

**KITEX****Kitex Garments Limited**

(CIN: L18101KL1992PLC006528)

P. B. No. 5, Kizhakkambalam,

Alwaye, Kochi, Kerala, 683562

Phone: 91 484 4142000,

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Email: [sect@kitexgarments.com](mailto:sect@kitexgarments.com)website: [www.kitexgarments.com](http://www.kitexgarments.com)

Ref: KGL/SE/2020-21/JUL/06

July 29, 2020

To,

<b>The Secretary</b> BSE Limited Corporate Relationship Department, 1 <sup>st</sup> Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort Mumbai, Maharashtra – 400 001  <b>Script No: 521248</b>	<b>The Secretary</b> National Stock Exchange of India Ltd 'Exchange Plaza', Bandra - Kurla Complex Bandra (E), Mumbai, Maharashtra - 400051  <b>Script No: KITEX</b>
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Dear Sir/ Ma'am,

Ref: **OUR LETTERS TO NSE AND BSE DATED JULY 22, 2020**Sub: **OUTCOME OF BOARD MEETING HELD TODAY**

This has reference to our aforesaid letters and pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Board of Directors at their meeting held today transacted the following items of business:

1. Approved and took on record the audited financial results (Standalone and Consolidated) along with auditor's report for the year ended March 31, 2020 as duly reviewed and recommended by the audit committee.
2. Re-appointed Mr. Sabu M. Jacob, Chairman & Managing Director (DIN 00046016) as Chairman and Managing Director of the Company for a period of 5 years w.e.f. August 16, 2020, as reviewed and recommended by Nomination and Remuneration Committee subject to the approval of shareholders at ensuing Annual General Meeting.

Mr. Sabu M. Jacob is not debarred from holding the office of Director by virtue of any order of Securities and Exchange Board of India (SEBI) or any such authority.



3. Re-appointed Mr. C. P. Phillipose (DIN: 01125157) as Non-Executive Independent Director of the Company for a further period of 5 years effective from June 10, 2021 till June 9, 2026 and who has attained the age of above 75 years' subject to the approval of shareholders by way of Special Resolution at the ensuing Annual General Meeting and that they shall not be liable to retire by rotation during the said tenure.

A brief profile of the appointee is enclosed herewith as Annexure - 1.

The Board meeting commenced at 12.30 P.M. and concluded at 6:40 P.M. *Mf.*

Please take the above on record and acknowledge the receipt.

Thanking you,

For **Kitex Garments Limited**



**CS. Mithun B Shenoy**  
Company Secretary & Compliance officer  
(ICSI M. No. FCS 10527)



**DETAILS UNDER REGULATION 30 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 READ WITH SEBI CIRCULAR CIR/CFD/CMD/4/2015 DATED SEPTEMBER 9, 2015**

Sl. No.	Particulars	Details	
		Mr. Sabu M. Jacob	Mr. C. P. Phillipose
1	Reason for change viz., appointment, resignation, removal, death or otherwise;	Re-appointment	
2	Date of appointment/ Cessation (as applicable) & term of appointment	August 16, 2020. Re-appointed as Chairman and Managing Director of the Company	June 16, 2021. Re-appointed as Non-Executive Independent Director of the Company
3	Brief Profile (in case of appointment)	He has been involved in the promotion and the Management of the Company as Chairman and Managing Director right from its inception. He is having more than 28 years of experience in the field of garments industry.	He is a non-executive director of the Company, joined on July 20, 2015. Mr. Phillipose, a businessman by profession having more than 44 years in establishing and maintaining various production lines in his capacity as a director on the board of various companies in Sevana Group.
4	Disclosure of relationships between directors (in case of appointment of a Director)	Nil	

For **Kitex Garments Limited**



**CS. Mithun B Shenoy**  
Company Secretary & Compliance officer  
(ICSI M. no. FCS 10527)



**Independent Auditors' Report on Quarterly Standalone Financial Results and Year to Date Standalone Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015; as amended**

To the Board of Directors of Kitex Garments Limited

**Report on the Audit of Standalone Financial Results**

**Opinion**

We have audited the accompanying standalone annual financial results of Kitex Garments Limited (hereinafter referred to as 'the Company') for the quarter and year ended March 31, 2020 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

(i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(ii) give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2020

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Results 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to Note 04 to the Statement which states that the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the Statement. Accordingly, no adjustments have been made to the Statement.



Our opinion is not modified in respect of this matter.

**Board of Directors' Responsibilities for the Standalone Financial Results**

This Statement have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view, and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Company, as aforesaid.

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

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

**Auditors' Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Statement.

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 Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The



risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### Other Matter

1. Due to the restrictions and lock down laid by the government due to the COVID-19 pandemic it was impracticable for us to attend the physical verification of inventory carried out by the management subsequent to year end. Consequently, we have performed related alternative audit procedures and have obtained sufficient, appropriate audit evidence over the existence of inventory (amounting Rs. 13,032.87 Lakhs) as on March 31, 2020.



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**& Associates**

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2. The Statement include the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

Our opinion on the Statement is not modified in respect of the above matters.

For MSKA & Associates  
Chartered Accountants  
ICAI Firm Registration No.105047W



Geetha Jeyakumar  
Partner

Membership No.: 029409

UDIN: 20029409AAAFW1957

Place: Chennai

Date: July 29, 2020



**Independent Auditors' Report on Quarterly Consolidated Financial Results and Year to Date Consolidated Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015; as amended**

**To the Board of Directors of Kitex Garments Limited**

**Report on the Audit of Consolidated Financial Results**

**Opinion**

We have audited the accompanying consolidated annual financial results of Kitex Garments Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate for the quarter and year ended March 31, 2020, ('the Statement') attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate audited financial statements of the associate, the aforesaid Statement:

(i) include the annual financial results of the following entities:

Sr. No	Name of the Entity	Relationship with the Holding Company
1	Kitex Littlewear Limited	Wholly Owned Subsidiary
2	Kitex Kidswear Limited	Wholly Owned Subsidiary
3	Kitex Babywear Limited	Wholly Owned Subsidiary
4	Kitex Knits Limited	Wholly Owned Subsidiary
5	Kitex Socks Limited	Wholly Owned Subsidiary
6	Kitex Packs Limited	Wholly Owned Subsidiary
7	Kitex USA LLC	Foreign Associate

(ii) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(iii) give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Group for the year ended March 31, 2020.







**& Associates**

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#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us and other auditor in terms of their report referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter**

We draw attention to Note 04 to the Statement which states that the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the statement. Accordingly, no adjustments have been made to the statement.

Our opinion is not modified in respect of this matter.

#### **Board of Directors' Responsibilities for the Consolidated Financial Results**

These Statement have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group including its associate in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and its associate



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to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

#### **Auditors' Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 this Statement.

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





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**& Associates**

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- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group and its associate to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

#### Other Matters

1. The Statement include the audited Financial Results of one associate, whose Financial Statements reflect Group's share of net loss after tax of Rs. Nil (March 31, 2019: Rs. 982.34 Lakhs) for the quarter March 31, 2020 and for the period from April 1, 2019 to March 31, 2020 respectively, as considered in the Statement, which have been audited by their respective independent auditor. The independent auditor's report on financial statements of the associate has been furnished to us and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the associate, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.
2. Due to the restrictions and lock down laid by the government due to the COVID-19 pandemic it was impracticable for us to attend the physical verification of inventory carried out by the management subsequent to year end. Consequently, we have performed related alternative audit procedures and have obtained sufficient, appropriate audit evidence over the existence of inventory (amounting Rs. 13,032.87 Lakhs) as on March 31, 2020.
3. The Statement include the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial



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**& Associates**

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year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

Our opinion on the Statement is not modified in respect of the above matters.

For MSKA & Associates  
Chartered Accountants  
ICAI Firm Registration No. 105047W

*Geetha Jeyakumar*

Geetha Jeyakumar  
Partner

Membership No. 029409

UDIN: 20029409AAAAFX7018

Place: Chennai

Date: July 29, 2020





**Kitex Garments Limited**

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Ref

Date

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED MARCH 31, 2020					
Particulars	Standalone				
	For the three months ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Unaudited	Audited	Audited	Audited
<b>1 Income</b>					
(a) Revenue from Operations	14,632.46	25,086.13	17,997.36	73,920.98	60,680.16
(b) Other Income	2,248.57	806.74	165.18	4,436.56	2,246.11
<b>Total Income</b>	<b>16,881.03</b>	<b>25,892.87</b>	<b>18,162.54</b>	<b>78,357.54</b>	<b>62,926.47</b>
<b>2 Expenses</b>					
(a) Cost of Materials Consumed	7,297.15	8,302.37	7,133.33	31,706.18	28,280.74
(b) Changes in inventories of finished goods, work in progress	(441.69)	2,240.57	38.68	439.95	(1,644.54)
(c) Employee Benefits Expense	2,842.33	3,743.54	2,701.81	12,148.57	10,508.81
(d) Finance Costs	238.69	210.13	143.51	702.49	238.00
(e) Depreciation and amortisation expense	649.79	656.15	692.76	2,645.23	2,726.77
(f) Other Expenses	3,872.20	4,944.57	3,725.33	16,398.00	11,648.11
<b>Total Expenses</b>	<b>14,458.48</b>	<b>20,697.33</b>	<b>14,435.42</b>	<b>64,040.42</b>	<b>49,907.46</b>
<b>3 Profit before tax (1-2)</b>	<b>2,422.55</b>	<b>5,195.54</b>	<b>3,727.12</b>	<b>14,317.12</b>	<b>13,019.01</b>
<b>4 Tax expense</b>					
Current Tax	801.72	1,401.39	1,299.00	4,104.17	5,107.23
Deferred Tax	(301.14)	137.34	(9.13)	(654.44)	(233.54)
<b>5 Net Profit for the period/year (3-4)</b>	<b>1,921.97</b>	<b>3,656.61</b>	<b>2,437.25</b>	<b>10,867.39</b>	<b>8,145.55</b>
<b>6 Share of Profit/(loss) of Associate</b>					
<b>7 Net Profit /(Loss) for the period /year after Share of profit /(Loss) of Associate (5+6)</b>	<b>1,921.97</b>	<b>3,656.61</b>	<b>2,437.25</b>	<b>10,867.39</b>	<b>8,145.55</b>
<b>8 Other Comprehensive Income/(Loss) (net of tax)</b>					
Items that will not be reclassified to profit or loss					
(a) Remeasurements of post employment benefit obligations	(115.47)	-	(21.61)	(115.47)	(115.47)
(b) Fair value changes on Equity Instruments carried through other Comprehensive income	(2.24)	0.18	1.68	(4.41)	
(c) Income tax relating to items that will not be reclassified to profit or loss	30.72	0.04		30.17	
Items that will be reclassified to profit or loss					
<b>9 Total Comprehensive Income for the period (5+6)</b>	<b>1,834.98</b>	<b>3,656.82</b>	<b>2,417.32</b>	<b>10,777.68</b>	<b>8,123.94</b>
<b>10 Paid-up equity share capital (Face Value Re.1 per share)</b>	<b>665</b>	<b>665</b>	<b>665</b>	<b>665</b>	<b>665</b>
<b>11 Earnings Per Share (in Rupees) (of Re. 1/- each) (Not Annualised)</b>					
(a) Basic	2.89	5.50	3.67	11.44	12.25
(b) Diluted	2.89	5.50	3.67	11.44	12.25





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CIN: L18101K11992PLC006528

www.kitexgarments.com

Ref:

Date:

## Notes to Standalone Financial Statement:


- 1 The above quarterly results for the year and quarter ended March 31, 2020 were reviewed by the Audit Committee and has been approved by the Board of Directors at its meeting held on July 29, 2020 and have been subjected to audit by the Statutory Auditors of the Company. The audited Standalone Financial Results are prepared in accordance with Indian Accounting Standards (IndAs) as prescribed under Section 133 of the Companies Act, 2013.
- 2 In accordance with Ind AS 108 on "Operating Segments", the Group operates in a single business segment viz. Textiles Business and hence has only one reportable segment.
- 3 The standalone audited financial results for three months ended March 31, 2020 and three months ended March 31, 2019 are the balancing figures between the audited figures for the full financial years then ended and the published year to date reviewed figures upto the third quarter of the respective year.
- 4 COVID 19 was declared a global pandemic on March 11, 2020 and consequently the Government of India declared lockdown on March 23, 2020 until May 2020. The pandemic and lockdown impacted normal operations by way of interruption in production, supply chain disruption, customer order deferrals, unavailability of personnel, etc. Manufacturing and Exports commenced by first week of May 2020 based on permissions from relevant authorities. The Management has made a detailed assessment on recoverability and carrying value of its assets comprising of Plant Property Equipment, Intangible assets, investments, inventory, trade receivables and other financial assets. Based on current visibility of future business environment, economic conditions and liquidity position of the company, the company expects to recover the carrying amount of these assets. The actual impact may be different from that estimated as at the date of approval of these financial results, as it will depend upon future developments and future actions to contain or treat the disease and mitigate its impact on the economy. Accordingly, no adjustments have been made to the financial statements.
- 5 Previous year/ period's figures have been regrouped/reclassified, wherever necessary, to conform to the classification on the current period's/years classification.

Place : Kizhakkambalam

Date : July 29, 2020



For Kitex Garments Ltd

  
Sabu M Jacob  
Managing Director  
DIN:00046016





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CIN: L18101KL1992PLC006528

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Ref:

Date:

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED MARCH 31, 2020					
Particulars	Rupees in Lakh				
	Consolidated				
	For the Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Unaudited	Audited	Audited	Audited
<b>1 Income</b>					
(a) Revenue from Operations	14,532.46	25,086.13	17,997.36	73,920.98	60,680.46
(b) Other Income	2,090.72	647.83	166.29	3,918.79	2,247.12
<b>Total Income</b>	<b>16,723.18</b>	<b>25,733.96</b>	<b>18,163.65</b>	<b>77,839.77</b>	<b>62,927.58</b>
<b>2 Expenses</b>					
(a) Cost of Materials Consumed	7,297.15	8,302.37	7,133.33	31,706.18	28,280.74
(b) Changes in Inventories of finished goods, work in progress	(441.69)	2,840.57	38.68	439.95	(3,644.54)
(c) Employee Benefits Expense	2,842.33	3,743.54	2,701.81	12,148.57	10,508.83
(d) Finance Costs	238.69	210.13	143.51	702.49	388.00
(e) Depreciation and amortisation expense	649.79	656.15	692.76	2,645.23	2,726.25
(f) Other Expenses	3,874.50	4,942.96	3,742.89	16,410.53	11,667.95
<b>Total Expenses</b>	<b>14,460.78</b>	<b>20,695.72</b>	<b>14,452.98</b>	<b>64,052.95</b>	<b>49,927.23</b>
<b>3 Profit before tax (1-2)</b>	<b>2,262.40</b>	<b>5,038.24</b>	<b>3,710.67</b>	<b>13,786.82</b>	<b>13,000.35</b>
<b>4 Tax expense</b>					
Current Tax	801.72	1,401.59	1,299.00	4,104.17	5,107.00
Deferred Tax	(301.14)	137.34	(9.13)	(654.44)	(233.54)
<b>5 Net Profit for the period /year (3-4)</b>	<b>1,761.82</b>	<b>3,499.31</b>	<b>2,420.80</b>	<b>10,337.09</b>	<b>8,126.89</b>
<b>6 Share of loss of Associate</b>					
					(982.34)
<b>7 Net Profit for the period /year after Share of Loss of Associate (5+6)</b>	<b>1,761.82</b>	<b>3,499.31</b>	<b>2,420.80</b>	<b>10,337.09</b>	<b>7,144.55</b>
<b>8 Other Comprehensive Income/(Loss) (net of tax)</b>					
Items that will not be reclassified to profit or loss					
(a) Remeasurements of post employment benefit obligations	(115.47)		(21.51)	(115.47)	(21.61)
(b) Fair value changes on Equity Instruments measured through other Comprehensive income	(2.74)	0.18	1.68	(4.41)	-
(c) Income tax relating to items that will not be reclassified to profit or loss	30.72	0.04		30.17	-
Items that will be reclassified to profit or loss					(42.70)
<b>9 Total Comprehensive Income for the Period (5+6)</b>	<b>1,674.83</b>	<b>3,499.53</b>	<b>2,400.87</b>	<b>10,247.38</b>	<b>7,080.24</b>
<b>10 Paid-up equity share capital (Face Value Re 1 per share)</b>	665	665	665	665	665
<b>11 Earnings Per Share (in Rupees) (of Re. 1/- each) (Not Annualised)</b>					
(a) Basic	2.55	5.26	3.64	15.54	10.74
(b) Diluted	2.35	5.26	3.64	15.54	10.74





**Kitex Garments Limited**

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PHONE: 91 484 4142000, FAX: 91 484 2680604  
E mail: kgl@kitexgarments.com  
CIN L18101KL1992PLC006528  
www.kitexgarments.com


Ref:

Date:

**Notes to Consolidated Financial Statement:**

- 1 The above quarterly results for the year and quarter ended March 31, 2020 were reviewed by the Audit Committee and has been approved by the Board of Directors at its meeting held on July 29, 2020 and have been subjected to audit by the Statutory Auditors of the Company. The audited Consolidated Financial Results are prepared in accordance with Indian Accounting Standards (IndAs) as prescribed under Section 133 of the Companies Act, 2013.
- 2 In accordance with Ind AS 108 on "Operating Segments", the Group operates in a single business segment viz. Textiles Business and hence has only one reportable segment.
- 3 The consolidated audited financial results for three months ended March 31, 2020 and three months ended March 31, 2019 are the balancing figures between the audited figures for the full financial years then ended and the published year to date reviewed figures upto the third quarter of the respective year.
- 4 COVID 19 was declared a global pandemic on March 11, 2020 and consequently the Government of India declared lockdown on March 23, 2020 until May 2020. The pandemic and lockdown impacted normal operations by way of interruption in production, supply chain disruption, customer order deferrals, unavailability of personnel, etc. Manufacturing and Exports commenced by first week of May 2020 based on permissions from relevant authorities. The Management has made a detailed assessment on recoverability and carrying value of its assets comprising of Plant Property Equipment, intangible assets, investments, inventory, trade receivables and other financial assets. Based on current visibility of future business environment, economic conditions and liquidity position of the company, the company expects to recover the carrying amount of these assets. The actual impact may be different from that estimated as at the date of approval of these financial results, as it will depend upon future developments and future actions to contain or treat the disease and mitigate its impact on the economy. Accordingly, no adjustments have been made to the financial statements.
- 5 Previous year/ period's figures have been regrouped/reclassified, wherever necessary, to conform to the classification on the current period's/years classification.

For Kitex Garments Ltd

  
Sabu M Jacob  
Managing Director  
DIN:00046016

Place : Kizhakkambalam  
Date : July 29, 2020







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**Note 4**  
**Cash Flow Statement for the year ended March 31, 2020**

Rupees in Lakhs

Particulars	Standalone		Consolidated	
	For the year ended 31.03.2020	For the year ended 31.03.2019	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit before taxation	14317.11	13019.03	13786.81	13000.35
Adjustments for increase/(decrease) in operations.				
Depreciation/Amortisation	2645.23	2726.25	2645.23	2726.25
Unrealised foreign exchange (gain)/loss-net	(1375.40)	198.41	(1375.40)	198.41
Loss on forward contracts	210.62	0.00	210.62	0.00
Interest income	(570.76)	(43.50)	(58.89)	(43.50)
Deferred Grant Income	(154.97)	(154.97)	(154.97)	(154.97)
Loss/(profit) on sale of assets-net	6.83	8.07	6.83	8.07
Intangible asset under development written off	(195.67)	0.00	(195.67)	0.00
Provision / sundry balances written off	(14.24)	(0.18)	(14.24)	(0.18)
Provision for doubtful debts written back	0.00	(347.03)	0.00	(347.03)
Interest expense	702.49	388.00	702.49	388.00
Operating profit before working capital changes	15565.24	15794.09	15552.81	15775.42
Adjustments for				
Trade and other receivables	(4862.59)	(7273.38)	(5673.37)	(7368.34)
inventories	(144.85)	(4105.58)	(144.85)	(4105.58)
Trade, other payables and provisions	581.93	248.25	633.03	240.26
Cash generated from operations	11139.73	4655.37	10367.62	4541.76
Direct taxes paid (net of refunds)	(5248.49)	(3686.14)	(5248.49)	(3686.14)
Cash from operating activities	5891.24	969.23	5119.13	855.62
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Payment for property, plant and equipment and intangible assets	(1506.38)	(2755.14)	(2921.01)	(7756.62)
Proceeds from sale of property, plant and equipment	15.19	50.89	15.19	50.89
Purchase of investments	(100.00)	(269.97)	0.00	(129.97)
Interest received	43.42	36.28	43.42	36.25
Advances to Wholly owned Subsidiaries	(2160.87)	(4975.12)	0.00	0.00
Net cash used in investing activities	(3708.64)	(7913.06)	(2862.40)	(7799.45)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Net proceeds from bank borrowings	611.57	8198.92	611.57	8198.92
Interest paid	(705.48)	(391.78)	(705.48)	(391.78)
Dividend/dividend distribution tax paid	(2388.52)	(599.67)	(2388.52)	(599.67)
Net cash generated / (used) in financing activities	(2482.43)	7207.47	(2482.43)	7207.47
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(299.83)	263.64	(225.70)	263.64
Effect of unrealised foreign exchange (gain) / loss	273.73	(125.40)	273.73	(125.40)
Cash and cash equivalents at the beginning of the year	9406.27	9268.03	9406.27	9268.03
Cash and cash equivalents at the end of the year	9380.17	9406.27	9454.30	9406.27
Net increase/(decrease) in cash and cash equivalents	(299.83)	263.64	(225.70)	263.64

**Reconciliation of cash and cash equivalents**

Particulars	Standalone		Consolidated	
	For the year ended 31.03.2020	For the year ended 31.03.2019	For the year ended 31.03.2020	For the year ended 31.03.2019
Cash and cash equivalents:				
Cash-in hand	3.96	1.36	3.96	1.36
Balance with bank	9,376.21	9,404.91	9,450.34	9,404.91
Cash and cash equivalents as per Balance sheet	9,380.17	9,406.27	9,454.30	9,406.27
Cash and cash equivalents as per Cash flow statement	9,380.17	9,406.27	9,454.30	9,406.27





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Note 3

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STATEMENT OF ASSETS AND LIABILITIES		Standalone		Consolidated	
Sl No	Particulars	As at	As at	As at	As at
		31.03.2020	31.03.2019	31.03.2020	31.03.2019
		Audited	Audited	Audited	Audited
<b>A</b>	<b>ASSETS</b>				
1	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment	1,924.64	16,387.65	23,343.76	21,389.13
	(b) Capital work-in-progress	1,031.00	3,763.58	2,031.00	3,463.58
	(c) Other Intangible assets	19.74	48.93	19.74	49.93
	(d) Intangible assets under development	32.30	223.25	32.30	223.25
	(e) Financial Assets				
	(i) Investments	1,535.30	2,922.92	529.14	6.68
	(ii) Other financial assets	7,362.11	5,146.56	226.14	225.13
	(f) Non-Current Tax Assets	512.80	275.93	512.83	275.93
	(g) Other non-Current Assets	940.08	716.90	1,793.01	715.90
	<b>Total Non current Assets</b>	<b>31,359.87</b>	<b>29,486.72</b>	<b>28,476.09</b>	<b>26,650.53</b>
2	<b>Current assets</b>				
	(a) Inventories	1,032.87	12,888.02	13,032.37	12,688.02
	(b) Financial Assets				
	(i) Trade receivables	2,156.70	16,531.54	25,156.79	16,531.54
	(ii) Cash and Cash Equivalents	1,380.17	9,406.27	9,454.30	9,406.27
	(iii) Bank balances other than (ii) above	1,274.77	457.45	1,274.77	489.00
	(iv) Other financial assets	1,691.14	1,470.36	3,691.14	1,470.36
	(c) Other Current Assets	1,941.25	1,321.80	2,941.25	8,331.80
	<b>Total Current Assets</b>	<b>55,476.99</b>	<b>49,075.45</b>	<b>55,551.12</b>	<b>49,116.99</b>
	<b>TOTAL ASSETS</b>	<b>86,836.86</b>	<b>78,562.17</b>	<b>84,027.21</b>	<b>75,767.52</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>				
1	<b>Equity</b>				
	(a) Equity Share Capital	665.00	665.00	665.00	665.00
	(b) Other Equity	66,851.27	58,478.68	63,990.51	55,684.02
	<b>Total Equity</b>	<b>67,516.27</b>	<b>59,143.68</b>	<b>64,655.51</b>	<b>56,349.02</b>
	<b>Liabilities</b>				
2	<b>Non-current liabilities</b>				
	(a) Provisions	1,006.63	777.92	1,006.63	777.92
	(b) Deferred tax liabilities (Net)	684.50	1,338.94	684.50	1,338.94
	(c) Other Non Current Liabilities	579.87	669.59	579.87	669.59
	<b>Total Non-Current Liabilities</b>	<b>2,271.00</b>	<b>2,786.45</b>	<b>2,271.00</b>	<b>2,786.45</b>
3	<b>Current liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	9,612.57	8,668.30	9,612.57	8,660.30
	(ii) Trade payables				
	- Total outstanding dues to Micro and Small Ent	57.43	102.61	57.43	102.61
	- Total outstanding dues to creditors other than	4,674.27	4,107.98	4,674.27	4,207.88
	(iii) Other financial liabilities	570.53	747.30	570.53	747.30
	(b) Other Current Liabilities	397.20	401.72	443.31	401.73
	(c) Provisions	336.12	265.07	336.12	265.07
	(d) Current Tax Liabilities (Net)	1,401.47	2,339.06	1,401.47	1,339.05
	<b>Total Current Liabilities</b>	<b>17,049.59</b>	<b>16,632.04</b>	<b>17,100.70</b>	<b>16,632.05</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>86,836.86</b>	<b>78,562.17</b>	<b>84,027.21</b>	<b>75,767.52</b>



**KITEX****Kitex Garments Limited**

(CIN: L18101KL1992PLC006528)

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Email: [sect@kitexgarments.com](mailto:sect@kitexgarments.com)website: [www.kitexgarments.com](http://www.kitexgarments.com)

July 29, 2020

To,

<b>The Secretary</b> BSE Limited Corporate Relationship Department, 1 <sup>st</sup> Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort Mumbai, Maharashtra - 400 001 SCRIPT NO: 521248	<b>The Secretary</b> National Stock Exchange of India Ltd 'Exchange Plaza', Bandra - Kurla Complex Bandra (E), Mumbai, Maharashtra - 400051 SCRIPT NO: KITEX
--	--

Dear Sir/ Ma'am,

Subj: **Declaration Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for unmodified opinion**

I, Bobby Michael, Chief Financial Officer of the Company having its registered office at Building no. 9/536 A, Kizhakkambalam, Kochi, Kerala - 683562 hereby declare that the Independent Auditors of the Company, M/s. MSKA & Associates, Chartered Accountants (Regn. No. 105047W) have issued an Audit Report with unmodified opinion and Audited Financial Results for the quarter and year ended March 31, 2020.

This declaration is issued in compliance of Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide circular no. CIR/CFD/CMD/56/2016 dated 27.05.2016.

Yours faithfully,

For **Kitex Garments Limited**

**CA. Bobby Michael**  
Chief Financial Officer

