and the purchase and sale of shares is shown as per the Benpos/ Movement data during the period from 03rd October 2016 to 31st March 2017 provided by the RTA

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the Year (31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	ANIL KUMAR NARULA (Whole Time Director)				
	At the beginning of the year	304760.00	10.15%	304760.00	10.15%

	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	NIL	NIL	NIL	7.46%*
	At the end of the year	304760.00	10.15%	304760.00	7.46%
2	RAKESH KUMAR NARULA (Whole Time Director)				
	At the beginning of the year	234860.00	7.82%	234860.00	7.82%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	5.75%*
	At the end of the year	234860.00	7.82%	234860.00	5.75%
3	BALRAM KUMAR NARULA (Managing Director)				
	At the beginning of the year	153820.00	5.12%	153820.00	5.12%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	3.77%*
	At the end of the year	153820.00	5.12%	153820.00	3.77%
4	ANKUR NARULA (Chief Financial Officer)				
	At the beginning of the year	59090.00	1.96%	59090.00	1.96%
	Changes during the year (Increase)			100	
	Date	Reason for Change	---	---	
	15.09.2016	Transfer of Shares			0.01%
	At the end of the year	59090.00	1.96%	59190	1.45%*

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

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

	Secured Loans (excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	10,35,86,034.65	1,45,88,163.00	---	11,81,74,197.65
Total	10,35,86,034.65	1,45,88,163.00	---	11,81,74,197.65
Change in Indebtedness during the financial year				
* Addition	---	---	---	---
* Reduction	23,33,9443.32(-)	3366075.00(-)	---	---
Net Change	23,33,9443.32(-)	3366075.00(-)	---	-26705518.32
Indebtedness at the end of the financial year	8,02,46,591.33	11222088.00	---	9,14,68,679.33
Total	8,02,46,591.33	11222088.00	---	9,14,68,679.33

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Amount
		Balram Kumar Narula	Rakesh Kumar Narula	Anil Kumar Narula	

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

B. Remuneration to other directors; NIL

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

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

SN	Particulars of Remuneration	Key Managerial Personnel					Total
		CEO	CS			CFO	
			Parul Gupta*	Yogi Srivastava*	Abhishree Vaijapurkar*		
			Ankur Narula				
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		12000	----	97800	480000	1057800
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	----	----	----	----	----	----
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	----	----	----	----	----	----
2	Stock Option	----	----	----	----	----	----
3	Sweat Equity	----	----	----	----	----	----
4	Commission	----	----	----	----	----	----
	- as % of profit	----	----	----	----	----	----
	others, specify...	----	----	----	----	----	----
5	Others, please specify	----	----	----	----	----	----
	Total	N.A	12000	----	97800	480000	1057800

- Parul Gupta(Ex- CS and Compliance Officer) resigned from this post w.e.f 20th April 2016.

- Yogi Srivastava (Ex-CS and Compliance Officer) was appointed w.e.f 18th August 2016 and resigned w.e.f 07th October 2016
- Abhishree Vaijapurkar is appointed as a Company Secretary and Compliance Officer w.e.f 14th October 2016

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

For and on behalf of Board of directors

JET KNITWEARS LIMITED

Date: 26.08.2017
Place: Kanpur

Balram Kumar Narula
Managing Director
DIN: 00274566

Rakesh Kumar Narula
Whole Time Director
DIN: 00274483

ANNEXURE B**RATIO OF DIRECTORS' REMUNERATION TO MEDIAN EMPLOYEES' REMUNERATION AND OTHER DISCLOSURE**

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

Sr. No.	Name	Designation	Ratio against median employee's remuneration
1	Balram Kumar narula	Managing Director	5.17:1
2	Rakesh Kumar Narula	Whole Time Director	5.17:1
3	Anil Kumar Narula	Whole Time Director	5.17:1

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

During the year under review no increment in remuneration had been paid to the Directors, Chief Financial Officer and Company Secretary was done. However, Remuneration of Rs. 12000/- (Rupees Twelve Thousand) has been paid to Miss. Parul Gupta, Company Secretary of who resigned from her post w.e.f 20th April 2016

- (iii) The Percentage increase in the median remuneration of employees in the financial year 2016-17 is **4.22%**.
- (iv) The number of permanent employees on the rolls of Company at the end of the financial year 2016-17 is **47**
- (v) Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year 2016-17 was **16.89%**. During the year, there was no increment in the Managerial Remuneration and hence, comparison of the percentile increase in salary of employees with the percentile increase in remuneration of Managerial Personnel is not provided.
- (vi) **Affirmation, that the remuneration is as per the remuneration policy of the Company:** It is hereby affirmed that the remuneration is as per the remuneration policy for Directors, Key Managerial Personnel and other employee

ANNEXURE-C**Form No. AOC-2**

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

Related Party Transactions:

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

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

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

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

Name(s) of the related party and nature of relationship	Nature of contracts/arrangement/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Mr. Rohit Narula Relationship :- He falls under the category of Promoter's Group of the Company	Leasing of the property	1 year	To pay rent of Rs. 4800/- per month	12.12.2016	NA
Mr. Balram Kumar Narula Relationship :- He is the Managing Director and promoter of the Company	Leasing of the property	1 year	To pay rent of Rs. 4800/- per month	12.12.2016	N.A
Mrs. Sandhya Narula Relationship :-She is the promoter of the company	Leasing of the property	1 year	To pay rent of Rs. 10800/- per month	12.12.2016	N.A
Mr. Anil Kumar Narula Relationship : He is the Whole Time Director and	Leasing of the property	1 year	To pay rent of Rs. 4800/- per month	12.12.2016	N.A

promoter of the company					
Mr. Rakesh Kumar Narula Relationship : He is the Whole Time Director and promoter of the company.	Leasing of the property	1 year	To pay rent of Rs. 10800/- per month	12.12.2016	N.A
FRONT LINE EXPORTS PVT LTD Relationship : Mr. Anil Kumar Narula and Mr. Rakesh Kumar Narula are in the Board of Dierctors of this company	Job Charges, i.e Job Work	1 year	To pay Job charges of Rs. 8102889/-	12.12.2016	N.A

For and on behalf of Board of directors

JET KNITWEARS LIMITED

Balram Kumar Narula
Manging Director
DIN: 00274566

Rakesh Kumar Narula
Whole Time Director
DIN: 00274483

Date: 26.08.2017
Place: Kanpur

ANNEXURE D

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2017

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

To,

The Members

JET KNITWEARS LIMITED

Kanpur

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s **JET KNITWEARS LIMITED** for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Securities and Exchange Board of India (Listing Obligation And Disclosure Requirements) Regulations, 2015 and the rules made thereunder;

- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (not applicable to the company during the Audit period) ;
- (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, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable to the company during the Audit period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the company during the Audit period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (not applicable to the company during the Audit period);
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable to the company during the Audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the company during the Audit period);
- (vi) Other Laws as per the representation given by the company.

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

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

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

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

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

I further report that:

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

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

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

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

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

1. *That after successful completion of Initial Public Offer, the company got listed at NSE-EMERGE - the SME platform of National Stock Exchange of India Ltd. on 07th October 2016.*

Place : Kanpur

Date : 26.08.2017

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.

CS GOPESH SAHU

FCS:7100

C.P. No. 7800

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 : 26.08.2017

MANAGEMENT DISCUSSION AND ANALYSIS

REPORT

Pursuant to Regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report are as follows:

INDUSTRY STRUCTURE AND DEVELOPMENTS

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The textile industry is also labor intensive and is one of the largest employers.

The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world. Even today, textiles sector is one of the largest contributors to India's exports with approximately 15% of total exports.

The textile and apparel sector contributes 14 per cent to industrial production, 4 per cent to India's gross domestic product (GDP) and constitutes 15 per cent of the country's export earnings. Total textile and apparel exports stood at US\$ 16.81 billion during April-September 2016, contributing 14 per cent to India's exports worth US\$ 132 billion. India's share in global trade of textiles and apparels is 5 per cent.

(Source: IEBF)

The Indian textiles industry is extremely varied, with the hand-spun and hand woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The textile industry has two broad segments. First, the unorganized sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale. The decentralized power looms/ hosiery and knitting sector form the largest component of the textiles sector.

Market Size

The Indian textiles industry, currently estimated at around US\$ 120 billion, is expected to reach US\$ 230 billion by 2020.

The sector provides employment to nearly 51 million people directly and 68 million people indirectly.

The Innerwear Category

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

The size of the Indian Innerwear market is INR 15,870 crore (USD 2.9 billion); the category is also growing at an impressive CAGR of 12%.

The women's innerwear market, which is driven by value-added innerwear products, contributes around 60% to the market. The growth of the innerwear category is primarily centered in urban India. The trend towards western outfits, combined with the demand for occasion- and outfit-based innerwear, is acting as a boost for the market.

The demand for innerwear with higher functionality and greater comfort is rising fast. The market for innerwear product variations like seamless intimates, plus size inner wear, body shape enhancers, etc. is burgeoning in the metros and mini metros.

Market Trends

Currently, the Indian innerwear market is worth Rs. 19,960 crore (2014) and is estimated to grow at 13% to reach Rs. 68,270 crore by 2024. The innerwear market has traditionally been largely unorganised, although in the past few years, the organised innerwear segment has shown promising growth in both men's and women's categories.

Developments

The global as well as domestic innerwear market is experiencing moderate growth in the apparel segment as nowadays individuals are more inclined towards branded items, most of which are usually priced on the higher end. People from all backgrounds and income group want to avail a comfortable and lasting inner wear that can be fashionable as well as



skin-friendly. Indian Innerwear Market Among the core apparel categories, innerwear appears to be a potential growth category across all segments.

With rising incomes, higher discretionary spending, greater number of working women and growing fashion consciousness, the innerwear segment is expected to continue to progress.

OPPORTUNITIES AND THREATS

Simply put, the future of the apparel market, and the innerwear category, looks promising. At the same time, fashion retailers have to face some daunting challenges prior to tapping the extant opportunities.

Rising real estate costs, increasing power tariffs, and supply chain inefficiencies are some of the issues that have to be tackled with utmost prudence.

Our Strength

We believe in creating value for our customers in terms of quality or pricing. Quality is of primary importance and our focus is on improving the quality of our products so that the products we offer are Skin Friendly and Anti-bacterial which helps in developing and maintaining long term sustainable relationships with our customers, enhancing our brand value and further increase in the business.

The Company has a range of products such as Innerwears, Socks, T-shirts, Lowers and Thermals which are available in superior cotton fabrics and vibrant styles enabling it to cater to the demands of the consumers of our products in various markets.

Our promoters have vast experience in the innerwear and textile industry and have always believed in maintaining the best quality in our processes and products. Along with qualified promoters, our company has a team of employees and workers who assist the top management, having knowledge of core aspects of innerwear industry and marketing. We believe that our experience, knowledge and human resources will enable us to drive the business in a successful and profitable manner.

We are having a wide range of retailer network of more than 5,000 retailers who are served being directly by our sales depots in the different parts of North India. We have been marketing our products through strong brands "JET" and "LYCOT". "JET" is 30 years old whereas "LYCOT" is 10 years old.

THREATS

Our company face competition from various domestic and international players. The Industry in which we operate is unorganized, competitive and highly fragmented in India. We have over a decade of experience in innerwear and textile industry. Our manufacturing operations are critical to our business and any shutdown of our manufacturing facilities may have an adverse effect on our business, results of operations and financial condition.

We believe that the principal factors and threats affecting competition in our business include consumer relationships, reputation, the abilities of employees, market focus and the relative quality and price. We believe that our Company will not only maintain but further enhance its position in the industry. We believe that our ability to compete effectively is primarily dependent on ensuring consistent quality products with on time delivery at competitive prices.

SEGMENT WISE AND PRODUCT WISE PERFORMANCE

The company operates in single segment only hence segment wise reporting is not applicable to the company.

Product wise Performance

We believe in creating value for our customers it in terms of quality or pricing. Quality is of primary importance and our focus is on improving the quality of our products so that the products we offer are Skin Friendly and Anti-bacterial which helps in developing and maintaining long term sustainable relationships with our customers, enhancing our brand value and further increase in the business. Our Company believes in providing those products to our consumers that are Skin Friendly and Anti-Bacterial.

Our 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. The product wise sales as on during the current financial year and previous financial year is as under

S.NO	PRODUCT WISE DETAILS	2016-2017	2015-2016
1.	Cotton Vest	130.04	121.09
2.	Underwear	175.08	166.88
3.	Lycot	118.40	113.39
4.	Winter	56.04	46.94
5.	Ladies Garments	66.19	62.90
6.	Socks and Handkerchiefs	10.42	11.04
Total		556.17	522.24

OUTLOOK

We believe in transparency and commitment in our work with our customers and dealers. The company works for customer satisfaction by creating value for the money for the customers, continuous improvement in the production process and works on the philosophy of enhancing the consumer base by entering new geographies to establish long-term relationships.

We intend to cater to the increasing demand of our existing consumers and also to increase our existing customer base by enhancing the distribution reach of our products in different parts of the country. Our Company operates from Kanpur with having dealers/vendors in North India. Enhancing our presence in additional region will enable us to reach out to a larger population. Further, our Company believes in maintain long term relationship with our customers by adding value through innovations, quality assurance and timely delivery of our products which will ultimately enhance our sales.

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.

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.

RISK AND CONCERNS

Risk Management is an integral part of the company's activity the company has a structured Risk Management Policy. The top and the senior management of the company continuously monitor and review the business risk in the operations, Sales and marketing , procurement, regulatory affairs , finance ,information technology and human resources and take timely measures to minimize the impact.

Our business is subjected to various risks and uncertainties, our results of operations and financial conditions are affected by numerous factors including the following.

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Company's results of operations and financial performance.
- Performance of Company's competitors.
- Trained manpower.
- Significant developments in India's economic and fiscal policies.
- Significant developments in India's environmental regulations.
- Evolving customer needs and market trends.
- Orders from significant customers.
- Volatility in the Indian and global capital market.

In order to minimize the uncertainties and various risk which may arise in near future and to combat with the adverse situations that may affect the business operations, a systematic risk identification and mitigation framework is in place and suitable action plans is drawn up to mitigate the same, the Company has virtually no control over external risks such as a general down turn in the economy, new regulations, government policies and interest rates.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has appointed internal auditor to check and have an effective internal control and risk mitigation system which are assessed and strengthened with the standard operating procedures. The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business.

These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

However, as and when company achieves further growth and higher level of operations, company will review the internal control system to match with the changed requirement.

The Audit Committee and the Board of Directors review the adequacy and effectiveness of the internal control system and suggest improvement to strengthen the same

The company has strong management information system, being an integral part of control mechanism.

DISCUSSION ON THE FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE



Jet Knitwears Limited total revenue in FY 2017 was 4326.97 Lakhs (FY 2016; 3854.93), a revenue growth of 12.24% (FY 2016 :3.29). The Net Profit after tax was 78.60 Lakhs (FY 2017) as compared to previous year Net Profit of 41.03 Lakhs(FY 2016), which has registered a hike of 37.57 Lakhs and registered a landmark growth of 90% during the year under review.

During the year under review the financial performance of the company was satisfactory. The Financial Statement is in confirmation with the provisions of the Companies Act 2013 and applicable accounting standard recommended by ICAI.

The financial statement reflects the genuine desire for the transparency and best judgment for the estimates made on prudent and reasonable bases to correctly reflect the true and fair affairs of the company.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS FRONT (including number of people employed)

Human resource plays an essential role in developing a company's strategy as well as handling the employee centered activities of an organization. We have 47 full time employees as on March 31, 2017 including the Directors and KMP's on pay roll basis. Our man power is prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

During the year, the Company, as part of on-going exercise in skill up gradation, deputed different classes of its employees to programs and seminars which would help them to add to their knowledge and skills.

In order to increase the linear relationship between performance and reward, increments / incentives and different target oriented schemes based on performance are being provided for encouraging the marketing personnel in order to raise the sale and demand.

The company continues to maintain positive work environment and constructive relationship with its employees with a continuing focus on productivity and efficiency.

The Company continued to identify and implement initiatives which enhance productivity and efficiency.

DISCLOSURE OF ACCOUNTING TREATMENT

There was no deviation in following the treatments prescribed in any of Accounting Standards (AS) in the preparation of the financial statements of your Company.

CAUTIONARY STATEMENT

Certain statements made in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, predictions and expectations may be forward looking statements, within the meaning of applicable securities law and regulations and



actual results may differ materially from those expressed or implied. Significant factors that make differences to Company's operations include competition, change in Government policies and regulations, tax regimes and economic development within India. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statement, on the basis of any subsequent development, information or events or otherwise.

For and on behalf of Board of directors

JET KNITWEARS LIMITED

Date: 26.08.2017
Place: Kanpur

Balram Kumar Narula
Managing Director
DIN: 00274566

Rakesh Kumar Narula
Whole Time Director
DIN: 00274483

ADDITIONAL DISCLOSURE AS PER SCHEDULE V OF SEBI (LODR) 2015

Part A

RELATED PARTY DISCLOSURE

Sr. no.	In the accounts of	Disclosures of amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year.
1.	Holding Company	Loans and advances in the nature of loans to subsidiaries by name and amount: N.A Loans and advances in the nature of loans to associates by name and amount: NIL Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: NIL
2	Subsidiary	N.A
3	Holding Company	N.A

Part F

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

Sr. no.	Particulars	Details
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	NIL
2	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	NIL



3	Number of shareholders to whom shares were transferred from suspense account during the year;	NIL
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	NIL
5	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	NIL

For and on behalf of Board of directors

JET KNITWEARS LIMITED

Date: 26.08.2017
Place: Kanpur

Balram Kumar Narula
Managing Director
DIN: 00274566

Rakesh Kumar Narula
Whole Time Director
DIN: 00274483

INDEPENDENT AUDITOR'S REPORT

To,

The Members of **JET KNITWEARS LTD**

KANPUR

Report on the Financial Statements

We have audited the accompanying financial statements of **JET KNITWEARS LTD** which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility For the Financial Statement

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014("the Rules"). This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with

ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2017 and its Profit/Loss and Cash Flow for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order") as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure B**" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by The Company so far as appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account

- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director of the company in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Ruls,2014,in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed that there in is no pending litigations which would impact its financial position in its financial statements,
 - ii. In our opinion and as per the information and explanations provides to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
 - iii. There was no amount required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The company has provided requisite disclosure in the financial statements as to holding as well as dealings in specified bank notes during the period from Nov 8 2016 to Dec 30 2016. Based on audit procedures and relying on management representation, we report that the disclosure are in accordance with books of accounts maintained by the company and as produced to us by the management.

FOR PANKAJ KHANNA & ASSOCIATES

(Chartered Accountants)

Place: Kanpur

Dated: 27/05/2017

**Pankaj Khanna
(Partner)
M.No 070213**

“ANNEXURE B” TO THE AUDITOR’S REPORT

Ref : **JET KNITWEARS LTD**

(Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the members of the company on financial Statements of the Company for the year ended March 31, 2017)

Report on the companies (Auditor’s Report) order 2016, issued in terms of section 143(11) of companies act 2013 (“the Act”) of **JET KNITWEARS LTD** (“the Company”)

(1) In respect of its fixed assets

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) Fixed Assets have been physically verified by the management during the year in accordance with its plan of verifying in a phased manner and no material discrepancies were identified on such verification.
- c) According to the information and explanations given by management, the title deed of immovable properties included in fixed assets are held in the name of the company

(2) Inventories have been physically verified by the management during the year, except material lying with third parties and stock in transit in respect of which confirmations and necessary documentary evidences have been obtained. In our opinion the frequency of verification is reasonable. The company is maintaining proper records of inventory. The discrepancies noticed on verification between physical inventories and book records were not material in relation to the size of operations of the company and the same have been properly dealt with in the books of account.

(3) The company has not granted any loans, secured or unsecured to companies, firms Limited Liability Partnerships or other parties covered in the register Maintained under section 189 of the Act, Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

(4) In our opinion and according to the information and explanations given to us, in respect of loans and advances given, investments made and gaurantees and securities given company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.

(5)The Company has not accepted any deposits from the public nor are there any deposits outstanding in the begning of the year.

(6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

7) **(a)** According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute

8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has raised moneys by way of initial public offer during the year.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule v to the companies act 2013.

- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the company.

**FOR PANKAJ KHANNA & ASSOCIATES
CHARTERED ACCOUNTANTS**

Place: Kanpur

Date : 27/05/2017

**Pankaj Khanna
(Partner)
M.No.070213**

**“Annexure A” to the Independent Auditor’s Report of even
Date on the Financial Statements of
JET KNITWEARS LTD**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of
the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **JET KNITWEARS LTD** (“the Company”) as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on {“the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued

by “The Institute of Chartered Accountants of India”} These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion



In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on {"the internal were operating effectively criteria established by the note on audit of internal financial controls over financial reporting issued by the institute of Chartered Accountants of india"}.

**FOR PANKAJ KHANNA & ASSOCIATES
CHARTERED ACCOUNTANTS**

Place : Kanpur

Dated : 27/05/2017

**Pankaj Khanna
(Partner)
M.No.070213**

JET KNITWEARS LIMITED
119/410 B 1, DARSHAN PURWA, KANPUR, UTTAR PRADESH-208012
CIN : L19101UP1996PLC019722
BALANCE SHEET AS AT 31/03/2017

Particulars	Note	31/03/2017	31/03/2016
In `			
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	40832000.00	30002000.00
Reserves and surplus	2.2	78644983.29	39377720.48
Money received against share warrants		-	-
		119476983.29	69379720.48
Share application money pending allotment		-	-
Non-current liabilities			
Long-term borrowings	2.3	-	1396515.00
Deferred tax liabilities (Net)		-	-
Other Long term liabilities		-	-
Long-term provisions		-	-
		0.00	1396515.00
Current liabilities			
Short-term borrowings	2.4	91889014.80	116777682.65
Trade payables	2.5	31407891.34	27621749.23
Other current liabilities	2.6	1888246.00	1947710.00
Short-term provisions	2.7	4294500.00	2649200.00
		129479652.14	148996341.88
TOTAL		248956635.43	219772577.36
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	2.8	22174013.00	21637017.00
Intangible assets		-	-
Capital work-in-progress		-	-
Intangible assets under development		-	-
		22174013.00	21637017.00
Non-current investments	2.9	25000.00	45000.00
Deferred tax assets (net)	3.0	397539.00	245480.00
Long-term loans and advances		-	-
Other non-current assets	3.1	4980635.00	1651320.00
		27577187.00	23578817.00
Current assets			
Current investments		-	-
Inventories	3.2	49101672.00	59151404.80
Trade receivables	3.3	139894952.15	99024798.40
Cash and cash equivalents	3.4	12722332.56	24933457.44

Short-term loans and advances	3.5	19660491.72	13084099.72
Other current assets		-	-
		221379448.43	196193760.36
TOTAL		248956635.43	219772577.36

**In terms of our attached report of even date
For PANKAJ KHANNA AND ASSOCIATES**

**CHARTERED ACCOUNTANTS
FRN : 002144C**

**For and on behalf of the Board of Directors of
JET KNITWEARS LIMITED**

**PANKAJ KHANNA
(PARTNER)**

**Place: Kanpur
Date:27/05/2017**

**Balram Kumar Narula
Managing Director
DIN:00274566**

**Rakesh Kumar Narula
Whole Time Director
DIN:00274462**

**Abhishree Vaijapurkar
Company Secretary
M.No:46580**

**Ankur Narula
Chief Financial Officer**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31/03/2017

Particulars	Note	31/03/2017	31/03/2016
Revenue from operations	3.6	432697500.69	385493931.00
Other income	3.7	454244.54	172173.29
Total Revenue		433151745.23	385666104.29
Expenses			
Cost of materials consumed	3.8	277296816.62	238536025.13
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	3.9	10593236.80	16251826.20
Employee benefits expense	4.0	3212183.00	3109548.00
Finance costs	4.1	11063645.67	12290028.68
Depreciation and amortization expense	4.2	5652875.00	5560400.50
Other expenses	4.3	113329591.33	103040747.97
Total expenses		421148348.42	378788576.48
Profit before exceptional, extraordinary and prior period items and tax		12003396.81	6877527.81
Exceptional items		-	-
Profit before extraordinary and prior period items and tax		12003396.81	6877527.81
Extraordinary Items		-	-
Profit before prior period items and tax		12003396.81	6877527.81
Prior Period Items	4.4	(693.00)	(644912.00)
Profit before tax		12002703.81	6232615.81
Tax expense:	4.5		
Current tax		4294500.00	2649200.00
Deferred tax		(152059.00)	(519979.00)
Profit/(loss) for the period from continuing operations		7860262.81	4103394.81
Profit/(loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit/(loss) from Discontinuing operations (after tax)		-	-
Profit/(loss) for the period		7860262.81	4103394.81
Earnings per equity share:	4.6		
Basic		1.93	1.37
Diluted		1.93	1.37



**In terms of our attached report of even date
For PANKAJ KHANNA AND ASSOCIATES**

**CHARTERED ACCOUNTANTS
FRN : 002144C**

**PANKAJ KHANNA
(PARTNER)**

**Place: Kanpur
Date:27/05/2017**

**For and on behalf of the Board of Directors of
JET KNITWEARS LIMITED**

Balram Kumar Narula
Managing Director
DIN:00274566

Rakesh Kumar Narula
Whole Time Director
DIN:00274462

Abhishree Vaijapurkar
Company Secretary
M.No:46580

Ankur Narula
Chief Financial Officer

CASH FLOW STATEMENT

JET KNITWEARS LTD				
CIN : L19101UP1996PLC019722				
STATEMENT OF CASH FLOWS(INDIRECT METHOD) FOR THE YEAR ENDED ON 31ST MARCH 2017				
INCOME FROM OPERATING ACTIVITIES			2016-2017	2015-2016
PROFIT AFTER TAX			7860262.81	4103394.81
ADD: DEPRECIATION			5652875	5560400.50
NON OPERATING REVENUE			605610	172173.29
INCREASE IN CURRENT ASSETS			37396812.95	1173889.24
DECREASE IN CURRENT LIABILITIES			3726678.11	17828364.95
INCOME TAX			1645300.00	1104200.00
INCOME FROM OPERATING ACTIVITIES		(A)	-19117307.03	27250297.73
INCOME FROM INVESTING ACTIVITIES				
INVESTMENT			0.00	703969.00
SALE OF FIXED ASSETS			154500.00	379692.00
PURCHASE OF FIXED ASSETS			-6189871.00	-2008095.50
INCOME FROM INVESTING ACTIVITIES		(B)	-6035371.00	-924434.50
INCOME FROM FINANCING ACTIVITIES				
STOCK HOLDER EQUITY INJECTION			42237000.00	0.00
NON OPERATING REVENUE			451110	172173.29
NON CURRENT ASSETS			-3461374.00	-1264775.00
NON CURRENT LIABILITIES				-274499.00
BANK LOAN	OF LOAN		-26285182.85	-6154742.00
INCOME FROM FINANCING ACTIVITIES		(C)	12941553.15	-7521842.71
		TOTAL (A+B+C)	-12211124.88	18804020.52
	OPENING CASH BALANCE		24933457.44	6129436.92
	CLOSING CASH BALANCE		12722332.56	24933457.44



**In terms of our attached report of even date
For PANKAJ KHANNA AND ASSOCIATES**

**CHARTERED ACCOUNTANTS
FRN : 002144C**

**For and on behalf of the Board of Directors of
JET KNITWEARS LIMITED**

**PANKAJ KHANNA
(PARTNER)**

**Place: Kanpur
Date:27/05/2017**

Balram Kumar Narula
Managing Director
DIN:00274566

Rakesh Kumar Narula
Whole Time Director
DIN:00274462

Abhishree Vaijapurkar
Company Secretary
M.No:46580

Ankur Narula
Chief Financial Officer

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2017

2.1 Share Capital

Particulars	In `	
	31/03/2017	31/03/2016
Authorised 6550000 (6550000) Equity Shares of ` 10/- Par Value	6550000.00	6550000.00
	6550000.00	6550000.00
Issued 4083200 (3000200) Equity Shares of ` 10/- Par Value	4083200.00	3000200.00
	4083200.00	3000200.00
Subscribed 4083200 (3000200) Equity Shares of ` 10/- Par Value	4083200.00	3000200.00
	4083200.00	3000200.00
Paidup 4083200 (3000200) Equity Shares of ` 10/- Par Value Fully Paidup	4083200.00	3000200.00
	4083200.00	3000200.00

DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5%

PARTICULARS	NO. OF SHARES FOR THE YEAR 2017	% OF HOLDING FOR THE YEAR 2017	NO. OF SHARES FOR THE YEAR 2016	% OF HOLDING FOR THE YEAR 2016
Smt Kanchan Narula	285160	6.98	285160	9.5
Shri Balram Narula	-	-	153820	5.12
Smt Usha Narula	227480	5.57	227480	7.5
Smt Sandhya Narula	253960	6.22	253960	8.46
Shri Anil Kumar Narula	304760	7.46	304760	10.15
Shri Rakesh Kumar Narula	234860	5.75	234860	7.82
Smt Jyoti Narula			182000	6.06

Reconciliation

Particulars	31/03/2017		31/03/2016	
	Number of Share	Amount	Number of Share	Amount
Number of shares at the beginning	3000200	3000200.00	3000200	3000200.00
Add : Issue				
Shares issued	1083000	1083000.00		0.00
	1083000	1083000.00	0	0.00
Less : Bought Back	0	0.00	0	0.00
Others	0	0.00	0	0.00
Number of shares at the end	4083200	4083200.00	3000200	3000200.00

2.2 Reserve and Surplus

Particulars	31/03/2017	31/03/2016
Securities Premium Opening	19968000.00	19968000.00
Additions	31407000.00	0.00
	51375000.00	19968000.00
Profit and Loss Opening	19409720.48	15306325.67
Amount Transferred From Statement of P&L	7860262.81	4103394.81
	27269983.29	19409720.48
	78644983.29	39377720.48

2.3 Long Term Borrowings

Particulars	31/03/2017	31/03/2016
Term Loan		
Banks		
Secured		
Rupee		
TERM LOAN FROM AXIS BANK	0.00	758972.00
VEHICLE LOAN	0.00	637543.00
	0.00	1396515.00

2.4 Short Term Borrowings

Particulars	31/03/2017	31/03/2016
Loans repayable on demand		
Banks		
Secured		
HDFC BANK	80246591.33	0.00
AXIS BANK	0.00	102189519.65
Loans and advances from related parties		
Unsecured		
Other		
FROM SHARE HOLDERS	8596310.00	11928741.00
Deposits		
Secured		
Customer Deposit		
OTHERS	2625778.00	2659422.00
Other Deposit		
TEMPORARY BANK OVER DRAFT	420335.47	0.00
	91889014.80	116777682.65

2.5 Trade Payables

Particulars	31/03/2017	31/03/2016
Creditors Due Small Micro Enterprises		
SUNDRY CREDITOR	14907691.25	13853811.00

Creditors Due others		
OTHER CREDITOR	7154987.09	8998588.73
ADVANCE FROM CUSTOMER	9345213.00	4769349.50
	31407891.34	27621749.23

2.6 Other Current Liabilities

Particulars	31/03/2017	31/03/2016
Other payables		
Other Current Liabilities		
OUTSTANDING LIABILITY	1888246.00	1947710.00
	1888246.00	1947710.00

2.7 Short Term Provisions

Particulars	31/03/2017	31/03/2016
Tax Provision		
Current Tax	4294500.00	2649200.00
	4294500.00	2649200.00



2.8 Tangible assets

In `

Particulars	Gross				Depreciation					Impairment				Net	
	Opening	Addition	Deduction	Closing	Opening	During Period	Deduction	Othe r Adj.	Closing	Ope ning	Duri ng Peri od	Rev ers al	Clo sin g	Closing	Opening
Building															
Building	1391415.24			1391415.24	758995.24	44108.00			803103.24					588312.00	632420.00
Total	1391415.24			1391415.24	758995.24	44108.00			803103.24					588312.00	632420.00
Plant and Machinery															
Plant & Machinery	24081999.44	3026635.00		27108634.44	11853034.44	1629634.00			13482668.44					13625966.00	12228965.00
Total	24081999.44	3026635.00		27108634.44	11853034.44	1629634.00			13482668.44					13625966.00	12228965.00
Equipments															
Electric installation	293795.00	79188.00		372983.00	140488.00	32773.00			173261.00					199722.00	153307.00
Generator	1878100.00	70000.00		1948100.00	1215693.00	121543.00			1337236.00					610864.00	662407.00
Total	2171895.00	149188.00		2321083.00	1356181.00	154316.00			1510497.00					810586.00	815714.00
Equipments															
Office Equipments															
Cyclinder	107525.00			107525.00	95500.00	6806.00			102306.00					5219.00	12025.00
Air conditioner	868938.00	221500.00		1090438.00	590332.00	197055.00			787387.00					303051.00	278606.00
Boiler	2720230.21	8360.00		2728590.21	1141577.21	172211.00			1313788.21					1414802.00	1578653.00
Cease fire	69727.00			69727.00	58439.00	11287.00			69726.00					1.00	11288.00
Move camera	71948.00			71948.00	71947.00				71947.00					1.00	1.00
Ups	99070.00			99070.00	86458.00	12611.00			99069.00					1.00	12612.00
Weighting machine	166833.00			166833.00	143448.00	23383.00			166831.00					2.00	23385.00
Printer	553595.00			553595.00	532886.00	20708.00			553594.00					1.00	20709.00
Essar phone	351466.00	20070.00		371536.00	144738.00	67844.00			212582.00					158954.00	206728.00
Block& desgin	19139.00			19139.00	19138.00				19138.00					1.00	1.00
Fax machine	49870.00			49870.00	49869.00				49869.00					1.00	1.00
Telephone	153163.73	175000.00		328163.73	153162.73	28058.00			181220.73					146943.00	1.00
Water cooler	115700.00			115700.00	64337.00	21983.00			86320.00					29380.00	51363.00
Tube well	9819.20			9819.20	9495.20	311.00			9806.20					13.00	324.00
Computer	4185234.00	252700.00		4437934.00	4185232.00	5261.00			4190493.00					247441.00	2.00
Tv	108715.00	108500.00		217215.00	58286.00	26266.00			84552.00					132663.00	50429.00
Telephone.	45420.00			45420.00	36458.00	8630.00			45088.00					332.00	8962.00
Refrigerator	107375.00	16000.00		123375.00	84924.00	20834.00			105758.00					17617.00	22451.00



Inventor	166082.00	12802.00		178884.00	118939.00	30569.00			149508.00					29376.00	47143.00
Office Equipment	1333009.89	209322.00		1542331.89	1007210.89	271219.00			1278429.89					263902.00	325799.00
Total	11302860.03	1024254.00		12327114.03	8652377.03	925036.00			9577413.03					2749701.00	2650483.00
Furniture and Fixtures															
Fan	78871.50			78871.50	67309.50	7493.00			74802.50					4069.00	11562.00
Furniture & Fixture	1663603.10			1663603.10	1432617.10	158042.00			1590659.10					72944.00	230986.00
Total	1742474.60			1742474.60	1499926.60	165535.00			1665461.60					77013.00	242548.00
Vehicles															
Cycle	19192.00			19192.00	12480.00	1481.00			13961.00					5231.00	6712.00
Scooter	1339838.90	111651.00		1451489.90	777869.90	129548.00			907417.90					544072.00	561969.00
Delivery van	4266502.00			4266502.00	2610742.00	675387.00			3286129.00					980373.00	1655760.00
Jeep	490703.00			490703.00	490702.00				490702.00					1.00	1.00
Car	11038670.86	1878143.00		12916813.86	8196225.86	1927830.00			10124055.86					2792758.00	2842445.00
Total	17154906.76	1989794.00		19144700.76	12088019.76	2734246.00			14822265.76					4322435.00	5066887.00
Grand Total	57845551.07	6189871.00	0.00	64035422.07	36208534.07	5652875.00	0.00	0.00	41861409.07	0.00	0.00	0.00	0.00	22174013.00	21637017.00
Previous	57088693.57	2008095.50	1251238.00	57845551.07	31519679.57	5560400.50	871546.00	0.00	36208534.07	0.00	0.00	0.00	0.00	21637017.00	25569014.00

2.9 Non-current investments

Particulars	31/03/2017	31/03/2016
Other non-current investments	25000.00	45000.00
	25000.00	45000.00

3.0 Deferred Taxes

Particulars	31/03/2017	31/03/2016
Deferred Tax Assets		
Fixed Assets	397539.00	245480.00
	397539.00	245480.00

3.1 Other non-current assets

Particulars	31/03/2017	31/03/2016
Trade Receivable		
Secured, Considered Good		
Others		
PRELIMINARY EXP	4980635.00	1651320.00
	4980635.00	1651320.00

3.2 Inventories

Particulars	31/03/2017	31/03/2016
Raw Material	2713447.00	2169943.00
Work in Progress	12759336.00	19889774.00
Finished Goods	33628889.00	37091687.80
	49101672.00	59151404.80

3.3 Trade receivables

Particulars	31/03/2017	31/03/2016
Trade Receivable		
Secured, considered good		
Within Six Months		
SUNDRY DEBTORS	139285185.15	98114574.90
Exceeding Six Months		
SUNDRY DEBTORS	609767.00	910223.50
	139894952.15	99024798.40

3.4 Cash and cash equivalents

Particulars	31/03/2017	31/03/2016
Cash in Hand	11685591.15	11235447.06
Balances With Banks		
Balance With Scheduled Banks		
Current Account	1036741.41	13698010.38
Others		
	12722332.56	24933457.44

Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

	SBNs	Other Denomination Notes	Total
--	------	--------------------------	-------

Amount deposited in bank from 9 nov 2016 to 30 Dec 2016 23631000 16451465 40082465

Explanation : For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

3.5 Short-term loans and advances

Particulars	In `	
	31/03/2017	31/03/2016
Security Deposits		
Secured, considered good		
SECURITY DEPOSIT	1810643.72	1388273.72
Loans and advances to others		
Unsecured, considered good		
PREPAID EXP	489637.00	467731.00
STAFF ADVANCE	490457.00	1101104.00
SUPPLIERS & OTHERS	12898152.00	7475560.00
TDS ON S,B,I	0.00	3883.00
Secured, considered good		
INCOME TAX	3900000.00	2570000.00
INPUT VAT	71602.00	77548.00
	19660491.72	13084099.72

3.6 Revenue from operations

Particulars	In `	
	31/03/2017	31/03/2016
Sale of Products		
Manufactures Goods		
DELHI DEPOT SALE	420030.00	2008256.00
SALE	427735981.00	378414636.00
TIRUPUR SALE	115689.69	307630.00
DEHRADUN DEPOT SALE	4425800.00	4763409.00
	432697500.69	385493931.00

3.7 Other income

Particulars	In `	
	31/03/2017	31/03/2016
Interest		
BANK INTEREST	0.00	30735.00
INTEREST	0.00	113252.00
Miscellaneous		
ROUND OFF	2630.54	2806.29
OTHER INCOME	72567.00	25000.00
PROFIT ON SALE OF ASSET	379047.00	380.00
	454244.54	172173.29

3.8 Cost of materials consumed

Particulars	31/03/2017	31/03/2016
Raw Material		
Opening	2169943.00	2092854.00
Purchase	277840320.62	238613114.13
Closing	2713447.00	2169943.00
	277296816.62	238536025.13

Details of Raw Material

Particulars	31/03/2017	31/03/2016
RAW MATERIAL	277296816.62	238536025.13
	277296816.62	238536025.13

3.9 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade

Particulars	31/03/2017	31/03/2016
Opening		
Finished Goods	37091687.80	51876436.00
Work in Progress	19889774.00	21356852.00
	56981461.80	73233288.00
Closing		
Finished Goods	33628889.00	37091687.80
Work in Progress	12759336.00	19889774.00
	46388225.00	56981461.80
Increase/Decrease		
Finished Goods	3462798.80	14784748.20
Work in Progress	7130438.00	1467078.00
	10593236.80	16251826.20

Details of Changes in Inventory

Particulars	31/03/2017	31/03/2016
Finished Goods		
FINISHED GOODS	3462798.80	14784748.20
Work in Progress		
WIP	7130438.00	1467078.00
	10593236.80	16251826.20

4.0 Employee benefits expense

Particulars	31/03/2017	31/03/2016
Salary, Wages & Bonus		
Salary	1692868.00	1705508.00
Bonus	249481.00	282262.00
P.f	426445.00	391236.00
ESI	154211.00	141924.00
Staff Welfare Expenses		
STAFF WELFARE	689178.00	588618.00

4.1 Finance costs

In `

Particulars	31/03/2017	31/03/2016
Interest Expenses		
Interest Expenses		
INTERST ON TERM LOAN	13018.00	428005.00
OTHER INTERST	1012961.00	1003612.00
INTEREST ON CASH CREDIT	9562054.00	10182997.00
Bank Charges		
BANK CHARGES	475612.67	675414.68
	11063645.67	12290028.68

4.2 Depreciation and amortisation expense

In `

Particulars	31/03/2017	31/03/2016
Depreciation & Amortisation		
Depreciation Tangible Assets	5652875.00	5560400.50
	5652875.00	5560400.50

4.3 Other expenses

In `

Particulars	31/03/2017	31/03/2016
Manufacturing Service Costs Expenses		
Power and Fuel		
POWER & FUEL	1871756.00	1803102.00
Repairs Maintenance Charges Of Plant and Machinery		
REPAIR	327775.00	252579.00
Frieght And Forwarding Charges		
Freight	4435669.00	3695009.00
Other Manufacturing Costs		
WAGES	1221208.00	1085762.00
MANUFACTURING EXP	56002910.80	51118093.14
Administrative and General Expenses		
Telephone Postage		
POSTAGE AND TELEGRAM	146889.00	145195.20
TELEPHONE	816196.17	941011.72
Printing Stationery		
STATIONERY	547039.00	520410.11
Rent Rates And taxes		
Rent	2012596.00	2329753.00
RATE AND TAXES	124247.00	337998.00
Auditors Remuneration		
Audit Fees	60000.00	25000.00
Secretrial Audit Fee	15000.00	0.00
Internal Audit Fee	20000.00	0.00
Managerial Remuneration		
DIRECTORS REMUNERATION	1620000.00	1620000.00
EXECUTIVE SALARY EXP	3840000.00	3720000.00
Electricity Expenses		
ELECTRIC EXPENSES	1429503.00	1322273.00
Travelling Conveyance		
TRAVELLING & CONVEYANCE	1107612.00	1139017.21
Legal and Professional Charges		



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LEGAL	180364.00	204850.00
Insurance Expenses		
INSURANCE	538747.00	437127.00
Vehicle Running Expenses		
CAR & SCOOTER EXP	2561397.00	2255189.79
Subscriptions, Membership Fees		
MEMBERSHIP FEES	48563.00	85844.00
Other Administrative and General Expenses		
DELIVERY VAN EXPENSES	3065120.00	2944572.00
FACTORY MAINTENANCE	148028.00	129212.00
FREIGHT & CARTAGE OUTWARD	1485652.00	1362486.00
I. S. O. EXPENSES	14920.00	8015.00
R & D EXPENSES	16099.00	32940.00
REPAIR & MAINTAINANCE	683052.00	630502.00
STIPEND	421625.00	401379.00
OUTPUT VAT	10886.00	3404.00
SERVICE TAX	172345.00	136912.00
COMMISSION	2023110.00	2968579.00
COMPUTER EXPENSES	591441.00	316754.00
DISCOUNT & BROKERAGE	6876522.65	6011045.81
FAIR AND EXIBITION EXPENSES	156434.00	89510.00
MISC EXPENCES	7119881.71	5568389.53
FIRE STOCK LOSS	61121.00	683216.00
BAD DEBTS	1654379.00	886523.46
DONATION	121000.00	0.00
WEBSITE EXP	571213.00	0.00
LOSS ON SALE OF MACHINERY	0.00	96072.00
Selling Distribution Expenses		
Advertising Promotional Expenses		
ADVERSIMENT	5194373.00	5177185.00
SALES PROMOTION	3383071.00	2339415.00
BRAND PROMOTION	58055.00	32942.00
Write off Assets and Liabilities		
Sundry Expenses Written Off		
Preliminary Expenses Writtenoff	573791.00	183480.00
	113329591.33	103040747.97

4.4 Prior Period items

Particulars	In `	
	31/03/2017	31/03/2016
Prior Period Expenses	(693.00)	(644912.00)
	(693.00)	(644912.00)

4.5 Tax expense

Particulars	In `	
	31/03/2017	31/03/2016
Current tax	4294500.00	2649200.00
Deferred tax		
DEFFERED TAX WRITTEN OFF	(152059.00)	(519979.00)
	4142441.00	2129221.00

4.6 Earnings per equity share

Particulars	In `	
	31/03/2017	31/03/2016
Earnings Per Equity Share		
Basic	1.93	1.37
Diluted	1.93	1.37

In terms of our attached report of even date
For PANKAJ KHANNA AND ASSOCIATES

CHARTERED ACCOUNTANTS
FRN : 002144C

For and on behalf of the Board of Directors of
JET KNITWEARS LIMITED

PANKAJ KHANNA
(PARTNER)

Place: Kanpur
Date:27/05/2017

Balram Kumar Narula
Managing Director
DIN:00274566

Rakesh Kumar Narula
Whole Time Director
DIN:00274462

Abhishree Vaijapurkar
Company Secretary
M.No:46580

Ankur Narula
Chief Financial Officer

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017**NOTE - 1****SIGNIFICANT ACCOUNTING POLICIES****i. Basis for preparation :**

The Financial Statements are prepared on the basis of going concern, under historical cost convention and on accrual basis of accounting and in compliance with the Accounting standards referred to in section 133 of the Companies Act, 2013 ("the Act"), read with the Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. Claims against the Company are recognized when finally accepted by the Company.

ii. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

iii. Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Items of fixed asset held for disposal are stated at lower of the net book value and net realisable value and are shown under other current assets

iv. Depreciation / Amortization

Based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given below best represent the period over which management expects to use these assets. Hence in certain class of assets, the useful lives is different from the useful lives prescribed under Part C of Schedule II 189 Financial Statements | Standalone of the Companies Act, 2013. Depreciation is provided on straight line method (SLM) over useful life.

Leasehold Improvements are amortized over the lease term or useful life of the asset, whichever is lower, over the period of 1-9 years. Intangible assets are amortised over a period of 1-3 years from the date asset is available for use.

v. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments

vi. Inventories

- a. Raw material, stores and spares and packaging materials are valued at lower of cost and net realizable value on First In First Out basis.
- b. Finished goods(manufactured) and Work-in-progress are valued at lower of cost and net realizable value on First In First Out basis. Cost includes direct materials, direct labour, freight, other relevant overheads, including applicable duties and levies, incurred to bring such goods in their present location and condition.
- c. Finished goods (traded) are valued at lower f cost and net realizable value on FIFO basis. Cost includes landed cost of Goods, freight, octroi, and other costs incurred to bring such goods in their present location and condition.

Vii Revenue Recognition

Sales are recognized on dispatch of goods to the customer and are reflected in accounts at the gross realizable value, excluding of excise duty, and VAT, wherever applicable, less return

Viii Taxation

Current tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred Tax

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

ix Provisions, Contingent Liabilities and Contingent Assets:

1.A provision is recognised when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

2.A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

3.A Contingent Assets are not recognized nor disclosed.

x Leases

Payment under operating lease are recognized in the statement of Profit and Loss as Rent if any.

xi Impairment of Assets

If internal/external indications suggest that an asset of the company may be impaired, the recoverable amount of asset/cash generating units is determined on the balance sheet date and if it is less than its carrying amount, the carrying amount of asset/cash generating unit is reduced to the said recoverable amount. The recoverable amount is measured as the higher of net selling price and value in use of such assets/cash generating unit, which is determined by the present value of the estimated future cash flows.

xii Classification of Assets and Liabilities

Assets and Liabilities are classified as current /non- current considering inter-alia, expected realization/settlement in the company's normal operating cycle of six/seven months or a period of twelve months from the balance sheet date.

xiii Cash and Cash Equivalentents

Cash Flows are reported using indirect method whereby net profit after tax is adjusted for the effects of transactions of non cash nature. The cash flows operating, investing and financing activities of the company are segregated. In cash flow statement, cash and cash equivalents include cash in hand, term deposits with banks and short term highly liquid investments with original maturities of three month or less.

xiv Earnings Per Share

Basic Earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xv Segment Reporting

The company is primarily engaged in trading of all kinds of hosiery goods in India. However, these in context of the Accounting Standard 17 on segment reporting prescribed by the companies (Accounting Standards) Rules, 2006 are considered to constitute single reportable segment and single geographical segment. Accordingly, no separate disclosure for primary or secondary segment is given.

Notes:

- 1) Cash Credit is secured against hypothecation of entire current asset of the company both present and future. Mortgage of factory land and building situated at 57A, dada Nagar Kanpur, equitable mortgage of commercial land & building situated at 119/410B-1 darshanpurwa, Kanpur, is owned by directors and their relatives. Personal Guarantee of directors and family members namely Balram Kumar Narula, Anil Kumar Narula, Rakesh Kumar Narula, Rohit Narula, Smt Kanchan Narula, Gaurav Narula, Vaibhav Narula, Saurabh Narula and Sandhya Narula.

- 2) Related Party Disclosure:

S.NO	NAME OF RELATED PARTY	DESCRIPTION OF RELATIONSHIP
1	ANIL KUMAR NARULA HUF	HUF OF DIRECTOR
2	BALRAM NARULA HUF	HUF OF DIRECTOR
3	BHUSHAN NARULA HUF	HUF OF DIRECTOR'S BROTHER
4	GAURAV NARULA HUF	HUF OF SON OF DIRECTOR'S BROTHER
5	RADHIKA NARULA	DAUGHTER OF DIRECTOR



6	RAKESH KUMAR NARULA HUF	HUF OF DIRECTOR
7	RUCHI NARULA	DAUGHTER OF DIRECTORS BROTHER
8	SATISH NARULA HUF	HUF OF DIRECTOR'S BROTHER
9	SAURABH NARULA	SON OF DIRECTOR'S BROTHER
10	SASHI SABBHARWAL	SON IN LAW OF DIRECTOR
11	SMT. GEETA NARULA	WIFE OF DIRECTOR
12	SMT JYOTI NARULA	WIFE OF DIRECTOR
13	KANCHAN NARULA	WIFE OF DIRECTOR'S BROTHER
14	MADHU SABBHARWAL	DIRECTOR'S SISTER
15	MEENA NARULA	WIFE OF DIRECTOR'S BROTHER
16	SANDHYA NARULA	WIFE OF DIRECTOR'S BROTHER
17	SMT. USHA NARULA	WIFE OF DIRECTOR
18	SHRI GAURAV NARULA	SON OF DIRECTOR'S BROTHER
19	ANKUR KUMAR NARULA HUF	HUF OF FINANCE OFFICER
20	ROHIT NARULA HUF	HUF OF PRESIDENT MARKETTING
21	VAIBHAV NARULA	SON OF DIRECTOR'S BROTHER
22	PRASHANT NARULA	SON OF DIRECTOR
23	BALRAM KUMAR NARULA	MANAGING DIRECTOR
24	RAKESH KUMAR NARULA	WHOLE TIME DIRECTOR
25	ANIL KUMAR NARULA	WHOLE TIME DIRECTOR
26	SHRI ANKUR NARULA	CHIEF FINNACE OFFICER
27	ROHIT NARULA	PRESIDENT MARKETTING

Transcation with Related Party

SN	Name of Related Person	Nature of Transaction	Payment made (Amount):
1	ANIL KUMAR NARULA H.U.F.	INTEREST	14524
2	BALRAM NARULA H.U.F	INTEREST	28880
3	BHUSHAN NARULA H.U.F	INTEREST	7245
4	GAURAV NARULA H.U.F.	INTEREST	32025
5	RADHIKA NARULA	INTEREST	54451
6	RAKESH KUMAR NARULA H.U.F	INTEREST	31585
7	RUCHI NARULA	INTEREST	22461



8	SATISH NARULA H.U.F	INTEREST	33710
9	SAURABH NARULA	INTEREST	33488
10	SASHI SABBHARWAL	INTEREST	11689
11	SMT. JYOTI NARULA	INTEREST	38423
12	KANCHAN NARULA	INTEREST	108730
13	MADHU SABBHARWAL	INTEREST	153120
14	MEENA NARULA	INTEREST	122637
15	SANDHYA NARULA	INTEREST	44167
16	SMT. USHA NARULA	INTEREST	24305
17	SHRI GAURAV NARULA	INTEREST	25636
18	ANKUR KUMAR NARULA H.U.F	INTEREST	32219
19	ROHIT NARULA HUF	INTEREST	30982
20	VAIBHAV NARULA	INTEREST	33206
21	PRASHANT NARULA	INTEREST	10398
22	NAMRATA NARULA	INTEREST	25155
23	ANKUR NARULA	INTEREST	15000
24	ROHIT NARULA	INTEREST	13200
25	BALRAM KUMAR NARULA	SALARY	540000
26	SANDHYA NARULA	SALARY	360000
27	RAKESH KUMAR NARULA	SALARY	540000
28	ANIL KUMAR NARULA	SALARY	540000
29	SHRI ANKUR NARULA	SALARY	480000
30	ROHIT NARULA	SALARY	480000
31	USHA NARULA	SALARY	360000
32	SMT. KANCHAN NARULA	SALARY	360000

33	JYOTI NARULA	SALARY	360000
34	GAURAV NARULA	SALARY	360000
35	SAURABH NARULA	SALARY	360000
36	VAIBHAV NARULA	SALARY	360000
37	PRASHANT NARULA	SALARY	360000
38	ROHIT NARULA	RENT	4800
39	SHRI BALRMA KUMAR NARULA	RENT	4800
40	SHRI SANDHYA NARULA	RENT	10800
41	SHRI ANIL KUMAR NARULA	RENT	4800
42	SHRI RAKESH KUMAR NARULA	RENT	10800
43	FRONTLINE EXPORTS PVT LTD	JOB CHARGES	8102889

4. Balances of Sundry Debtors/Creditors are subject to confirmation.

5. Details of Pending Litigations

PARTICULAR	YEAR
INCOME TAX APPEAL	A.Y 2004-2005
INCOME TAX APPEAL	A.Y 2013-2014
SERVICE TAX APPEAL	F.Y 2007-08 TO 2011-12(1.4.22007 TO 31.03.2011 FOR AUDIT OBJECTION)

6. Micro, Small & Medium Enterprises

Based on the information in possession with the company no supplier has been identified as being covered under the micro, small and medium enterprises development act 2006. Accordingly no

amount of dues outstanding as at 31/03/2017 have been identified as relating to the micro, small and medium enterprise referred to in the said act.

7. Previous Year Figures have been regrouped or reclassified wherever necessary.

**In terms of our attached report of even date
For PANKAJ KHANNA AND ASSOCIATES**

**CHARTERED ACCOUNTANTS
FRN : 002144C**

**For and on behalf of the Board of Directors of
JET KNITWEARS LIMITED**

**PANKAJ KHANNA
(PARTNER)**

**Place: Kanpur
Date: 27/05/2017**

**Balram Kumar Narula
Managing Director
DIN:00274566**

**Rakesh Kumar Narula
Whole Time Director
DIN:00274462**

**Abhishree Vaijapurkar
Company Secretary
M.No:46580**

**Ankur Narula
Chief Financial Officer**



JET KNITWEARS LIMITED

Reg Office: 119/410-B-1DARSHAN PURWA KANPUR UP 208012

CIN: L19101UP1996PLC01972

Email Id: info@jetknit.com, Website: www.jetlycot.com Contact No: 0512-2217553, 0512-2296128

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

(Joint shareholders may obtain additional Slip at the venue of the meeting)

DP. Id		Name & Address of The Registered Shareholder /Proxy in full
Regd. Folio No		
No. of Shares		

I certify that I am a registered Shareholder/proxy for the registered Shareholder of the Company.

I hereby record my/our presence at the 21st Annual General Meeting of the Company held on the 29th day of September, 2017 at Cawnpore Club, Canttonment, Kanpur-208004 at 1:00 PM.

Name of Shareholder/Proxy :.....

Signature of Shareholder/Proxy:

-----cut here-----



BALLOT FORM

(To be returned to Scrutinizer appointed by the Company)

Name	
Address	
DP Id*	
Client Id*	
Folio No.	
No. of Shares held	

*Applicable for investors holding Shares in an Electronic form.

I/ We hereby exercise my/our vote in respect of the following resolution(s) to be passed at the 21st Annual General Meeting of the Company, to be held on Friday, the 29th September, 2017 at at Cawnpore Club, Canttonment, Kanpur-208004 at 1:00 PM. in respect of businesses as stated in the Notice dated 26.08.2017 by conveying my/our assent/dissent to the said resolutions(s) by placing the tick (✓) mark at the box against the respective matters:

Item No.	Description of Resolutions	Type of Resolution (Ordinary/Special)	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
	Ordinary Business			
1	Adoption of Audited Financial Statements and Reports of the Directors and the Auditors.	Ordinary		
2	Re-appoint Mr. Anil Kumar Narula (DIN: 00274462) who retires by rotation.	Ordinary		
3	Appointment of M/s Rajiv Mehrotra & Associates Chartered Accountants as the Statutory Auditor of the company.	Ordinary		

Place:
Date:
Beneficial Owner

Signature of the Member/



FORM NO. MGT-11

PROXY FORM

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

Name of Member(s) :	
Registered Address :	
E-Mail Id :	
Folio No/ Client Id :	
DP ID :	

I/We, being the member (s) of shares of Jet Knitwears Limited, hereby appoint.

1. Name			
Address			
E-mail Id		Signature	
	or failing him/her		
2. Name			
Address			
E-mail Id		Signature	
	or failing him/her		
3. Name			
Address			
E-mail Id		Signature	

as my/our proxy to attend and vote (on poll)for me/us and on my/our behalf at the 21st Annual General Meeting of the Company to be held on the 29th September, 2017 at 1:00



p.m. at Cawnpore Club, Canttonment, Kanpur-208004 and at any adjournment thereof in respect of such Resolutions as are indicated below.

Resolution No.	Resolutions	Optional*	
		For	Against
ORDINARY BUSINESS			
1	Adoption of Audited Financial Statements and Reports of the Directors and the Auditors.		
2	Re-appoint Mr. Anil Kumar Narula (DIN: 00274462) who retires by rotation.		
3	Appointment of M/s Rajiv Mehrotra & Associates Chartered Accountants as the Statutory Auditor of the company.		

As witness my / our hand(s) this _____ day of _____ 2017.

Signature of Shareholder: _____ Signature of Proxy: _____

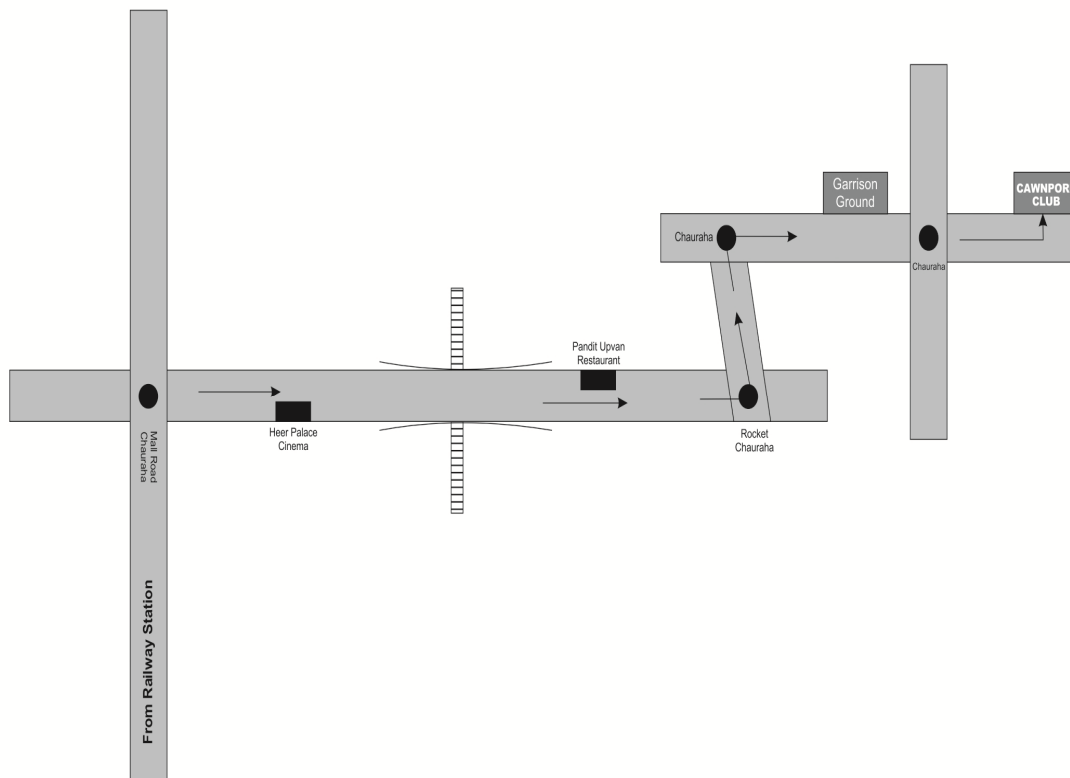
Affix a
Rs. 1/-
Revenue
Stamp

NOTES:

- 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, i.e 119/410, B-1 Darshanpurwa, Kanpur-208012- UP not less than 48 hours before the commencement of the meeting.**
- 2. A Proxy need not be a member of the Company.**
- 3. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
- 4. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.**
- 5. In the case of joint holders, the signatures of any one holder will be sufficient, but names of all the joint holders should be stated.**

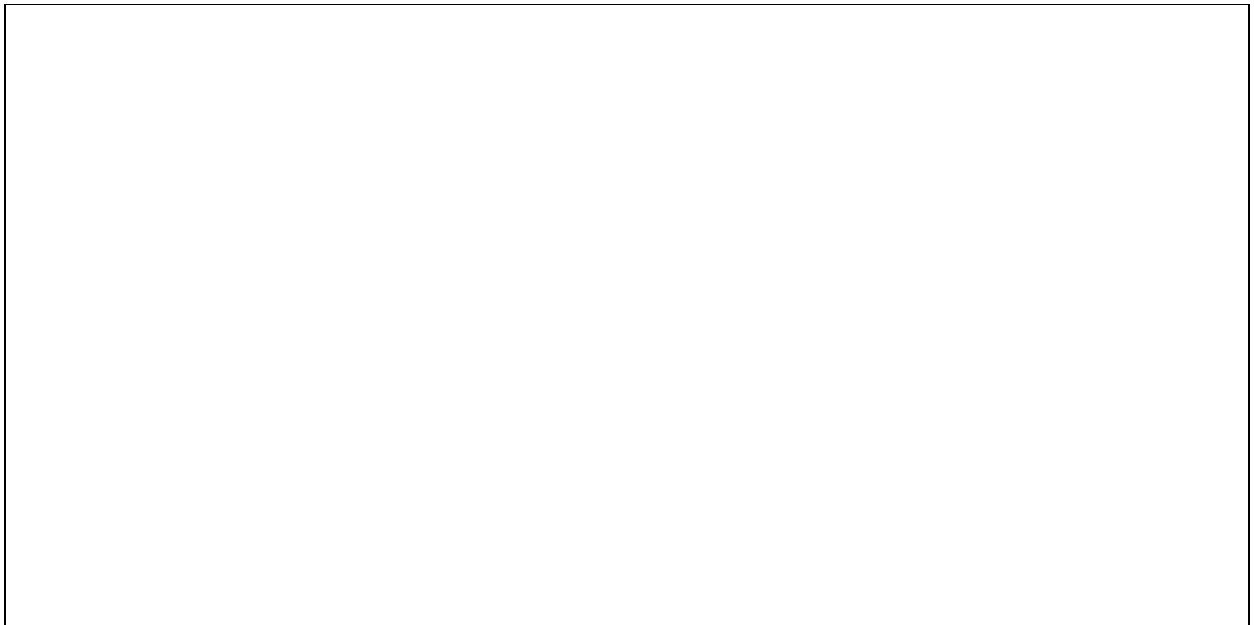
ROUTE MAP OF THE VENUE OF THE AGM

Cawnpore Club, Cantonment, Kanpur-208004





BOOK POST



If Undelivered, Please Return to:

JET KNITWEARS LIMITED

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

Contact No: 0512-2217553, 0512-2296128

Email Id: info@jetknit.com

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