

From the house of.,



GARMENT MANTRA LIFESTYLE LIMITED
(Formerly JUNCTION FABRICS AND APPARELS LIMITED)

9TH ANNUAL REPORT

2019-20

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

CONTENTS	PAGE NO.
CORPORATE INFORMATION	1
NOTICE OF ANNUAL GENERAL MEETING	2
DIRECTORS REPORT	15
INDEPENDENT AUDITORS REPORT	50
BALANCE SHEET	61
STATEMENT OF PROFIT AND LOSS	74
CASH FLOW STATEMENT	78
NOTES ON FINANCIAL STATEMENT	80

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

CORPORATE INFORMATION

BOARD OF DIRECTORS	Prem Aggarwal, Managing Director Shikha Aggarwal Prem, Whole time Director Ashmita Aggarwal, Director R Senthil Rajagopal, Independent Director S Thirumurugan, Independent Director S Muthuramakrishnan, Independent Director
COMPANY SECRETARY	Mrs. Lakshmi Priya. K
CHIEF FINANCIAL OFFICER	Mr. Adithya Aggarwal
REGISTERED OFFICE	No.15, Murthy's Plaza, Karia Gounder Street, Khaderpet, Tirupur – 641601, Tamil Nadu, India
FACTORY LOCATION	Shed No.40, Nethaji Apparel Park, Eettiveerampalayam, New Tirupur – 641 666 Tamil Nadu, India
PRINCIPAL BANKERS	Axis Bank, Tirupur
STATUTORY AUDITORS	M/s. A Biyani & Co, Chartered Accountants, Unit No.411, Gundecha Industrial Complex, Akurli Road, Next to Big Bazar, Kandivali East, Mumbai – 400101
INTERNAL AUDITOR	Ms. Nisha, Tirupur
SECRETARIAL AUDITOR	M/s. GV and Associates Company Secretary in Practice Coimbatore

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

Notice is hereby given that the 9th Annual General Meeting of the Members of M/s. GARMENT MANTRA LIFESTYLE LIMITED (CIN: L18101TZ2011PLC017586) will be held on Monday, the 28th September, 2020 at 11.00 am at Registered office of the company at No.15, Murthy's Plaza Kariagounder Street, Khaderpet, Tirupur-641601 through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements as at 31st March 2020 together with the Directors' Report and Auditors' Report thereon.
2. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under, (including any statutory modifications or amendments or re-enactments thereof for the time being in force) M/s. A Biyani & Co, Chartered accountants, (Firm Registration No: 140489W), Mumbai be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 14th Annual General Meeting of the Company at a remuneration of Rs. 1,25,000/- (excluding Goods and Service Tax and reimbursement of out of pocket expenses).

3. To appoint a Director in the place of Mrs. Ashmita Agarwal, (DIN: 07332067), who retires by rotation and, being eligible, offers herself for reappointment.

SPECIAL BUSINESS

4. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to provisions of Articles of Association and pursuant to the provisions of Section 2(54), 188, 196, 197, 198 and 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and rules made thereunder (including any statutory modifications or re-enactment thereof and, the consent and approval of the shareholders be and is hereby accorded to re-appoint Mr. Prem Aggarwal, (DIN: 02050297) as Managing Director of the Company for a period of 5 years commencing from 23.03.2020 to 22.03.2025.

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

RESOLVED FURTHER THAT a remuneration upto Rs. 3,75,000 (Rupees Three Lakh Seventy Five thousand Only) per month excluding all the perquisites and benefits, if any, except the perquisites falling outside the purview of the ceiling of remuneration as per applicable provisions of Schedule V of the Act to be allowed to Mr. Prem Aggarwal, (DIN: 02050297), and in the event of inadequacy of profits, the Board shall be authorised to adjust the above remuneration in accordance with the provisions of Schedule V of the Act, subject however that in the event of inadequacy of profits the remuneration so paid shall be subject to review after the expiry of such period of 3 years.

RESOLVED FURTHER THAT Mrs. Shikha Aggarwal (DIN: 03373965) Whole time Director or Mrs. K. Lakshmi Priya, Company Secretary or any other directors of the Company be and are hereby authorized to extract the copy of this resolution for submission to statutory authorities, if necessary.

5. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to provisions of Articles of Association and pursuant to the provisions of Sections 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 (the Act), the consent and approval of the shareholders be and is hereby accorded for extending the term of Mrs. Shikha Aggarwal for another term of 5 years from 23.03.2020 to 22.03.2025, subject that her term shall be liable to be determined by her liability to retire by rotation in accordance with provisions of Section 152 of the Act.

RESOLVED FURTHER THAT on being re-appointed, Mrs. Shikha Aggarwal (DIN: 03373965) shall continue to hold her office of Whole time director and the re-appointment as such director shall not be deemed to constitute a break in her appointment.

RESOLVED FURTHER THAT a remuneration upto Rs. 3,75,000 (Rupees Three lakh seventy five thousand only) per month excluding all the perquisites and benefits if any, except the perquisites falling outside the purview of the ceiling limit of remuneration as per applicable provisions of Schedule V of the Act, be allowed to Mrs. Shikha Aggarwal (DIN: 03373965), and in the event of inadequacy of profits, the Board shall be authorised to adjust the above remuneration in the event of inadequacy of profits the remuneration so paid shall be subject to review after the expiry of such period of three years.

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

RESOLVED FURTHER THAT Mr. Prem Aggarwal, Managing Director (DIN: 02050297) or Mrs. Lakshmi Priya, Company Secretary or any other directors of the Company be and are hereby authorized to extract the copy of this resolution for submission to statutory authorities, if necessary.

6. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Anil Kumar Goyal (DIN: 00022844) who was appointed as an Additional Director (Non-Executive & Independent) of the Company at the Board Meeting held on 03.04.2020 and who hold office upto this Annual General Meeting be and is hereby appointed as an Independent Director of the Company for the period of 5 consecutive years.

RESOLVED FURTHER THAT any one of the Director of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds and things as may be expedient, necessary and desirable for the purpose of giving effect to this resolution.

7. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Senthil Rajagopal (DIN: 06520260) who was appointed as an Additional Director (Non- Executive & Independent) of the Company at the Board Meeting held on 03.04.2020 and who hold office upto this Annual General Meeting be and is hereby appointed as an Independent Director of the Company for the period of 5 consecutive years.

RESOLVED FURTHER THAT any one of the Director of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds and things as may be expedient, necessary and desirable for the purpose of giving effect to this resolution.

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

8. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Thirumugan (DIN: 03107366) who was appointed as an Additional Director (Non-Executive & Independent) of the Company at the Board Meeting held on 03.04.2020 and who hold office upto this Annual General Meeting be and is hereby appointed as an Independent Director of the Company for the period of 5 consecutive years.

RESOLVED FURTHER THAT any one of the Director of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds and things as may be expedient, necessary and desirable for the purpose of giving effect to this resolution.

Place: Tirupur
Date: 28.07.2020

By order of the Board

-Sd-
PREM AGGARWAL
MANAGING DIRECTOR
(DIN: 02050297)

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 4

Mr. Prem Aggarwal, (DIN: 02050297), was appointed as a Managing Director of the Company for a period of 5 years commencing from 23.03.2020 to 22.03.2025 in the Board Meeting held on 23.03.2020. As per the Companies Act, the approval of the shareholders is necessary. Hence, the Board recommends the appointment of Mr. Prem Aggarwal, (DIN: 02050297) as a Managing Director of the Company at a remuneration Rs. 3,75,000 (Rupees Three Lakh Seventy Five thousand Only) per month excluding all the perquisites and benefits, if any, except the perquisites falling outside the purview of the ceiling of remuneration as per applicable provisions of Schedule V of the Act.

Accordingly, the Board of Directors of the company requires the member's approval by way of passing the ordinary Resolution as set out in this Notice.

Except Mrs. Shikha Aggarwal and Mrs. Ashmita Agarwal, no other director is concerned or interested in the resolution.

Item No. 5

Mrs. Shikha Aggarwal (DIN:03373965), was appointed as a Whole time director of the Company for a period of 5 years commencing from 23.03.2020 to 22.03.2025 in the Board Meeting held on 23.03.2020. As per the Companies Act, the approval of the shareholders is necessary. Hence, the Board recommends the appointment of Mrs. Shikha Aggarwal (DIN: 03373965) as a Whole time director of the Company at a remuneration Rs. 3,75,000 (Rupees Three Lakh Seventy Five thousand Only) per month excluding all the perquisites and benefits, if any, except the perquisites falling outside the purview of the ceiling of remuneration as per applicable provisions of Schedule V of the Act.

Accordingly, the Board of Directors of the company requires the member's approval by way of passing the ordinary Resolution as set out in this Notice.

Except Mr. Prem Aggarwal and Mrs. Ashmita Agarwal, no other director is concerned or interested in the resolution.

Item No. 6

Mr. Anil Kumar Goyal (DIN: 00022844) who was appointed as an Additional Director (Non- Executive & Independent) of the Company w.e.f. 03.04.2020 in the Board Meeting held on 03.04.2020 and in terms of the provisions of Section 149, 150, 152 of the Companies Act, 2013, Mr. Anil Kumar Goyal (DIN: 00022844) holds office upto the ensuing Annual General Meeting of the Company. The Board recommends the appointment of the Mr. Anil Kumar Goyal (DIN: 00022844) as an Independent Director of the Company for the period of 5 consecutive years.

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

The Board considers it desirable that the Company should continue to avail the services rendered by Mr. Anil Kumar Goyal as an Independent Director and accordingly, recommends the resolution at Item No.4 for approval by the members.

None of the Directors are concerned or interested in this resolution.

Item No. 7

Mr. Senthil Rajagopal (DIN: 06520260) who was appointed as an Additional Director (Non-Executive & Independent) of the Company w.e.f. 03.04.2020 in the Board Meeting held on 03.04.2020 and in terms of the provisions of Section 149, 150, 152 of the Companies Act, 2013, Mr. Senthil Rajagopal (DIN: 06520260) holds office upto the ensuing Annual General Meeting of the Company. The Board recommends the appointment of the Mr. Senthil Rajagopal (DIN: 06520260) as an Independent Director of the Company for the period of 5 consecutive years.

The Board considers it desirable that the Company should continue to avail the services rendered by Mr. Senthil Rajagopal (DIN: 06520260) as an Independent Director and accordingly, recommends the resolution at Item No.5 for approval by the members.

None of the Directors are concerned or interested in this resolution.

Item No. 8

Mr. Thirumurugan (DIN: 03107366) who was appointed as an Additional Director (Non-Executive & Independent) of the Company w.e.f. 03.04.2020 in the Board Meeting held on 03.04.2020 and in terms of the provisions of Section 149, 150, 152 of the Companies Act, 2013, Mr. Thirumurugan (DIN: 03107366) holds office upto the ensuing Annual General Meeting of the Company. The Board recommends the appointment of the Mr. Thirumurugan (DIN: 03107366) as an Independent Director of the Company for the period of 5 consecutive years.

The Board considers it desirable that the Company should continue to avail the services rendered by Mr. Thirumurugan (DIN: 03107366) as an Independent Director and accordingly, recommends the resolution at Item No.6 for approval by the members.

None of the Directors are concerned or interested in this resolution.

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM without the physical presence of the Members at common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. Since the ensuing AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Since the AGM will be held through VC/ OAVM Facility, the Route Map is not annexed in this Notice.
4. Central Depositories Securities Limited (“CDSL”) will be providing facility for voting through remote e-Voting, for participation in the 9th AGM through VC/OAVM Facility and e-Voting during the 9th AGM.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08th 2020, April 13th, 2020 and May 05th, 2020 the Company is providing facility of remote e-voting to its members holding shares in physical or dematerialized form, as on the cut-off date, being 21st September, 2020, to exercise their right to vote through electronic means from a place other than the venue of the Meeting on any or all of the businesses specified in the accompanying Notice (the “Remote e-voting”).

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

7. The remote e-voting period begins on 25th September, 2020 at 9.00 am and ends on 27th September, 2020 at 5.00 pm.
8. The remote e-Voting process is explained herein below:

Step 1: Log-in to CDSL e-Voting system at <https://www.evoting.cdsl.com/>

Step 2: Cast your vote electronically on CDSL e-Voting system.

A. Details on Step 1 is mentioned below:

How to Log-in to CDSL e-Voting website?

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

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

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

5. Your password details are given below:

If you are already registered for e-Voting	Use your existing password to login and cast your vote.
If you are using CDSL e-Voting system for the first time,	Retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

9. How to retrieve your 'initial password'?

1. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from CDSL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

2. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

10. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

1. Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.cdsl.com.

2. Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.cdsl.com.

3. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@cdsl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

4. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of CDSL.

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

B. Details on Step 2 is given below:

How to cast your vote electronically on CDSL -Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
 2. After click on Active Voting Cycles, you will be able to see all the companies “EVSN” in which you are holding shares and whose voting cycle is in active status.
 3. Select “EVSN” of the Company for which you wish to cast your vote.
 4. Now you are ready for e-Voting as the Voting page opens.
 5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
 6. Upon confirmation, the message “Vote cast successfully” will be displayed.
 7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
11. General Guidelines for shareholders:
- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to vasudevanacs@gmail.com with a copy marked to evoting@cdsl.co.in and companysecretary@junctionfabrics.in.

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.cdsl.com to reset the password.

12. Instructions for members for attending the AGM through VC/ OAVM are as under:

Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evoting.cdsl.com> under shareholders/members login by using the remote e-voting credentials.

The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of CDSL.

13. The instructions for members for e-voting on the day of the AGM are as under:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e- Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have casted their vote through Remote e-Voting will be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again.

4. The Members who have exercised their right to vote through Remote e-voting may attend the AGM but shall not vote at the AGM. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date being 21st September, 2020.

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

14. The Board of Directors has appointed Mr. G Vasudevan, Partner of M/s. GV and Associates, Company Secretaries, as a Scrutinizer to scrutinize the voting process in a fair and transparent manner.
15. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
16. The Results on above resolutions shall be declared not later than 48 hours from the conclusion of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
17. The Results of voting declared along with Scrutinizer's Report(s) will be displayed on the website of the Company (<https://junctionfabrics.in/>) and on Service Provider's website (<https://evoting.cdsl.com>) and the same shall also be simultaneously communicated to the BSE Limited. The result of the e-voting will also be displayed at the Registered Office of the Company.
18. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 setting out the details relating to Special business at the meeting, is provided thereto.
19. The Company has not closed the Register of Members and share transfer books.
20. Members who seek clarification on accounts or operations of the Company are requested to write to the Company Secretary so as to reach atleast one week before the date of meeting so that the queries will be answered accordingly
21. The Ministry of Corporate Affairs has taken "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail address in respect of electronics holdings with the Depository through their concerned Depository Participants.

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

22. The Notice of the AGM along with the Annual Report 2019-20 is being sent by electronic mode only to those Members whose e-mail addresses are registered with the Company/Depositories.
23. Members may also note that the Notice and Annual Report 2019-20 will also be available on the website of the company www.junctionfabrics.in and website of BSE limited www.bseindia.com
24. The shareholders are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts.
25. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts.
26. Non-Resident Indian Members are requested to inform Big Share Services Private Limited, immediately of:
- Change in their residential status on return to India for permanent settlement.
 - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
27. The Notice is sent to all the members, whose name appeared in the Register of Members as on 04.09.2020

Place: Tirupur
Date: 28.07.2020

By order of the Board

-Sd-
PREM AGGARWAL
MANAGING DIRECTOR
(DIN: 02050297)

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

DIRECTORS REPORT

To

The Members,

Your Directors have pleasure in presenting the 9th Annual Report of your Company together with the Audited Financial Statement for the Financial Year ended 31st March, 2020.

1. FINANCIAL RESULTS:

(Amount in Rupees)

Particulars	Current Year 2019-20	Previous Year 2018-19
Income from Operations	93,55,51,254	84,09,24,611
Gross Receipts (including other Income)	93,61,51,254	84,11,92,690
Total Expenditure before Interest and Depreciation	88,33,94,046	80,98,47,081
Less: Interest and Financial Charges	1,72,77,179	1,42,49,349
Less: Depreciation and Amortization	24,64,906	20,56,677
Profit/(Loss) before taxation for the year	3,30,15,122	1,50,39,583
Less: Current tax Expenses	98,26,716	44,78,011
Less: Deferred Tax Liability/Asset	(2,69,361)	(99,685)
Excess/(Shortfall) Prov. For Tax in P.Y.	2,08,279	2,62,311
Profit/(Loss) after taxation for the year	2,32,49,488	1,03,98,946

2. IMPACT OF THE COVID-19 PANDEMIC ON THE BUSINESS

Since the first quarter of Current Year 2020, the COVID-19 pandemic has impacted most of the countries, including India. Owing to the outbreak of COVID-19 and the related directives received from the Central & State governments, lockdown was announced with adoption of quarantine measures. This has largely affected the economic activity. The Indian economy has been impacted by this pandemic with contraction in industrial and services industries. Your company immediately took measures for the safety and well being of the employees and adopted “work from home” policy for all employee providing them proper infrastructure and other requirements, so that there would be very little or minimal disruption of services to the clients.

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

For the financial year ended 31.03.2020, there was minimal / no impact on the profitability of the company as the lock down commenced from the last week of March and we ended up making profit for the last financial year. For a month there was no clarity for production. Labour issue was the main issue to handle. We had commenced our operations since 10th May, 2020.

New business opportunity of mask and PPE Kits emerged. The Company has started production of Face Masks along with Cotton PPE Kit to cover full body to help the country fight against this pandemic and restrict the damage from the deadly virus. The company is expecting to ramp up the production of masks upto 1,00,000 pcs per day in the near term.

As on today the business is comfortable and since the company deals with affordable item the company is able to sustain. Since the uncertainty has no timeline this is become part of business.

3. CHANGE IN NAME OF COMPANY

We would like to inform our shareholders that the name of the company was changed from Junction Fabrics and Apparels Limited to Garment Mantra Lifestyle Limited, with the approval of the Ministry of Corporate Affairs and BSE India Limited. The revised Certificate of Incorporation was granted by Ministry of Corporate affairs on 16.03.2020.

4. PERFORMANCE OF THE COMPANY:

During the year under review, the Company has earned sales income of Rs. 93,55,51,254/- (Previous year Rs. 84,09,24,611/-) and other income Rs.6,00,000/-(Previous year Rs. 2,68,079/-). After providing depreciation, finance charges and tax the Company has earned Net profit Rs. 2,32,49,488/- (Previous year company earned Net profit Rs. 1,03,98,946/-).

5. DIVIDEND:

In order to conserve the reserves for further expansion of business the directors do not recommend any dividend.

6. TRANSFER TO RESERVES:

The Company has not transferred any amount to reserves during the year under review.

7. BUSINESS REVIEW:

The company is making efforts to improve the business and your Directors are optimistic of better performance during the year.

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

8. SHARE CAPITAL:

During the current year, the Authorized share capital of the company was increased from Rs. 4,00,00,000 to Rs. 11,00,00,000 with the approval of Board and Registrar of Companies, Coimbatore. The paid up share capital of the company stood at Rs. 2,69,22,700. The company has issued 40,00,000 share warrant at Rs.40 each during the year under review.

Pursuant to the special resolution passed at the Extra - Ordinary General Meeting of the shareholders held on Saturday the 4th day of January, 2020, your company allotted 40,00,000 number of warrants on 30th day of January, 2020 to both Promoter group and Non-Promoter group on preferential basis at a price of Rs.40.00 per Warrant including a premium of Rs.30 each. The warrants so issued are convertible into one equity share each within a period of 18 months from the date of allotment (the subscription period of 3 months was altered to 18 months with the approval of the Board dated 25th April, 2020).

The company has received 25% of the issue price of the Warrants at the time of subscription. The Warrants can be exercised at anytime within a period of 18 months of allotment of the Warrants. The subscription price paid for the Warrants will be adjusted against the exercise price payable. In the event that any Warrant is not exercised within 18 months of allotment, the subscription price paid shall be forfeited.

In addition the company had also issued bonus shares to the existing shareholders and has reserved portion of bonus shares to subscribers of Preferential share warrants pursuant to SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 in the ration 1:2 (i.e., One equity share for every two equity shares held). The bonus shares will be allotted post conversion of warrants in to shares. The current paid up capital of the company stands at Rs.2,69,22,700.00

9. DIRECTORS:

As per the provision of the Companies Act, 2013, Mrs. Ashmita Agarwal, (DIN: 07332067), Director retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re- appointment. The Board recommends the appointment of Mrs. Ashmita Agarwal as Director of the Company.

Mr. Prem Aggarwal, (DIN: 02050297) was re-appointed as a Managing Director of the Company for a period of 5 years with effect from 23.03.2020 to 22.03.2025 in the Board Meeting held on 23.03.2020 during the year.

Mrs. Shikha Aggarwal (DIN:03373965) was re-appointed as a Whole time Director of the Company for a period of 5 years with effect from 23.03.2020 to 22.03.2025 in the Board Meeting held on 23.03.2020 during the year.

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

Mr. Anil Kumar Goyal (DIN: 00022844), Mr. Senthil Rajagopal (DIN: 06520260) and Mr. Thirumugan (DIN: 03107366) were appointed as an additional Director (Non-Executive & Independent) of the Company with effect from 03.04.2020 in the Board Meeting held on 03.04.2020 during the year and the said appointments are to be regularized in the ensuing Annual General Meeting.

10. STATUTORY AUDITORS:

M/s. A Biyani & Co, Chartered accountants, (Firm Registration No: 140489W), Mumbai the Statutory Auditors of the Company hold office up to the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

11. DEPOSIT:

Your directors have provided loan/advance to the company to the tune of Rs. 65,80,000/- within the meaning of the Rule 2(1)(viii) of the Companies Act, 2013 as on date. Your directors have provided declaration that the amount being funded is not out of funds borrowed or by accepting loans or deposits from others.

Your company has not accepted any deposits as defined under Companies (Acceptance of Deposits) Rules, 2014

12. EXTRACT OF THE ANNUAL RETURN:

An extract of the Annual Return as of 31st March, 2020 pursuant to the sub-section (3) of Section 92 of the Companies Act, 2013 in Form MGT 9 is furnished as **Annexure A** to this report.

13. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the year, 11 (Eleven) Board Meetings, 4 (Four) Audit Committee and 3 (Three) Nomination and Remuneration Committee meetings were held as per the details provided below:

S. No	Date of Board Meetings	Date of Audit Committee Meetings	Date of Nomination and Remuneration Committee Meetings
1	14.05.2019	14.05.2019	27.05.2019
2	27.05.2019	27.05.2019	27.08.2019
3.	20.06.2019	27.08.2019	20.03.2020
4.	05.07.2019	14.11.2019	
5.	27.08.2019		
6.	14.11.2019		

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

7.	12.12.2019		
8.	08.01.2020		
9.	30.01.2020		
10.	17.02.2020		
11.	20.03.2020		

14. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTOR:

All independent Directors have given declarations that they meet the criteria of Independence as laid down under the provisions of the Companies Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

15. STATEMENT ON DECLARATION BY MANAGING DIRECTOR:

The Managing Director of the company has given declaration that members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management as laid down under the provisions of the Companies Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The declaration is placed as **Annexure B** to director's report.

16. MANAGEMENT DISCUSSION AND ANALYSIS

In terms of provisions of Regulation 34 of the SEBI (Listing obligations and Disclosures Requirements) Regulation, 2015, the Management's discussion and analysis is set out below:

I. TEXTILES INDUSTRY STRUCTURE AND DEVELOPMENT

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 15 per cent of total exports. The textile industry is also labor intensive and is one of the largest employers. 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 organized sector consisting of spinning, apparel and garments. The textile industry employs about 105 million people directly and indirectly. The enormous potential of the sector has attracted investments from traditional textile giants despite substantial gains, India's contribution to global technical textile production in value terms is less than 5 percent. Furthermore, India has been unable to move up in the value chain – its exports largely comprise of commoditized products in conventional segments. The potential of the sector is being harnessed through measures such as tax breaks, special financial packages and allowing 100 percent foreign direct investment (FDI). Other initiatives include the establishment of dedicated centers of excellence for research in technical textiles, reduction in custom duty rates from 5 percent to 2.5 percent on select high-performance specialty fibres, and a 15 percent subsidy on capital investment subject to a ceiling of `300 million for entrepreneurs over a period of five years.

II. OPPORTUNITIES AND THREATS

India's technical textile industry continues to benefit from the growth impetus created by a proactive policy framework, the sector was identified as a sunrise sector in the 'Make in India' policy – with an estimated value of USD 17 billion. The government set up 12 incubation centres to harness the potential of the sector by generating employment and fostering growth opportunities. At Alps we aim to optimize the opportunities offered by the increasing focus on the technical textile segment by following a three-pronged approach:

- Innovation: Changing the focus from manufacturing to development of science-led high-quality and high-margin products.
- Investments: Strategic outlays in technology that enhance our R&D edge.
- Integration: Integration of innovation and investments to resolve real-world problems across high-priority industries.

III. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company's primary business comprises of manufacturing of knitted garments and trading of fabrics which contributes to 100% revenue.

IV. OUTLOOK

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market. The domestic market for apparel and lifestyle products, currently estimated at US\$ 85 billion, is expected to reach US\$ 160 billion by 2025. The Indian cotton textile industry is expected to showcase a stable growth in F.Y 2020-21, supported by stable input prices, healthy capacity utilization and steady domestic. Over the last three years, we have successfully plugged in the gaps in our business strategy. Our efforts have laid the foundation for our future as an innovation driven, quality-focused organization. In the future, we will focus on translating these efforts into high margins for the Company. Our efforts will also be aided by the momentum created by government-led awareness and subsequent demand creation for the sector. We are now better equipped to make a sustainable foray into segments such as defence, housing, infrastructure etc.

V. RISKS AND CONCERNS

Our business and results of operations are dependent on our ability to effectively plan our manufacturing processes and on our ability to optimally utilize our manufacturing capacities for the various products we manufacture. Any disruption to our manufacturing process or the operation of our production facilities may result from various factors beyond our control, including, among others, the following:

- Utility supply disturbances, particularly power supply;
- Forced close down or suspension of our manufacturing facilities due to factors such as breakdown or failure of equipment, performance below expected levels of output or efficiency, facility obsolescence or disrepair, labour disputes such as strikes and work stoppages, natural disasters and industrial accidents;
 - Severe weather condition;
 - Interruption of our information technology systems that facilitate the management of our manufacturing facilities; and
 - Other production or distribution problems, including limitations to production capacity due to regulatory requirements, changes in the types of products produced or physical limitations that could impact continuous supply.

VI. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate systems of internal control and procedures covering all financial and operating functions commensurate with the size and nature of operations, to ensure orderly and efficient conduct of business. All the major areas and processes are covered in the review plan, drawn in consultation with the senior management. Internal audit process verifies whether all systems and processes are commensurate with the business size and structure. Adequate internal control systems safeguard the assets of the company with timely identification and intervention to assuage risks. The internal audit report is discussed with the senior management and members of Audit Committee to keep a check on the existing systems and take corrective action to further enhance the control measures. The Company has proper and adequate systems of internal control, to safeguard assets against loss from unauthorized use or disposition. This also ensures that all transactions are authorized, recorded and reported correctly. Regular internal audits and checks are carried out to ensure the robustness of the system. The Management also reviews from time to time the internal control systems and procedures to ensure their proper application. The emphasis on internal controls prevails across functions and processes, covering the entire gamut of various activities. Effective and comprehensive reviews by the Audit Committee of the Board further enhance the level and quality of internal controls within the organization.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

During the year under review, the Company has not made any Loans, Guarantees or Investments within the meaning of the provisions of Section 186 of the Companies Act, 2013.

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

A) Conservation of energy:

- | | |
|--|-----|
| (i) The steps taken or impact on conservation of energy: | Nil |
| (ii) The steps taken by the company for utilising alternate sources of energy: | Nil |
| (iii) The capital investment on energy conservation equipment: | Nil |

B) Technology absorption:

- | | |
|--|-----|
| (i) The efforts made towards technology absorption: | Nil |
| (ii) The benefits derived like product improvement, cost reduction, product development or imports substitution: | Nil |
| (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): | Nil |
| (iv) The expenditure incurred on Research and Development: | Nil |

C) Foreign exchange earnings and Outgo:

Foreign exchange earnings : NIL

Foreign exchange outgo : NIL

19. PERFORMANCE EVALUATION:

SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, mandated that the Board shall monitor and review the Board evaluation framework.

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board on its own performance and that of its committees and individual Directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation shall be done by the entire Board of Directors, excluding the Director being evaluated

The evaluation of all the Directors and the Board as whole was conducted based on the criteria and framework adopted by the Board.

20. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:

The company has formulated vigil mechanism for employees including directors of the company to report genuine concerns. Till date the company has not received any complaints.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of contract or arrangements entered into by the Company with related parties referred to in sub-Section (1) of Section 188 of the Companies Act, 2013 in Form No. AOC -2 is furnished as **Annexure C** to this report.

22. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company's policy on Director's appointment and remuneration and other matters provided in section 178 of the Companies Act, 2013 has been in accordance with Nomination and remuneration policy of the company which is placed in the website of the Company under "Investor relations".

23. COST AUDITOR:

Not applicable to the Company as per the provisions of the Companies Act, 2013. However the company has maintained cost records as required under the Companies (Cost Records and Audit) Rules, 2014.

24. RISK MANAGEMENT POLICY:

The Management has devised Risk Management Policy considering the nature of industry and associated risks pertaining to the industry. The Management is overseeing the implementation of the Policy on regular basis.

25. INTERNAL FINANCIAL CONTROL:

The company has adequate financial control with reference to financial statements. Our auditors have provided separate statement on adequacy of financial controls in their audit report.

26. SECRETARIAL AUDIT REPORT:

As per the provisions of the Companies Act, 2013, the Secretarial Audit for the year 2019-20 has been carried out by Mr. G. Vasudevan, Practicing Company Secretary and accordingly his report is appended to Directors' Report as **Annexure D**.

27. CORPORATE SOCIAL RESPONSIBILITY:

Not applicable to the Company as per the provisions of the Companies Act, 2013.

28. PREVENTION OF SEXUAL HARASSMENT AT THE WORK PLACE:

As per the requirements specified in the “The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013”, the Company has constituted an Internal Complaints Committee and is committed to provide a work environment that is free from sexual harassment.

29. MATERIAL CHANGES:

Material changes and commitments affecting the financial position of the Company occurred between the end of the financial year as on 31.03.2020 and the date of this Report.

30. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:

There were no significant and material orders passed by the regulators or courts or tribunal which would impact the going concern status and the Company’s operations in future.

31. CLARIFICATION ON STATUTORY AUDITOR’S REMARK IN THEIR REPORT:

There were no remarks in the Auditor’s report and hence no clarification is required

32. CLARIFICATION ON SECRETARIAL AUDITOR’S REMARK IN THEIR REPORT:

The company was in search of suitable candidature for the post of Chief financial officer since November, 2019. However the company could not find the suitable candidature and the spurt of Covid-19 has also imposed difficulties in finding the suitable candidature.

33. DIRECTORS’ RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

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

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

- 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 profit of the company for that period;
- 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.

34. PARTICULARS OF EMPLOYEES:

There were no employees drawing remuneration in excess of limit specified under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The ratio of remuneration of each director to the median of employees remuneration as per Section 197(12) of Companies Act, 2013 read with Rule 5(1) of Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board report (**Annexure E**).

35. ACKNOWLEDGEMENT:

Your Directors wish to place on record their deep gratitude and appreciation towards the Company's suppliers, customers, investors, bankers, Government of India, State Government and other regulatory authorities for their continued support during the year. Your Directors also acknowledge the commitment and the dedication of the employees at all levels who have contributed to the growth of the Company.

Date: 28.07.2020

For and on behalf of the Board

Place: Tirupur

-Sd-
Prem Dinanath Aggarwal
Managing Director
DIN No: 02050297

-Sd-
Shikha Aggarwal Prem
Whole time Director
DIN No: 03373965

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

Annexure A

Form No. MGT-9

Extract of Annual Return as on the Financial Year ended on 31st March 2020
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

I	CIN	L18101TZ2011PLC017586
ii	Registration Date	15/11/2011
iii	Name of the Company	Garment Mantra Lifestyle Limited
iv	Category / Sub Category of the Company	
	Category	Company limited by Shares
	Sub-Category	Non-govt company
V	Address of the registered office and contact Details	No. 15, Murthy's Plaza, Karia Gounder street, Khaderpet, Tirupur – 641 602. E-mail ID: companysecretary@junctionfabrics.in
Vi	Whether listed company	Yes
Vii	Name, address and contact details of registrar and transfer agent, if any	M/s Big Share Services Private Limited, E-2 Ansa Industrial Estate-Sakhivihar Road, Sakinaka, Andheri (East), Mumbai-400 072

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 all types of textile garments and clothing accessories	14101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

S.No	Name and address of the Company	CIN/GIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NIL					

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

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

i) Category-wise Shareholding

S. No	Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% of change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A)	Promoters									
(1)	Indian									
(a)	Individuals/ HUF	1288250	-	1288250	47.85%	1288250	-	1288250	47.85%	-
(b)	Central/State Govt.	-	-	-	-	-	-	-	-	-
(c)	Bodies corporate	-	-	-	-	-	-	-	-	-
(d)	FI/ Banks	-	-	-	-	-	-	-	-	-
(e)	Any other (Specify)	-	-	-	-	-	-	-	-	-
	Sub-total (A)(1)	1288250	-	1288250	47.85%	1288250	-	1288250	47.85%	-
(2)	Foreign									
(a)	NRIs –Individuals	-	-	-	-	-	-	-	-	-
(b)	Other Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies corporate	-	-	-	-	-	-	-	-	-
(d)	Banks /Financial Institutions	-	-	-	-	-	-	-	-	-
(e)	Any other (Specify)	-	-	-	-	-	-	-	-	-
	Sub-total (A)(2)	-	-	-	-	-	-	-	-	-

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

	Total shareholding of Promoter (A) = (A)(1) + (A)(2)	1288250	-	1288250	47.85%	1288250	-	1288250	47.85%	-
(B)	Public shareholding									
(1)	Institutions									
(a)	Mutual funds	-	-	-	-	-	-	-	-	-
(b)	FI/Banks	-	-	-	-	-	-	-	-	-
(c)	Central/ State Govt.	-	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-
(f)	FIs	-	-	-	-	-	-	-	-	-
(g)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(h)	Others (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2)	Non-institutions	-	-	-	-	-	-	-	-	-
(a)	Bodies corporate									
(i)	Indian	44017	-	44017	1.63%	-	-	-	-	1.63%
(ii)	Overseas	-	-	-	-	-	-	-	-	-
(b)	Individual									
(i)	Holding nominal share capital of upto Rs. 1 Lakh	812003	-	812003	30.16%	332000	-	332020	12.33%	17.83%
(ii)	Holding nominal share capital in excess of Rs.1 Lakh	536000	-	536000	19.91%	1072000	-	1072000	39.82%	19.91%
(c)	Others (Clearing Member)	12000	-	12000	0.45%	-	-	-	-	0.45%
	Sub-total (B)(2)	1360003	-	1360003	50.52%	1404020	-	1404020	52.15%	1.63%

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

	Total Public Shareholding (B) = (B)(1)+ (B)(2)	1404020	-	1404020	52.15%	1404020	-	1404020	52.15%	-
	(C) Shares held by Custodian for GDRs & ADRs									
	Sub-total (C)	-	-	-	-	-	-	-	-	-
	Grand Total (A)+(B)+(C)	2692270	-	2692270	100	2692270	-	2692270	100	-

ii) Shareholding of Promoters

S. No	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 share	No. of Shares	% of total shares of the company	% of shares Pledged/encumbered to total shares	
1.	Prem Aggarwal	1051220	39.05%	-	1051220	39.05%	-	-
2.	Shikha Aggarwal Prem	237000	8.80%	-	237000	8.80%	-	-
3.	Tanvi Aggarwal	10	0.00%	-	10	0.00%	-	-
4.	Ashmita Aggarwal	10	0.00%	-	10	0.00%	-	-
5.	Aditya Aggarwal	10	0.00%	-	10	0.00%	-	-

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

iii) Change in Promoters' Shareholding

1. Name of the Promoter :Prem Aggarwal				
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	1051220	39.05%	1051220	39.05%
Increase/Decrease during the year	Nil			
At the end of the year	-	-	1051220	39.05%

2. Name of the Promoter : Shikha Aggarwal Prem				
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	237000	8.80%	237000	8.80%
Increase/Decrease during the year	Nil			
At the end of the year	-	-	237000	8.80%

3. Name of the Promoter :Tanvi Aggarwal				
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	10	0.00	10	0.00
Increase/ Decrease during the year	NIL			
At the end of the year	-	-	10	0.00

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

4. Name of the Promoter :Ashmita Aggarwal				
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	10	0.00	10	0.00
Increase/ Decrease during the year	NIL			
At the end of the year	-	-	10	0.00

5. Name of the Promoter :Aditya Aggarwal				
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	10	0.00	10	0.00
Increase/ Decrease during the year	NIL			
At the end of the year	-	-	10	0.00

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

iv) Shareholding Pattern of top ten shareholders (other than directors, promoters, and holders of GDRs and ADRs):

1. MANJU JAYANTILAL LODHA	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	-	-	-	-
Increase during the year specifying the reasons for change	-	-	164000	6.09%
At the end of the year	-	-	164000	6.09%

2. JAYANTHILAL HANSRAJ LODHA	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	-	-	-	-
Increasing during the year specifying the reasons for change	-	-	144000	5.35%
At the end of the year	-	-	144000	5.35%

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

3. TANVI JIGNESH MEHTA	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	116000	4.31%	116000	4.31%
Decrease during the year specifying the reasons for change	-	-	48000	1.78%
At the end of the year	-	-	68000	2.53%

4. JAYANTILAL HANSRAJ LODHA	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	-	-	-	-
Increase during the year specifying the reasons for change	-	-	64000	2.4%
At the end of the year	-	-	64000	2.4%

5. VIKRAM JAYANTILAL LODHA	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	-	-	-	-
Increase during the year specifying the reasons for change	-	-	48000	1.78%
At the end of the year	-	-	48000	1.78%

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

6. SAHIL GUPTA	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	36000	1.34%	36000	1.34%
Increase / Decrease during the year specifying the reasons for change	Nil			
At the end of the year	-	-	36000	1.34%

7. SHOBHA LODHA	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	88000	-	88000	3.27%
Decrease during the year specifying the reasons for change	-	-	52000	1.93%
At the end of the year	-	-	36000	1.34%

8. LODHA RAJENDRA	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	100000	3.71%	100000	3.71%
Increase during the year specifying the reasons for change	-	-	64000	2.37%
At the end of the year	-	-	36000	1.34%

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

9. SURESH	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	28000	1.04%	28000	1.04%
Increase / Decrease during the year specifying the reasons for change	Nil			
At the end of the year			28000	1.04%

10. FALGUNI CHANDRESH LOTIA	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	-	-	-	-
Increase during the year specifying the reasons for change			24000	0.89%
At the end of the year			24000	0.89%

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

vi) Shareholding of Directors and Key Managerial Personnel

1. Name of the Director :Prem Aggarwal				
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	1051220	39.05%	1051220	39.05%
Increase/Decrease during the year	Nil			
At the end of the year			1051220	39.05%

2. Name of the Director : Shikha Aggarwal Prem				
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	237000	8.80%	237000	8.80%
Increase/Decrease during the year	Nil			
At the end of the year			237000	8.80%

3. Name of the Director : Ashmita Aggarwal				
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	10	0.00	10	0.00
Increase/Decrease during the year	Nil			
At the end of the year			10	0.00

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

4. Name of the Director : Subramanian Thirumurugan		
Particulars	Shareholding at the beginning of the year	Cumulative Shareholding during the year
At the beginning of the year		
Increase/ Decrease during the year		Nil
At the end of the year		

5. Name of the Director : Ramasubramaniam Senthilrajagopal		
Particulars	Shareholding at the beginning of the year	Cumulative Shareholding during the year
At the beginning of the year		
Increase/ Decrease during the year		Nil
At the end of the year		

6. Name of the Director : Sankaranarayanan Muthuramakrishnan		
Particulars	Shareholding at the beginning of the year	Cumulative Shareholding during the year
At the beginning of the year		
Increase/ Decrease during the year		Nil
At the end of the year		

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

7. Name of the Key Managerial Personnel : K. Lakshmi Priya (Company Secretary)		
Particulars	Shareholding at the beginning of the year	Cumulative Shareholding during the year
At the beginning of the year	Nil	
Increase/ Decrease during the year		
At the end of the year		

8. Name of the Key Managerial Personnel : R Periasamy (CFO)*		
Particulars	Shareholding at the beginning of the year	Cumulative Shareholding during the year
At the beginning of the year	Nil	
Increase/ Decrease during the year		
At the end of the year		

*Mr. Periyasamy resigned from the post of Chief financial officer on 1st November, 2019

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/ accrued but not due for payment:

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	14,41,57,119	2,16,10,000	-	16,57,67,119
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	14,41,57,119	2,16,10,000	-	16,57,67,119
Change in Indebtedness during the financial year				

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

• Addition	1,10,67,523	-	-	1,10,67,523
• Reduction	-	1,20,98,709	-	1,20,98,709
Net Change	1,10,67,523	1,20,98,709	-	10,31,186
Indebtedness at the end of the financial year				
i) Principal Amount	15,52,24,642	95,11,291	-	16,47,35,933
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	15,52,24,642	95,11,291	-	16,47,35,933

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S.No	Particulars of Remuneration	Mr. Prem Aggarwal (DIN: 02050297)	Mrs. Shikha Aggarwal Prem (DIN: 03373965)	Total Amount
1.	Gross salary: (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (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	Rs. 30,00,000	Rs.30,00,000	Rs.60,00,000
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - Others, specify	-	-	-
5.	Others, (specify)	-	-	-
	Total (A)	Rs. 30,00,000	Rs.30,00,000	Rs.60,00,000
	Ceiling as per the Act	Rs.60,00,000	Rs.60,00,000	

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

B. Remuneration to other directors:

Particulars of Remuneration	Ashmita Aggarwal (DIN:07332067)	Name with Designation & DIN	Total Amount
1. Independent Directors			
• Fee for attending board/committee	-		-
• Commission	-		-
• Others, please specify	-		-
Total (1)	-		-
2. Other Non-Executive Directors		None of the independent directors were paid sitting fees nor commission	
• Fee for attending board/committee meetings	-		-
• Commission	-		-
• Others, Salary	Rs. 27,00,000		Rs. 27,00,000
Total (2)	Rs. 27,00,000		Rs. 27,00,000
Total (B) + (1 + 2)	Rs. 27,00,000		Rs. 27,00,000
Total Managerial Remuneration			Rs. 87,00,000

C. Remuneration to key managerial personnel other than MD/Manager/WTD :

S.No	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	Rs. 4,80,000	Rs. 2,70,000	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit				
	- Others, specify				
5.	Others, (specify)	-	-	-	-
	Total	-	Rs. 4,80,000	Rs. 2,70,000	

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

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		NIL			
Penalty					
Punishment					
Compounding					
B. DIRECTORS		NIL			
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT		NIL			
Penalty					
Punishment					
Compounding					

Date: 28.07.2020

For and on behalf of the Board

Place: Tirupur

-Sd-
Prem Dinanath Aggarwal
Managing Director
DIN No: 02050297

-Sd-
Shikha Aggarwal Prem
Whole time Director
DIN No: 03373965

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

Annexure B

DECLARATION BY MANAGING DIRECTOR (PURSUANT TO SCHEDULE V
OF SEBI (LODR) REGULATIONS, 2015)

To

The members
Garment Mantra Lifestyle Limited
(Formerly Known as Junction Fabrics and Apparels Limited)
Tirupur

I Prem Aggarwal (DIN No: 02050297), Managing Director of Garment Mantra Lifestyle Limited hereby declare that the members of the Board of Directors and Senior Management personnel have affirmed with code of conduct of Board of Directors and senior management.

Date: 28.07.2020
Place : Tirupur

-Sd-
Prem Aggarwal
Managing Director
DIN No: 02050297

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

Annexure C

PARTICULARS OF CONTRACTS /ARRANGEMENTS MADE WITH RELATED PARTY
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This form pertains to the disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso

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

There were no contracts or arrangements or transactions entered during the year ended 31st March, 2020, which were not at arm's length basis

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

S.No	Name(s) of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any		Other Services (including Rent)	Office or Place of profit	Date(s) of approval by the Board, if any	Amount paid as advances, if any:
					Sales	Purchases				
1	Jannat Fabrics and Apparels Private Limited	Common Key Managerial Personnel	Rent, Purchase	For the Year	-	20,27,31,621	1,20,000	-	-	-
2	Beatle Apparels Prop: Romi Lodha	Relative of the Director is a Partner	Purchase of Fabrics	For the Year	-	89,36,194	-	-	-	-

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

3	Twenty Twenty LLP	Designated Partner	Rent, Purchase and Sale	For the year	12,81,790	5,26,156	7,50,300	-	-	-
4	Mr. Prem Aggarwal, Managing Director	Managing Director	Rent & Rental advance	For the year	-	-	12,00,000	-	-	-

Date: 28.07.2020

Place: Tirupur

For and on behalf of the Board

-Sd-
Prem Dinanath Aggarwal
Managing Director
DIN No: 02050297

-Sd-
Shikha Aggarwal Prem
Whole time Director
DIN No: 03373965

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
OF
GARMENT MANTRA LIFESTYLE LIMITED
(Formerly known as JUNCTION FABRICS AND APPARELS LIMITED)
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

[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,
Garment Mantra Lifestyle Limited
(Formerly known as Junction Fabrics and Apparels Limited)
No.15, Murthy's Plaza Kariagounder Street,
Khaderpet, Tirupur - 641601

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. GARMENT MANTRA LIFESTYLE LIMITED (CIN: L18101TZ2011PLC017586)** (Formerly known as Junction Fabrics and Apparels Limited), a listed entity, listed in NSE Emerge (SME Platform) having its registered office at No.15, Murthy's Plaza Kariagounder Street, Khaderpet, Tirupur - 641601, (herein after called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **M/s. Garment Mantra Lifestyle Limited (GMLL)** (Formerly known as Junction Fabrics and Apparels Limited), 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place (with respect to statutory provisions listed hereunder) to the extent, in the manner and subject to the reporting made hereinafter:

G.V and Associates ***Company Secretaries***

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2020 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 Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) 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) Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulation, 2015 (The Company being listed in SME Exchange and its paid-up Equity Share Capital and net worth are less than the limits prescribed under Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulation, 2015, the applicable Regulations of the said Regulations)
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the company during the Audit Period)**
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

G.V and Associates Company Secretaries

- (f) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable to the company during the Audit Period)**
- (g) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (Not Applicable to the company during the Audit Period)
- (h) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the company during the Audit Period)**
- (i) 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)**
- (j) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the company during the Audit Period)**

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

- (i) Secretarial Standards 1, 2, 3 & 4 issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. subject to the following observations:

- (a) *The appointment of Chief Financial Officer (CFO) has not been made within a period of Six months from the resignation of the previous CFO.*

We 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 that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda were sent 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.

We further report that during the audit period 2019-20, the Company has hosted the applicable contents required under LODR Regulations in its website (<http://junctionfabrics.in/investor-relations>) and reportedly, the same has been updated from time to time and the requisite information were made available to the public as required under the law.

G.V and Associates Company Secretaries

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We 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 laws, rules, regulations and guidelines mentioned herein above.

We further report that during the Audit period:

- 1) The Company has issued 40,00,000 warrants @ Rs.40/- per warrant (convertible into equity shares of Rs.10/- each) on preferential basis at the Board Meeting held on 30.01.2020.

**For G.V and Associates
Company Secretaries**

-sd-

**G. Vasudevan
Partner
FCS No.: 6699
C P No.: 6522**

**Date: 28.07.2020
Place: Coimbatore
ICSI UDIN: F006699B000514131**

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20
Annexure E

Particulars of employees:

Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

The Nomination and Remuneration committee continuously reviews the compensation of our directors. Remuneration paid to Directors:

Name of the Director	Director Identification No	Title	Remuneration for the year 2019-20 (in Rs.)	Ratio of Remuneration to MRE (Excluding WTD)
Prem Aggarwal	02050297	Managing Director	30,00,000	13.58
Shikha Aggarwal Prem	03373965	Whole Time Director	30,00,000	13.58
Ashmita Aggarwal	07332067	Director	27,00,000	12.22

MRE – Median remuneration of employees

- Based on annualized salary of employees employed during the year
- No payment of sitting fees was paid to Independent Directors during the year
- During the fiscal year 2019-20, no employee has received remuneration in excess of the highest paid director

INDEPENDENT AUDITORS REPORT

To the Members of Garment Mantra Lifestyle Limited
(Formerly Known as Junction Fabrics and Apparels Limited)

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Garment Mantra Lifestyle Limited** (Formerly Known as Junction Fabrics and Apparels Limited) (“the Company”), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss and the Statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (“SA”s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics.

In light of lock down, social distancing or work from home restrictions amid covid-19, thereby putting restrictions in physical movement and visits to the company offices, Company has provided all the data / information / records as required by us for the purpose of audit using e-data sharing modes. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report, and Shareholder Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The boards of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to

continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure I", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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.

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the 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 the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There has been no pending litigations against the Company having any impact on its financial position in its financial statements
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For A Biyani & Co
Chartered Accountants
FRN: - 140489W

-Sd-

CA. Ashutosh Biyani
Partner
M.No – 165017

Date: 28/07/2020
Place: Mumbai
UDIN - 20165017AAAAAU7689

Annexure I to the Independent Auditors' Report

i. In respect of fixed Assets

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner, which in our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. The inventory, except goods-in-transit and stocks lying with third parties, have been physically verified periodically by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with the third parties at the year end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.

iii. According to the information and explanations given to us, the Company has not granted any loans secured or unsecured loans to any Companies, Firms, Limited Liability Partnerships and Other parties covered in 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.

iv. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public and hence, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) rules 2015 with regard to the deposits accepted from the public are not applicable. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the central Government for the maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained.

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax/Value Added Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax/Value Added Tax/GST, Wealth Tax, Service Tax, Customs Duty, Excise Duty and any other material statutory dues were in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to its financial institutions, bankers and government. The Company did not have any outstanding debentures during the year.

ix. a. The Company has not raised any initial public offer further public offer including debt instruments during the year.

b. The Company during the year has been disbursed two term loans amounting to Rs.165.56 lakhs from Jainsons Finlease Limited and HDFC Bank of Rs 150.00 Lakhs and 15.56 Lakhs respectively and an overdraft facility of Rs. 150.00 Lakhs from Axis Bank Limited., and such loans have been utilized for the purposes for which they were sanctioned by the bank.

c. The Company during the year has not raised money by way of debt instruments.

x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year except to issue of 40,00,000 share warrants @ Rs.40 each against which Rs. 8,42,12,500 has been received by the company during the year and the rest is expected to be received in next financial year. Out of all allotted warrants 50% shall be from promoters and rest is from public.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, during the year, the Company has not entered into non-cash transactions with directors or persons connected with him.

xvi. According to information and explanations given to us, the Company is not required to be registered under Section 45IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For A Biyani & Co
Chartered Accountants
FRN: - 140489W

-Sd-

CA. Ashutosh Biyani
Partner
M.No - 165017

Date: 28/07/2020
Place: Mumbai
UDIN - 20165017AAAAAU7689

Annexure II to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of Garment Mantra Lifestyle Limited (Formerly Known as Junction Fabrics and Apparels Limited) ("the Company") as at 31st March, 2020 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 Board of Directors of the Company 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 (the "ICAI"). 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 the respective 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 Act, 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 ICAI. 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 judgment, 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:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and
- (c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have 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 31st March, 2020, 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.

For A Biyani & Co
Chartered Accountants
FRN: - 140489W

-Sd-

CA. Ashutosh Biyani
Partner
M. No - 165017

Date: 28/07/2020
Place: Mumbai
UDIN - 20165017AAAAAU7689

M/S. GARMENT MANTRA LIFESTYLE LIMITED, Tirupur
BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars		Note No.	2019-20	2018-19
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	1	2,69,22,700	2,69,22,700
	(c) Money received against share warrants	1A	8,42,12,500	-
	(b) Reserves and surplus	2	6,55,91,516	4,23,42,028
2	Share application money pending allotment		-	-
3	Non-current liabilities			
	(a) Long-term borrowings	3	2,68,00,587	4,41,20,408
	(b) Deferred tax liabilities (Net)		2,74,286	5,43,647
4	Current liabilities			
	(a) Short-term borrowings	4	13,79,35,346	12,16,46,710
	(b) Trade payables	5	12,28,32,310	5,48,95,057
	(c) Other current liabilities	6	1,72,92,038	1,01,27,866
	(d) Short-term provisions	7	1,34,88,436	67,47,539
	TOTAL		49,53,49,720	30,73,45,955
II.	ASSETS			
	Non-current assets			
1	(a) Fixed assets	8		
	(i) Tangible assets		3,32,04,878	2,15,72,852
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(b) Non-current investments	9	35,10,000	35,10,000
	(c) Long-term loans and advances	10	48,85,000	49,15,000
	(d) Other non-current assets	11	63,970	9,77,117
2	Current assets			
	(a) Inventories	12	25,73,94,300	17,56,61,120
	(b) Trade receivables	13	18,04,45,448	8,82,74,315
	(c) Cash and cash equivalents	14	38,53,611	9,60,251
	(d) Short-term loans and advances	15	30,73,461	45,94,206
	(e) Other Current Assets	16	89,19,051	68,81,094
	TOTAL		49,53,49,720	30,73,45,955
			-	-

"NOTES TO ACCOUNTS"

*Schedules referred to above and notes attached there to form an integral part of Balance Sheet
This is the Balance Sheet referred to in our Report of even date.*

For A. Biyani & Co.
Chartered Accountants
FRN: - 140489W

-Sd-

CA Ashutosh Biyani
Membership No. : 165017
Place: Mumbai
Date: 28.07.2020
UDIN - 20165017AAAAAU7689

For Garment Mantra Lifestyle Limited

-Sd-

PREM AGGARWAL
MANAGING DIRECTOR
DIN NO : 02050297

-Sd-

SHIKHA AGGARWAL
WHOLE TIME DIRECTOR
DIN NO : 03373965

-Sd-

K.LAKSHMI PRIYA
COMPANY SECRETARY CHIEF FIN., OFFICER

-Sd-

Note 1

Share capital

Share Capital	2019-20		2018-19	
	Number	Amount	Number	Amount
Authorised Equity Shares of Rs.10/- each	1,10,00,000	11,00,00,000	40,00,000	4,00,00,000
Issued Equity Shares of Rs.10/- each	26,92,270	2,69,22,700	26,92,270	2,69,22,700
Subscribed & Paid up Equity Shares of Rs.10/- each fully paid	26,92,270	2,69,22,700	26,92,270	2,69,22,700
Subscribed but not fully Paid up	-	-	-	-
Total	26,92,270	2,69,22,700	26,92,270	2,69,22,700

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	2019-20		2018-19	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	26,92,270	2,69,22,700	26,92,270	2,69,22,700
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	26,92,270	2,69,22,700	26,92,270	2,69,22,700

Note : This company is not a subsidiary of any other company and hence, the necessity of giving the details of Holding Company's share does not arise here

Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	2019-20		2018-19	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shri.Prem Dinanath Aggarwal	10,51,220	39.05%	10,51,220	39.05%
Shikha Aggarwal Prem	2,37,000	8.80%	2,37,000	8.80%
Manju Jayantilal Lodha	1,64,000	6.09%	-	-
Jayantilal Hansraj Lodha	1,44,000	5.35%	-	-
Total	14,52,220	59.29%	12,88,220	47.85%

Shares issued for other than cash, Bonus issue and Shares bought back

Equity Shares issued for other than cash

Name of the Share Holder	2019-20	2018-19
	No. of Shares Issued	No. of Shares Issued
	Nil	Nil

The company has not issued any Bonus shares during the year nor it has bought back any of its shares

Unpaid Calls	2019-20	2018-19
By Directors	-	-
By Officers	-	-

Notes 1A**Details of Share Warrants.**

During the year the company has issued 4000000 share warrants of Rs.40/- to 44 individuals and received Rs.84212500/-		
Name of the Person	Amount Received	% of amount received
Prem Aggarwal	2,42,50,000.00	28.80%
Shikha Aggarwal	2,30,50,000.00	27.37%
Other Non-promoters	3,69,12,500.00	43.83%
Total amount Received	8,42,12,500.00	100.00%

Note 2**Reserves and surplus**

	2019-20	2018-19
Surplus		
Opening balance	3,63,42,028	2,59,43,081
(+) Securities Premium (Opening Balance)	60,00,000	60,00,000
(+) Net Profit/(Net Loss) For the current year	2,32,49,488	1,03,98,946
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	6,55,91,516.31	4,23,42,028
Total	6,55,91,516	4,23,42,028

There is no other reserves such as Capital Reserve, Capital Redemption Reserve, Debenture Redemption Reserve, Revaluation Reserve, Share Options Outstanding Account, and Other Reserves except the Surplus Account

Note 3**Long Term Borrowings**

	2019-20	2018-19
Secured		
From Banks -		
HDFC Bank Eicher Van Loan	-	2,65,182
(Secured by way of hypothecation of Eicher Van of the company) (of the above, entire amount is guaranteed by Directors and / or others) Terms of Repayment: Repayable in 48 months)		
HDFC Bank Verna Car Loan	11,05,516	-
(Secured by way of hypothecation of Verna Car of the company 60 month instalment) (of the above, ` entire amount is guaranteed by Directors and / or others) Terms of Repayment: Repayable in 36 months		
HDFC Bank Tata Ace Mint Loan	-	-
(Secured by way of hypothecation of Tata Ace Mint of the company) (of the above, ` entire amount is guaranteed by Directors and / or others) Terms of Repayment: Repayable in 48 months		
Axis Bank Working Capital Term Loan	1,61,83,780	2,22,45,226
From Others	-	-
Loans and advances from Directors	-	-
	1,72,89,296	2,25,10,408

In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to above		
1. Period of default	-	-
2. Amount	-	-
<u>Unsecured</u>		
From Banks	-	-
From Others	-	-
Jainsons Finlease Limited	29,31,291	
(of the above, ` entire amount is guaranteed by Directors and / or		
Loans and advances from Directors		
Prem Aggarwal	48,00,000	1,77,00,000
Ashmita Aggarwal	16,80,000	28,50,000
Shika Aggarwal	1,00,000	4,60,000
Loans and advances from related parties of the Directors	-	-
Adhithya S/o. Prem Aggarwal, Managing Director	-	6,00,000
(None of the above, is guaranteed by Directors and / or others)		
Terms of Repayment has not been entered into between the parties		
	95,11,291	2,16,10,000
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to above		
1. Period of default		-
2. Amount	-	-
Total	2,68,00,587	4,41,20,408

Note 4

Short Term Borrowings

	2019-20	2018-19
<u>Secured</u>		
From banks		
(a) Loans repayable on demand	13,64,74,833	12,15,04,434
(Secured by hypothecation of inventories, book debts and machineries)		
(of the above, entire amount is guaranteed by Directors and/or others)		
(b) Term Loans		
Axis Bank TL-684	14,60,513	1,42,276
Terms of Repayment: 33 months)		
(of the above, ` entire amount is guaranteed by Directors and / or others)		
From other parties	-	-
From Director/Related Parties	-	-
	13,79,35,346	12,16,46,710
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to above		
1. Period of default	-	-
2. Amount	-	-
<u>Unsecured</u>		
From banks	-	-
From other parties	-	-
From Director/Related Parties	-	-
	-	-
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) & (d)		
1. Period of default	-	-
2. Amount	-	-
Total	13,79,35,346	12,16,46,710

Note 5**Trade Payable**

	2019-20	2018-19
(i) total outstanding dues of micro enterprises and small enterprises	14,69,213	22,467.00
(ii) Creditors for Goods	11,38,75,896	5,43,91,980
(iii) Creditors for Expenses	74,87,202	4,80,611
(iv) Creditors for others	-	-
	-	-
Total	12,28,32,312	5,48,95,058

Related Party Transaction Outstanding at the year end		
	2019-20	2018-19
Directors *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
Jannat Fabrics & Apparels Pvt Ltd	95,07,882	1,40,83,946
Twenty Twenty LLP - Rent	42,300	-
Relative of the Director	-	-
	95,50,182	1,40,83,946

Maximum Outstanding during the year

	2019-20	2018-19
Directors		
Other officers of the Company *		
Concern in which director is a Proprietor/partner	-	-
Private Company in which director is a member/Director		
Jannat Fabrics & Apparels Pvt Ltd	4,23,46,673	3,70,94,075
Swaad Mantra Hotels and Restaurants P Ltd	-	6,373
Prem Aggarwal Director Remn	2,12,500	-
Prem Aggarwal Rent	1,00,000	-
Adithya Aggarwal Rent	70,000	-
Shikka Aggarwal Director Remn	2,12,500	-
Tanvi Aggarwal Prof. Fees	94,200	-
Ashmita Aggarwal Director Remn.	1,91,250	-
Twenty Twenty LLP - Rent	1,82,700	-
Concern in which director is a Director/Member		
	4,34,09,823	3,71,00,448

Total Value of Transactions entered in to during the year

	2019-20	2018-19
Directors & Relative of the Directors		
Prem Aggarwal Director Remn	30,00,000	18,00,000
Prem Aggarwal Rent	12,00,000	3,00,000
Adithya Aggarwal Rent	3,50,000	2,80,000
Shikka Aggarwal Director Remn	30,00,000	18,00,000
Tanvi Aggarwal Prof. Fees	11,50,000	6,00,000
Ashmita Aggarwal Director Remn.	27,00,000	15,00,000
Beatle Apparels the proprietor is the the son-in-law of the Managing Director Mr.Prem Aggarwal	-	2,27,49,879
Twenty Twenty LLP - Rent	7,50,300	-
Concern in which director is a Director/Member Swaad Mantra Hotels & Restaurents Private Limited	-	-
Jannat Fabrics and Apparels Private Limited, Tirupur	20,27,31,621	18,45,90,184
	21,48,81,921	21,36,20,063

Note 6

Other Current Liabilities

	2019-20	2018-19
Advances from Contractors & Suppliers	5,63,001	11,50,147
TDS Payable	2,47,867	1,57,863
Vat Payable	-	-
Esi & PF Payable	7,259	9,002
Current Maturities of Long Term Debt		
Axis Bank Ltd Term Loan	22,22,220	22,22,220
Axis Bank Ltd Working Capital Term Loan	60,00,000	60,00,000
HDFC Bank Eicher Van Loan	2,31,351	2,58,429
HDFC Bank i20 Car Loan	-	1,85,500
HDFC Bank Tata Ace Mint Loan	57,499	1,44,705
HDFC Bank Verna Car Loan	2,72,133	-
Jainsons Finlease Limited	76,90,708	-
Total	1,72,92,038	1,01,27,866

Note 7**Short Term Provisions**

	2019-20	2018-19
(a) Provision for employee benefits	5,50,000	6,00,000
(b) Others (Specify nature)		
- Provision for Taxation	98,26,716	44,78,011
- Provision for Audit Fees	1,25,000	1,25,000
- Provision for Gratuity	29,86,720	15,44,528
Total	1,34,88,436	67,47,539

Note 10**Long Term Loans and Advances**

	2019-20	2018-19
a. Capital Advances		
Secured, considered good	-	-
Unsecured, considered good		
Doubtful	-	-
Less: Provision for doubtful advances	-	-
	-	-
d. Other loans and advances		
Secured, considered good		
Unsecured, considered good	48,85,000	49,15,000
Doubtful		
Less: Provision for _____		
	48,85,000	49,15,000
	48,85,000	49,15,000

Related Party Transaction

	2019-20	2018-19
Directors *	-	-
Prem Agarwal	-	15,00,000
Adithya Agarwal	15,00,000	15,00,000
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
Rent advance to Jannath Fabrics and Apparels Private Limited	-	1,00,000
	15,00,000	31,00,000

*Either severally or jointly

Note 11**Other non-current assets**

	2019-20	2018-19
a. Long term trade receivables (including trade receivables on deferred credit terms)	-	-
b. Others (specify nature)		
Secured, considered good	-	-
Unsecured, considered good	-	-
Preliminary Expenses not written off	-	9,49,897
Deposits	63,970	27,220
	63,970	9,77,117
c. Debts due by related parties	-	-
Secured, considered good	-	-
Unsecured, considered good**	-	-
Doubtful	-	-
Less: Provision for doubtful debts	-	-
	-	-
	63,970	9,77,117

Note 12**Inventories**

		2019-20		2018-19	
		Qty	Value	Qty	Value
a. Raw Materials and components					
Valued at Rs.203/- per Kg.(P.Year Rs.192)		1,47,088	2,98,58,766	70,895	1,36,11,840
	<i>Kgs</i>	1,47,088	2,98,58,766	70,895	1,36,11,840
b. Work-in-progress			-		-
Valued at Rs.224/- per Kg.(P.Year Rs	<i>Kgs</i>	1,12,382	2,51,73,626.00	73,209	1,59,59,562
	<i>Kgs</i>	1,12,382	2,51,73,626	73,209	1,59,59,562
c. Finished goods Valued at					
Rs.99.58 Per Piece(P.Year Rs.93.97/-	<i>Pieces</i>	20,32,057	20,23,61,908	15,54,569	14,60,89,718
	<i>Pieces</i>	20,32,057	20,23,61,908	15,54,569	14,60,89,718
Total			25,73,94,300		17,56,61,120

Note 13**Trade Receivables**

	2019-20	2018-19
Trade receivables outstanding for a period less than six months from the date they are due for payment.		
Secured, considered good	-	-
Unsecured, considered good	17,70,76,317	8,47,36,567
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	17,70,76,317	8,47,36,567
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
	33,69,131	35,37,748
	33,69,131	35,37,748
Total	18,04,45,448	8,82,74,315

Related Party Transaction

Trade Receivable stated above include debts due by:

Outstanding at the year end

Particulars	2019-20	2018-19
Directors *	-	-
Firm in which director is a partner *	-	-
Twenty Twenty LLP in which the Managing Director of the company is a partner	-	93,43,935.00
Other officers of the Company *	-	-
Concerns in which the relatives of the directors are interested	-	-
law of the Managing Director is the Proprietor	-	25,27,531
	-	1,18,71,466

Maximum Outstanding during the year

	2019-20	2018-19
Directors *		
Firm in which director is a partner *	-	-
Twenty Twenty LLP in which the Managing Director of the company is a partner	1,00,54,901	93,43,935
Other officers of the Company *	-	-
Concerns in which the relatives of the directors are interested		
Beatle Apparels, in which the son in law of the Managing Director is the Proprietor		
Companies in which the directors are members		
Jannath Fabrics and Apparels P Ltd	-	5,25,65,234
	1,00,54,901	6,19,09,169

Total Value of Transactions entered in to during the year

	2019-20	2018-19
Directors *		-
Firm in which director is a partner *	-	-
Twenty Twenty LLP in which the Managing Director of the company is a partner	12,81,790	93,43,935
Other officers of the Company *	-	-
Companies in which the directors are members		
Jannath Fabrics and Apparels P Ltd	-	2,47,12,772
	-	-
	12,81,790	3,40,56,707

Note 14

Cash and cash equivalents

	2019-20		2018-19	
a. Balances with banks*		30,69,553		61,082
This includes:				
Earmarked Balances (eg/- unpaid dividend accounts)	-		-	
Margin money	-		-	
Security against borrowings	-		-	
Guarantees	-		-	
Other Commitments	-		-	
Bank deposits with more than 12 months maturity	-	-	-	-
b. Cheques, drafts on hand		-		-
c. Cash on hand*		7,84,058		8,99,168
d. Others (specify nature)		-		-
		38,53,611		9,60,251

*There is no repatriation restrictions, if any, in respect of cash and bank balances.

Note 15

Short-term loans and advances

	2019-20	2018-19
a. Loans and advances to related parties	-	-
b. Others (specify nature)	30,73,461	45,94,206
	30,73,461	45,94,206

Related Party Transaction

Particulars	2019-20	2018-19
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
	-	-

*Either severally or jointly

Note 16**Other Current Assets**

	2019-20	2018-19
Advance Tax	32,00,000.00	30,00,000.00
TDS	64,500.00	86,957.00
Prepaid Expense	1,91,671.00	1,05,459.00
GST Recievable	54,62,880.44	36,88,678.00
	89,19,051	68,81,094

Note:According to A S regroup the ledgers where ever necessary

Note 16A**a) Contingent liabilities and commitments (to the extent not provided for)**

	2019-20	2018-19
(i) Contingent Liabilities	-	-
(ii) Commitments	-	-
	-	-

b) Details of Dividend Payment

- -

c)Issure of Securities made for specific purpose

- -

d) In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated, except as stated below:

Name of Assets	Realisable Value	Value in Balance Sheet	Opinion of Board	
Nil	Nil	Nil	Nil	Nil

Note 08

	Fixed Assets	Gross Block			Accumulated Depreciation			Net Block	
		Balance as at 1 April 2019	Additions/ (Disposals)	Balance as at 31 March 2020	Balance as at 1 April 2019	Depreciation charge for the year	Balance as at 31 March 2020	Balance as at 1 April 2019	Balance as at 31 March 2020
a	Tangible Assets								
	Buildings	1,41,32,780	1,04,95,599	2,46,28,379	49,37,010	4,82,923	54,19,933	91,95,770	1,92,08,446
	Furniture & Fittings, Electrical Fittings, Office Equipments	85,53,105	13,14,286	98,67,392	22,61,407	8,84,921	31,46,328	62,91,698	67,21,064
	Plant and Equipment	42,19,573	2,80,000	44,99,573	15,22,876	2,29,016	17,51,892	26,96,697	27,47,681
	Vehicles	55,36,384	15,63,725	71,00,109	23,79,216	7,59,065	31,38,281	31,57,168	39,61,828
	Computer	6,73,644	4,43,322	11,16,966	4,42,360	1,08,981	5,51,341	2,31,284	5,65,625
	Miscellaneous Assets	4,700	-	4,700	4,466	0	4,466	234	234
	Total	3,31,20,187	1,40,96,933	4,72,17,119	1,15,47,335	24,64,906	1,40,12,241	2,15,72,852	3,32,04,878
b	Intangible Assets	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-
c	Capital Work In Progress	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-
d	Intangible assets under Development	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-

Details fo Write-off or Revaluation

NIL

Note 09

Non-current investments

	Particulars	2019-20	2018-19
A	Trade Investments (Refer A below)		
		-	-
B	Other Investments (Refer B below)		
	Total (B)	35,10,000	35,10,000
	Grand Total (A + B)	35,10,000	35,10,000
	Less : Provision for dimunition in the value of Investments	-	-
	Total	35,10,000.00	35,10,000.00

Particulars	2019-20	2018-19
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	35,10,000	35,10,000

Details of Other Investments												
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)		Whether stated at Cost Yes / No	If Answer to Column (9) is 'No' - Basis of Valuation
			2019-20	2018-19			2019-20	2018-19	2019-20	2018-19		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	Equity Instruments in Netaji Apparel Park	Others	1775	1,775	Unquoted	Fully Paid	1.67%	1.67%	35,10,000	35,10,000	Yes	Not Applicable
	Total								35,10,000	35,10,000		

M/S. GARMENT MANTRA LIFESTYLE LIMITED, Tirupur
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

Amount in Rupees

Particulars	Refer Note No.	2019-20	2018-19
I. Revenue from operations	17	93,55,51,254	84,09,24,611
II. Other income	18	6,00,000	2,68,079
III. Total Revenue (I + II)		93,61,51,254	84,11,92,690
IV. Expenses:			
Cost of materials consumed	19	86,82,86,508	71,63,83,024
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	20	(6,54,86,254)	2,07,09,467
Employee benefits expense	21	1,17,05,150	80,06,705
Finance costs	22	1,72,77,179	1,42,49,349
Depreciation and amortization expense		24,64,906	20,56,677
Other expenses	23	6,88,88,642	6,47,47,885
Total expenses		90,31,36,131	82,61,53,107
Profit before exceptional and extraordinary items and tax (III-IV)		3,30,15,122	1,50,39,583
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		3,30,15,122	1,50,39,583
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		3,30,15,122	1,50,39,583
X Tax expense:			
(1) Current tax		98,26,716	44,78,011
(2) Deferred tax Liability (Asset)		(2,69,361)	(99,685)
(3) Excess/(Shortfall) Prov. For Tax in P.Y.		2,08,279	2,62,311
Profit (Loss) for the period from continuing operations (VII- XI VIII)		2,32,49,488	1,03,98,946
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
Profit/(loss) from Discontinuing operations (after tax) (XII- XIV XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		2,32,49,488	1,03,98,946
XVI Earnings per equity share:			
(1) Basic		8.64	3.86
(2) Diluted		8.64	3.86

*Schedules referred to above and notes attached there to form an integral part of Pr
This is the Profit & Loss Statement referred to in our Report of even date.*

For A. Biyani & Co.

Chartered Accountants

FRN: - 140489W

-Sd -

CA Ashutosh Biyani

Membership No. : 165017

Place: Mumbai

Date: 28.07.2020

UDIN - 20165017AAAAAU7689

For Garment Mantra Lifestyle and Apparels Limited

-Sd-

PREM AGGARWAL

MANAGING DIRECTOR

DIN NO : 02050297

-Sd-

SHIKHA AGGARWAL

WHOLE TIME DIRECTOR

DIN NO: 03373965

-Sd-

K.LAKSHMI PRIYA

COMPANY SECRETARY

-Sd-

ADITYA AGGARWAL

CHIEF FIN., OFFICER

Garment Mantra Lifestyle Limited**Note 17****Revenue From Operations**

Particulars	2019-20	2018-19
Sale Of Products	93,47,71,226	83,99,22,815
Sale Of Services	7,80,028	9,40,325
Other Operating Revenues	-	61,470
Less:		
Excise Duty	-	-
Total	93,55,51,254	84,09,24,611

Particulars	2019-20	2018-19
Export Sales	-	30,79,905
Domestic sales	93,47,71,226	83,68,42,910
Total - Sale of products	93,47,71,226	83,99,22,815

Note 18**Other income**

Particulars	2019-20	2018-19
Rental Income	6,00,000	2,35,000
Foreign Exchange Fluctuation	-	33,079
Total	6,00,000	2,68,079

Note 19**Cost of materials consumed**

Particulars	2019-20	2018-19
Raw Materials and Stores		
Opening Stock	1,36,11,840	1,39,11,326
Purchases	88,45,33,434	71,60,83,538
Less: Closing stock of materials meant for consumption	2,98,58,766	1,36,11,840
Consumption of Materials (A)	86,82,86,508	71,63,83,024
Total Cost of Materials Consumed (A) + (B)	86,82,86,508	71,63,83,024

Note 20**Changes in inventories of finished goods work-in-progress and Stock-in-Trade**

Particulars	2019-20	2018-19
Opening Stock :		
Work-in-Process	1,59,59,562	2,12,46,872
Finished Goods	14,60,89,718	16,15,11,875
	-	-
Closing Stock :		
Work-in-Process	2,51,73,626	1,59,59,562
Finished Goods	20,23,61,908	14,60,89,718
Total	(6,54,86,254)	2,07,09,467

Note 21**Employee Benefits Expense**

	2019-20	2018-19
(A) Salaries, Wages And Incentives Incl Bonus	97,99,764	70,67,528
(B) Contributions To -		
(I) Provident Fund(ii) Superannuation Scheme	36,921	65,482
(C) Gratuity Fund Contributions	14,42,192	5,19,387
(D) Social Security And Other Benefit Plans For Overseas Employees		
(E) Expense On Employee Stock Option Scheme (Esop) And Employee Stock Purchase Plan (Esp),		
(F) Staff Welfare Expenses	4,26,273	3,54,308
Total	1,17,05,150	80,06,705

Note 22**Finance costs**

Particulars	2019-20	2018-19
Interest Expense	1,57,04,687	1,29,94,213
Other Borrowing Costs	15,72,492	1,27,636
Chit Discounts	-	11,27,500
Total	1,72,77,179	1,42,49,349

Note 23**Other expenses**

Particulars	2019-20	2018-19
Power And Fuel	2,41,932	4,72,672
Rent	35,17,300	29,07,000
Repairs To Buildings	6,30,436	86,280
Repairs To Machinery (Electrical Maintenance)	9,82,727	4,52,952
Vehicle Maintenance	5,22,400	2,25,422
Other Maintenance	6,15,387	4,19,122
Insurance	3,96,392	3,00,297
Freight Charges	3,55,305	1,59,928
Other Manufacturing Expenses	3,70,46,114	4,35,26,262
Rates And Taxes, Excluding, Taxes On Income	13,58,701	1,25,037
Postage And Telephone	6,60,680	5,31,994
Managing Director Remuneration	30,00,000	18,00,000
Directors Remuneration	57,00,000	33,00,000
Advertisement & Business Promotion Expenses	25,40,687	25,90,797
Professional And Consultancy Charges	46,32,397	21,44,104
Discount	13,16,235	1,99,335
Travelling And Conveyance	32,88,623	29,43,984
Security Charges	6,000	3,79,000
Water Charges To Nap	2,74,140	1,18,560
Electricity And Lightings	4,23,642	1,75,560
Printing & Stationery	1,63,376	5,77,586
Miscellaneous expenses,	1,41,271	77,093
Preliminary & Pre Operative Expenses wirtten off	9,49,897	11,09,900
Payments To The Auditor As		
A. Auditor	75,000	75,000
B. For Taxation Matters	50,000	50,000
Total	6,88,88,642	6,47,47,885

M/S. GARMENT MANTRA LIFESTYLE LIMITED, Tirupur
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

Particulars	As at 31ST MARCH, 2020		As at 31ST MARCH, 2019	
<u>Cash flow from Operating Activities</u>				
Net Profit Before tax as per Statement of Profit & Loss		3,30,15,122		1,50,39,583
Adjustments for :				
Preliminary Expense Written Off			-	
Depreciation & Amortisation Exp.	24,64,906		20,56,677	
Finance Cost	1,72,77,179	1,97,42,085	1,42,49,349	1,63,06,026
Operating Profit before working capital changes		5,27,57,207		3,13,45,609
Changes in Working Capital				
Trade Receivable	(9,21,71,133)		(1,61,11,828)	
Short Term Loans and Advances	15,20,745		16,45,814	
Inventories	(8,17,33,180)		2,10,08,953	
Other Current Assets	(20,37,957)		-	
Short Term Borrowing	1,62,88,636		10,54,955	
Trade Payables	6,79,37,253		(5,01,68,768)	
Other Current Liabilities	71,64,172		70,80,313	
Short Term Provision	67,40,897	(7,62,90,567)	3,32,539	(3,51,58,023)
Net Cash Flow from Operation		(2,35,33,360)		(38,12,414)
Less : Income Tax paid		1,00,34,995		47,40,322
Less : Prior Period Expenses		-		-
Net Cash Flow from Operating Activities (A)		(3,35,68,355)		(85,52,736)
<u>Cash flow from investing Activities</u>				
Purchase of Fixed Assets	(1,40,96,933)		(23,85,844)	
Long Term Loans Recovered/(Given)	30,000		(22,68,150)	
Deposit Given/(Released)	(36,750)		10,82,680	
		(1,41,03,683)		(35,71,314)
Net Cash Flow from Investing Activities (B)		(1,41,03,683)		(35,71,314)
<u>Cash Flow From Financing Activities</u>				
Issue of Shares	-		-	
Issue of Warrants	8,42,12,500			
Proceeds From long Term Borrowing (Net)	(1,73,19,821)		2,67,67,169	
Interest Paid	(1,72,77,179)		(1,42,49,349)	
		4,96,15,500		1,25,17,821
Net Cash Flow from Financing Activities (C)		4,96,15,500		1,25,17,821
Net (Decrease)/ Increase in Cash & Cash Equivalents (A+B+C)		19,43,463		3,93,771
Opening Cash & Cash Equivalents		9,60,251		5,66,479

Cash and cash equivalents at the end of the period		29,03,714		9,60,251
Cash And Cash Equivalents Comprise :				
Cash		7,84,058		8,99,168
Bank Balance :				
Current Account		30,69,553		61,082
Deposit Account				
Total		38,53,611		9,60,251

For A. Biyani & Co.	For and on behalf of the board of Directors	
Chartered Accountants		
ICAI Firm Reg. No. 140489W		
-Sd-	-Sd-	-Sd-
CA. Ashutosh Biyani	PREM AGGARWAL	SHIKHA AGGARWAL
Partner	MANAGNG DIRECTOR	WHOLE TIME DIRECTOR
Membership No. 165017	DIN NO: 02050297	DIN NO: 03373965
Place: Mumbai	-Sd-	-Sd-
Date : 28.07.2020	K. LAKSHMI PRIYA	ADITYA AGGARWAL
UDIN - 20165017AAAAAU7689	COMPANY SECRETARY	CHIEF FINANCIAL OFFICER

Notes to Financial Statements

Company Background

Garment Mantra Lifestyle Limited formerly known as Junction Fabrics and Apparels Limited (the 'Company') is a public limited Company incorporated under the Indian Companies Act 1956. The Company is engaged in the business of manufacturing, selling and distribution of fabrics, hosiery garments and providing of related services.

Significant Accounting Policies

1. Basis of preparation of financial statements

(a) Basis of Accounting:

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014.

(b) Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosures of contingent liabilities at the end of reporting period.

(c) Current/Non-Current Classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. it is expected to be realized or settled or is intended for sale or consumption in the company's normal operating cycle;
- ii. it is expected to be realized or settled within twelve months from the reporting date;
- iii. in the case of an asset, it is held primarily for the purpose of being traded; or it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- iv. in the case of a liability, the company does not have an unconditional right to defer settlement of the liability for at least twelve months from the reporting date all other assets and liabilities are classified as non-current. For the purpose of current / non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

2. Tangible and Intangible Assets

(a) Tangible Fixed Assets

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation/accumulated impairment. The cost of fixed assets comprises of its purchase price,

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Expenses directly attributable to new manufacturing facility during its construction period are capitalized. Know-how related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant tangible asset heads. Pursuant to the requirements under Schedule II of the Companies Act, 2013, the Company has identified and determined the cost of each component of an asset separately when the component has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. Profit or loss on disposal of tangible assets is recognized in the Statement of Profit and Loss. Tangible Fixed assets retired from active use and held for disposal are stated at the lower of their net book value and net realizable value and are disclosed separately under 'Other Current Assets'. Any expected loss is recognized immediately in the Statement of Profit and Loss.

(b) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any. Profit or Loss on disposal of intangible assets is recognized in the Statement of Profit and Loss.

'(c) Capital Work in Progress & Capital Advances

Cost of Assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Short Term Loans & Advances.

(d) Depreciation and Amortization:

Depreciation on tangible fixed assets is provided using the Straight Line Method based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets has been assessed based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Significant components of assets identified separately pursuant to the requirements under Schedule II of the Companies Act, 2013 are depreciated separately over their useful life. The residual value, useful life and method of depreciation of an asset is reviewed at each financial year end and adjusted prospectively

(e) Impairment

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exists the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of impairment loss is recognized in the Statement of Profit and Loss for the year. After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the fixed asset is

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on straight line basis over its remaining useful life.

3. Revenue Recognition

Revenue from sale of goods is recognized on transfer of all significant risks and rewards of ownership to the buyer. The amount recognized as sale is exclusive of sales tax/VAT/GST and is net of returns & discounts. Sales are stated gross of excise duty as well as net of excise duty (on goods manufactured and outsourced), excise duty being the amount included in the amount of gross turnover. The excise duty related to the difference between the closing stock and opening stock is recognized separately as part of changes in inventories of finished goods, work in progress and stock in trade. Revenue from service is recognized as per the completed service contract method. Processing income is recognized on accrual basis as per the contractual arrangements. Dividend income is recognized when the right to receive payment is established. Interest income is recognized on the time proportion basis.

4. Lease Accounting

Assets taken on operating lease:

Lease rentals on assets taken on operating lease are recognized as expense in the Statement of Profit and Loss on straight line basis.

5. Inventory

(a) Raw materials, work in progress, finished goods, packing materials, stores, spares, components, consumables and stock-in-trade are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis. Damaged, unserviceable and inert stocks are valued at net realizable value.

(b). In determining cost of raw materials, packing materials, stock-in-trade, stores, spares, components and consumables, weighted average cost methods used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

(c) Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, inappropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

6. Investments

Investments are classified into current and long-term investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. Current investments are stated at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments. Long-term investments are stated at cost. A provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. Reversal of such provision for diminution is made when there is a rise in the value of long term investment, or if the reasons for the decline no longer exist. On disposal of an investment, the difference

between its carrying amount and net disposal proceeds is recognized in the Statement of Profit and Loss.

7. Transactions in Foreign Currency

(a) Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

(b).Measurement of foreign currency items at the Balance Sheet date:

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

(c).Forward exchange contracts:

The Company had not entered into any forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company had not entered into any derivative instruments for trading or speculative purposes.

8. Trade receivables

Trade receivables are stated after writing off debts considered as bad.

9. Employee Benefits

A. Short Term Employee Benefits:

All employee benefits payable wholly within twelvemonths of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

B. Post-employment benefits:

(a) Defined contribution plans :

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the financial year to which they relate.

(b) Defined benefit plans

Provident fund scheme

The Company makes specified monthly contributions towards Employee Provident Fund scheme, for the eligible employees.

(c) Gratuity scheme

The Company has created provision for gratuity to the extent of Rs. 14.42 Lacs/-during the year 2018-19, based on the Certificate issued by Actuaries.

10. Research and Development

Research and Development expenditure of a revenue nature is expensed out under the respective heads of account in the year in which it is incurred. Fixed assets utilized for research and development are capitalized and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

11. Provision for Taxation

Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each Balance Sheet date to reassess realization.

12. Provisions and Contingencies

The Company creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

13. Earnings per Share

The Basic and Diluted Earnings per Share ("EPS") is computed by dividing the profit after tax for the year by weighted average number of equity shares outstanding during the year.

14. Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period they occur.

15. Cash and Cash Equivalents

Cash and cash equivalents include cash and cheques in hand, bank balances, demand deposits with banks and other short-term highly liquid investments where the original maturity is three months or less.

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

16. Government Grants and Subsidies

The Company is not entitled to any subsidy from government authorities in respect of manufacturing units located in specified regions: Grants in the nature of subsidy which are nonrefundable are credited to the Statement of Profit and Loss, on accrual basis, where there is reasonable assurance that the Company will comply with all the necessary conditions attached to them. Grants in the nature of subsidy which are refundable are shown as Liabilities in the Balance Sheet.

17. Measurement of EBITDA

The Company has opted to present earnings before interest(finance cost), tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss for the year. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations.

18. Segment Reporting

i) Business Segment

a. The business segment has been considered as the primary segment.

b. The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.

c. The Company's primary business comprises of manufacturing of knitted garments and trading of fabrics and since it is the only reportable segment as envisaged in Accounting Standard 17 - Segment Reporting. Accordingly, no separate disclosure for Segment Reporting to be made in the financial statements of the Company

ii) Geographical Segment

The Company produces and sells its products in India and also Exports the same directly or indirectly to overseas countries. The overseas sales operations are managed by its office located in India. For the purposes of AS 17 regarding segment reporting, secondary segment formation on geographical segment is considered on the basis of revenue generated from Domestic & Export market

Particulars	2019-20 (Amount in Lacs)	2018-2019 (Amount in Lacs)
Domestic Turnover	Rs.9355.51	Rs.8377.83
Export Turnover	Nil	Rs. 30.80
Total Turnover	Rs.9355.51	Rs.8408.63
Domestic Receivables	Rs.1804.45	Rs.882.74
Exports Receivables	Nil	Nil
Total Receivables	Rs.1804.45	Rs.882.74

19. Details of Shareholders holding more than 5% equity shares in the Company

Name of the share holders	As on 31.03.2019		As on 31.03.2018	
	Number of Equity Shares	Percentage of holding	Number of Equity Shares	Percentage of holding
Prem Dinanath Aggarawl	10,51,220	39.05%	10,51,220	39.05%
Shikha Aggarwal	2,37,000	8.80%	2,37,000	8.80%

GARMENT MANTRA LIFESTYLE LIMITED
(Formerly Known as Junction Fabrics and Apparels Limited)
(CIN: L18101TZ2011PLC017586)

Annual Report
2019-20

Manju Jayantilal Lodha	1,66,000	6.09%	Nil	Nil
Jayantilal Hansraj Lodha	1,44,000	5.35%	Nil	Nil
Total	14,52,220	59.29%	12,88,220	47.85%

20. The Company has recognized deferred tax arising on account of timing differences, being the difference between the taxable income and accounting income, that originates in one period and is capable of reversal in one or more subsequent period(s) in compliance with Accounting standard (AS 22) – Accounting for Taxes on income.

21 : Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2019-20, to the extent the Company has received intimation from the “Suppliers” regarding their status under the Act.

(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act) Principal amount due to micro and small enterprise Rs. 14,69,213/- and Interest due on above- Nil (During 2019-20 Nil)

(ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period Nil (During 2019-20 Nil)

(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006 Nil (During 2019-20 Nil)

(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year Nil (During 2019-20 Nil)

(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises Nil (During 2019-20 Nil)

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

24. Previous year’s figures have been regrouped / reclassified wherever necessary to correspond with current year’s classification

For A Biyani & Co
Chartered Accountant
FRN: - 140489W

-Sd-

CA. Ashutosh Biyani
Partner
Date: 28.07.2020