

**Kitex Garments Limited**

(CIN: L18101KL1992PLC006528)

Regd. Office: Building No. VI/496, Kizhakkambalam,

Vilangu P.O, Aluva, Ernakulam – 683561, Kerala

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Ref: KGL/SE/2024-25/MAY/02

May 20, 2024

<b>BSE Limited</b> Dept. of Corporate Services (Listing) 1 <sup>st</sup> Floor, New Trading Ring, Rotunda Building, P J Towers Dalal Street, Mumbai – 400 001, Maharashtra BSE Scrip Code : <b>521248</b>	<b>The National Stock Exchange of India Ltd</b> Listing Department, Exchange Plaza, 5 <sup>th</sup> Floor, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra NSE Symbol : <b>KITEX</b>
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Dear Sir/ Ma'am,

**Sub: Intimation of Board Meeting to NSE and BSE dated May 14, 2024****Ref : Outcome of Board Meeting held today, May 20, 2024**

This has reference to our aforesaid intimation regarding the captioned subject and pursuant to the Regulation 30, 33 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Board of Directors of the Company, in its meeting held on Monday, May 20, 2024 have discussed and approved the following:

1. Audited Standalone and Consolidated Financial Results of the Company for the quarter and financial year ended March 31, 2024.

In this regard, we are enclosing herewith the following:

- a. Audited Standalone and Consolidated Financial Results of the Company for the quarter and financial year ended March 31, 2024 along with the Auditor's Report thereto
  - b. Statement on Impact of Audit Qualification for audit report with modified opinion on Standalone Financial Results
  - c. Declaration of Chief Financial Officer for audit report with unmodified opinion on Consolidated Financial Results
2. Recommended a final dividend of Rs. 1.50 per equity share of the face value of Re.1/-each (at the rate of 150%) for the financial year ended March 31, 2024, subject to approval of the Members of the Company at the ensuing Annual General Meeting.

We will inform you in due course, the date on which the Company will hold its Annual General Meeting for the year ended March 31, 2024 and the date from which dividend, if approved by the Members, will be paid to the Members.

The Board meeting commenced at 12:15 P.M and concluded at 4.50 P.M.

We request you to kindly take the same on record.

For **Kitex Garments Limited**

**Dayana Joseph**  
**Company Secretary & Compliance Officer**  
Enclosure : As above

**Independent Auditor's Report on Standalone Audited Annual Financial Results of the Kitex Garments Limited 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**

**Qualified Opinion**

We have audited the accompanying statement of standalone annual financial results of Kitex Garments Limited (hereinafter referred to as 'the Company') for the year ended March 31, 2024 ('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, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid Statement:

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

(ii) gives a true and fair view, in conformity with the recognition and measurement principles laid down in 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 the net profit, and other comprehensive income and other financial information of the Company for the year ended March 31, 2024.

**Basis for Qualified Opinion:**

The Company has investments in Kitex USA LLC, an Associate Company, amounting to Rs 2,776.24 lakhs, which has impairment triggers during the year ended March 31, 2024 due to various indicators like continuous losses and negative net-worth at the Associate level. However, the Company has determined the carrying value of investment as recoverable, based on management assessment and internal valuation performed, which is highly dependent on various input data and other external factors contributing to the associate's ability to turn around. In the absence of corroborative audit evidence to substantiate the reasonableness of the above mentioned unobservable inputs, we are unable to comment on the recoverability of carrying value of investment in Kitex USA, LLC. (Refer Note 07 to the standalone financial results)

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's 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 standalone 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 qualified opinion.

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

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has 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 gives a true and fair view of the net profit, and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in 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 is in compliance with the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

# MSKA & Associates

Chartered Accountants

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 are responsible for overseeing the financial reporting process of the Company.

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

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 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 standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 auditor's 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 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 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.



# MSKA & Associates

Chartered Accountants

## Other Matters

The Statement includes the results for the quarter ended March 31, 2024 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 is not modified in respect of the above matter.

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No.105047W



Geetha Jeyakumar  
Partner  
Membership No. 029409  
UDIN: 24029409BKDEKS5676



Place: Kizhakkambalam  
Date: May 20, 2024



KITEX GARMENTS LIMITED

CIN: L18101KL1992PLCO06528

Regd. Office : Building No.VI/496, Kizhakkambalam, Vilangu P.O, Aluva, Kerala-683561.

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## STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

Rupees in lakhs

Particulars	Standalone				
	For the quarter ended			Year ended	
	March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
	Unaudited Refer Note 4	Unaudited	Unaudited Refer Note 4	Audited	Audited
<b>1 Income</b>					
(a) Revenue from Operations	17,305.36	16,413.13	9,770.89	61,692.20	55,699.55
(b) Other Income	905.51	803.57	1,609.22	2,467.06	4,307.66
<b>Total Income</b>	<b>18,210.87</b>	<b>17,216.70</b>	<b>11,380.11</b>	<b>64,159.26</b>	<b>60,007.21</b>
<b>2 Expenses</b>					
(a) Cost of Materials Consumed	10,557.23	6,056.09	6,950.35	29,742.81	24,026.44
(b) Changes in Inventories of Finished Goods and Work-in-Progress	(4,052.60)	372.50	(2,441.02)	(4,228.34)	2,426.87
(c) Employee Benefits Expense	3,429.61	2,925.15	2,452.19	11,939.36	10,906.72
(d) Finance Costs	284.30	188.76	8.51	733.19	447.17
(e) Depreciation and Amortisation Expense	508.29	519.78	514.29	2,070.40	2,120.97
(f) Other Expenses	3,876.36	3,751.90	3,230.12	13,993.67	11,936.86
<b>Total Expenses</b>	<b>14,603.19</b>	<b>13,814.18</b>	<b>10,714.44</b>	<b>54,251.09</b>	<b>51,865.03</b>
<b>3 Profit Before Tax (1-2)</b>	<b>3,607.68</b>	<b>3,402.52</b>	<b>665.67</b>	<b>9,908.17</b>	<b>8,142.18</b>
<b>4 Tax Expense</b>					
(a) Current Tax	1,031.00	1,353.00	(127.00)	3,221.00	2,408.00
(b) Deferred Tax (benefit)/Expense	(22.41)	(50.06)	370.69	(131.60)	(207.63)
<b>5 Net Profit for the period/year (3-4)</b>	<b>2,599.09</b>	<b>2,099.58</b>	<b>421.98</b>	<b>6,818.77</b>	<b>5,941.81</b>
<b>6 Other Comprehensive Income/(Loss) (net of tax) for the period / year</b>					
<b>Items that will not be reclassified to profit or loss</b>					
(a) Remeasurements of post employment benefit obligations	(18.60)	-	95.37	(18.60)	95.37
(b) Fair value changes on equity instruments carried through other comprehensive income	2.01	1.09	(0.69)	5.45	0.81
(c) Income tax relating to items that will not be reclassified to profit or loss	4.18	(0.27)	(23.83)	3.31	(24.21)
<b>Total Other Comprehensive (Loss)/Income for the period/ year</b>	<b>(12.41)</b>	<b>0.82</b>	<b>70.85</b>	<b>(9.84)</b>	<b>71.97</b>
<b>7 Total Comprehensive Income /(Loss) for the period/ year (5+6)</b>	<b>2,586.68</b>	<b>2,100.40</b>	<b>492.83</b>	<b>6,808.93</b>	<b>6,013.78</b>
<b>8 Paid-Up Equity Share Capital</b> (Face value Re.1 per share fully paid up)	665	665	665	665	665
<b>9 Other Equity</b>				95,635.45	89,824.01
<b>10 Earnings Per Share (In Rupees)</b> (of Re. 1/- each ) (Not Annualised)					
(a) Basic	3.91	3.16	0.63	10.25	8.94
(b) Diluted	3.91	3.16	0.63	10.25	8.94



**Notes to Standalone Financial Results:**

- 1 The above standalone results of Kitex Garments Limited ("the Company") for the quarter and year ended March 31, 2024 were reviewed by the Audit Committee and has been approved by the Board of Directors at its respective meeting held on May 20, 2024. The audited Standalone Financial Results are prepared in accordance with Indian Accounting Standards (IndAs) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016.
- 2 The Board of Directors has proposed final dividend of Re. 1.50 per Equity share of face value Re.1.00 each in the meeting held on May 20, 2024, which will be paid subject to the approval of the shareholders.
- 3 In accordance with Ind AS 108 on "Operating Segments", the Company operates in a single business segment viz. Textile - Infant/Kids Apparel Manufacturing and hence has only one reportable segment.
- 4 The figures of the quarter ended March 31, 2024 and March 31, 2023 are the balancing figures between the audited figures in respect of the financial year up to March 31, 2024 and March 31, 2023 and the unaudited published year-to-date figures up to December 31, 2023 and December 31, 2022 being the date of the end of third quarter of the financial year which were subjected to limited review by statutory auditors.
- 5 During the current year, Company acquired additional stake of 1,96,77,000 shares in subsidiary company "Kitex Apparel Parks Limited" (KAPL) to the tune of Rs.1967.70 Lakhs. Additionally the Company has provided guarantee for borrowings availed by KAPL for sanctioned amount of Rs 2,02,300 lakhs of which Rs.60,980.17 lakhs has been disbursed during the year.
- 6 Company has accounted receivable denominated in Foreign currency to the tune of Rs 8,832.07 lakhs which is outstanding for more than one year. Company has taken active measures to regularise the delay with AD Bank for compliance with the provision of Foreign Exchange Management Act, 1999 (FEMA) read with rules notified therewith.
- 7 The Company holds an investment in an Associate, Kitex USA LLC, which amounts to Rs 2,776.24 lakhs as on March 31, 2024 (March 31, 2023: Rs. 2,776.24 lakhs). Further, the Associate has been reporting continuous losses and this has fully eroded its net worth as on March 31, 2024. Management of Associate has entered into business relationship with a some major retail customers in US, commenced shipping orders to the targeted customers for retail distribution during April 2024 and expects to grow this business to 600 stores of the customers in USA, apart from expansion into Mexico and Europe resulting in increased business to the Associate. Company evaluated the fair valuation of the investments by considering this new business, projected future revenue and higher contribution margin. Based on their assessment the management of the Company considers that the fair value of the investment in Associate is higher than its carrying value as on March 31, 2024. Accordingly, the management of the Company is confident that no material adjustments would be required to be made to the carrying value of the investments in associates in the standalone financial results of the Company for the year ended March 31, 2024.
- 8 Previous year's/period's figures have been regrouped/reclassified, wherever necessary, to conform to the classification on the current year's/period's classification.

Place : Kizhakkambalam

Date : May 20, 2024

For Kitex Garments Limited

Sabu M Jacob

Managing Director

DIN:00046016



## ANNEXURE I

### Kitex Garments Limited

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with its Standalone Audited Annual Financial Results for the year ended March 31, 2024





(In Rs. Lakhs except for Earnings Per Share)

I	Sl No	Particulars	Audited Figures(as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	64,159.26	64,159.26
	2	Total Expenditure	54,251.09	54,251.09
	3	Net Profit/(Loss)	6,818.77	6,818.77
	4	Earnings Per Share	10.25	10.25
	5	Total Assets	1,14,566.94	1,14,566.94
	6	Total Liabilities	18,266.49	18,266.49
	7	Net Worth	96,300.45	96,300.45
	8	Any other financial item(s) (as felt appropriate by the management)	-	-
II	<b><u>Audit Qualification:</u></b>			
	<b>a. Details of Audit Qualification:</b>			
	<p>The Company has investments in Kitex USA LLC, an Associate Company, amounting to Rs 2,776.24 lakhs, which has impairment triggers during the year ended March 31, 2024 due to various indicators like continuous losses and negative net-worth at the Associate level. However, the Company has determined the carrying value of investment as recoverable, based on management assessment and internal valuation performed, which is highly dependent on various input data and other external factors contributing to the associate's ability to turn around. In the absence of corroborative audit evidence to substantiate the reasonableness of the above mentioned unobservable inputs, we are unable to comment on the recoverability of carrying value of investment in Kitex USA, LLC. (Refer Note 07 to the standalone financial results)</p>			
	<b>b. Type of Audit Qualification: Qualified Opinion</b>			
	<b>c. Frequency of Qualification: First Time</b>			
	<b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA</b>			
	<b>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</b>			
	<b>i. Management's estimation on the impact of audit qualification: NA</b>			
	<b>ii. If management is unable to estimate the impact, reasons for the same:</b> The Company has performed fair valuation of the aforementioned investment considering change in business plan, forecasted future revenue and contribution and determined fair value which exceed carrying value. Management is confident of achieving the forecasted results based on recent development and current external factors affecting the business.			
	<b>iii. Auditors' Comments on (i) or (ii) above: No further comments</b>			

**ANNEXURE I**

**Kitex Garments Limited**

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with its Standalone Audited Annual Financial Results for the year ended March 31, 2024**

<b>III</b>	<b>Signatories</b>	
	Chairman & Managing Director	 Sabu M Jacob Place: Kizhakkambalam Date : May 20, 2024
	Chief Financial Officer	 Boby Michael Place : Kizhakkambalam Date : May 20, 2024
	Chairman of Audit Committee	 Benni Joseph Place : Kizhakkambalam Date : May 20, 2024
Statutory Auditor	MSKA & Associates Chartered Accountants ICAI Firm Registration No. 105047W  Geetha Jeyakumar Partner Membership No. 029409 Place : Cochin Date : May 20, 2024	





**Independent Auditor's Report on Consolidated Audited Annual Financial Results of the Group 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 Statement of 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"), its associate for the year ended March 31, 2024 ('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 reports of other auditor(s) on separate audited financial statements of the subsidiaries and associate, the aforesaid Statement:

(i) includes the annual financial results of Holding Company and 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
8	Kitex Apparel Parks Limited	Subsidiary

\* As the Company's share of losses in the Associate has exceeded the cost of investment in an earlier year, loss for the year has not been considered in these consolidated financial statements

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

(iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in 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 the net profit, and other comprehensive income and other financial information of the Group, its associate for the year ended March 31, 2024.

**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 SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, and of 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 consolidated 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.



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

This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has 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 gives 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 recognition and measurement principles laid down in accordance with the applicable 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 is in compliance with 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 of 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 of its associate 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 and of its associate 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.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 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 Holding Company has adequate internal financial controls with reference to consolidated 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 of its associate 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 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 auditor's report. However, future events or conditions may cause the Group and of its associate to cease to continue as a going concern.



# MSKA & Associates

Chartered Accountants

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents 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 of 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 auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them<sup>1</sup>. 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.

We also performed procedures in accordance with the circular issued by SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

## Other Matters

1. The Statement includes the audited financial results of six subsidiaries, whose Financial Statements reflect Group's share of total assets of Rs. 9,255.61 lakhs as at March 31, 2024 Group's share of total revenue of Rs.6.68 lakhs, Group's share of total net loss after tax of Rs. 762.22 lakhs, and Group's share of total comprehensive loss of Rs. 762.22 lakhs for the period from April 01, 2023 to March 31, 2024 and Group's net cash inflow of Rs. 3.11 lakhs for the year ended as on date respectively, as considered in the Statement, which have been audited by the other auditors whose reports on financial statements of these entities have been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of such other auditors and the procedures performed by us are as stated in paragraph above.

Our opinion is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

2. The Statement includes the results for the quarter ended March 31, 2024 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2024 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 is not modified in respect of the above matter.

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.105047W



Geetha Jeyakumar  
Partner  
Membership No.:029409  
UDIN: 24029409BKDEKT7766



Place: Kizhakkambalam  
Date: May 20, 2024



KITEX GARMENTS LIMITED

CIN: L18101KL1992PLC006528

Regd. Office : Building No.VI/496, Kizhakkambalam, Vilangu P.O, Aluva, Kerala-683561.

Web:www.kitexgarments.com, E-mail:sect@kitexgarments.com, Tel.0484 4142000, Fax: 0484 2680604

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

Rupees in lakhs

Particulars	Consolidated				
	For the quarter ended			Year ended	
	March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
	Unaudited Refer Note 4	Unaudited	Unaudited Refer Note 4	Audited	Audited
<b>1 Income</b>					
(a) Revenue from Operations	17,305.36	16,413.13	9,770.89	61,692.20	55,699.55
(b) Other Income	324.11	250.16	1,712.71	1,424.99	4,405.69
<b>Total Income</b>	<b>17,629.47</b>	<b>16,663.29</b>	<b>11,483.60</b>	<b>63,117.19</b>	<b>60,105.24</b>
<b>2 Expenses</b>					
(a) Cost of Materials Consumed	10,557.23	6,056.09	6,950.35	29,742.81	24,026.44
(b) Changes in Inventories of Finished Goods and Work-in-Progress	(4,057.60)	372.50	(2,441.02)	(4,228.34)	2,426.87
(c) Employee Benefits Expense	3,437.76	2,925.15	2,452.19	11,947.51	10,906.72
(d) Finance Costs	284.30	188.76	8.51	733.19	447.17
(e) Depreciation and Amortisation Expense	508.43	519.87	514.29	2,070.74	2,120.97
(f) Other Expenses	3,911.30	3,801.24	3,458.76	14,178.82	12,251.55
<b>Total Expenses</b>	<b>14,646.42</b>	<b>13,863.61</b>	<b>10,943.08</b>	<b>54,444.73</b>	<b>52,179.72</b>
<b>3 Profit Before Tax (1-2)</b>	<b>2,983.05</b>	<b>2,799.68</b>	<b>540.52</b>	<b>8,672.46</b>	<b>7,925.52</b>
<b>4 Tax Expense</b>					
(a) Current Tax	1,031.00	1,353.00	(127.00)	3,221.00	2,408.00
(b) Deferred Tax (benefit)/Expense	(22.41)	(50.06)	370.69	(131.59)	(174.72)
<b>5 Net Profit for the period /year (3-4)</b>	<b>1,974.46</b>	<b>1,496.74</b>	<b>296.83</b>	<b>5,583.05</b>	<b>5,692.24</b>
<b>6 Share of Loss of Associate</b>	-	-	-	-	-
<b>7 Net Profit for the period /year after Share of Loss of Associate (5+6)</b>	<b>1,974.46</b>	<b>1,496.74</b>	<b>296.83</b>	<b>5,583.05</b>	<b>5,692.24</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	(18.60)	-	95.37	(18.60)	95.37
(b) Fair value changes on equity instruments carried through other comprehensive income	2.01	1.09	(0.69)	5.45	0.81
(c) Income tax relating to items that will not be reclassified to profit or loss	4.18	(0.27)	(23.83)	3.31	(24.21)
Items that will be reclassified to profit or loss	-	-	-	-	-
<b>Total Other Comprehensive (Loss)/Income for the period/ year</b>	<b>(12.41)</b>	<b>0.82</b>	<b>70.85</b>	<b>(9.84)</b>	<b>71.97</b>
<b>9 Total Comprehensive Income for the period/ year (7+8)</b>	<b>1,962.05</b>	<b>1,497.56</b>	<b>367.68</b>	<b>5,573.21</b>	<b>5,764.21</b>
<b>10 Net Profit/(Loss) attributable to :</b>					
(a) Equity holders of the Holding Company	2,013.22	1,507.12	336.04	5,633.11	5,755.40
(b) Non-controlling interest	(38.75)	(10.38)	(39.21)	(50.06)	(63.16)
<b>11 Other comprehensive (Loss)/Income for the year attributable to:</b>					
(a) Equity holders of the Holding Company	(12.41)	0.82	70.85	(9.84)	71.97
(b) Non-controlling interest	-	-	-	-	-
<b>12 Total comprehensive Income/(Loss) for the year attributable to:</b>					
(a) Equity holders of the Holding Company	2,000.80	1,507.94	406.89	5,623.27	5,827.37
(b) Non-controlling interest	(38.75)	(10.38)	(39.21)	(50.06)	(63.16)
<b>13 Paid-Up Equity Share Capital (Face value Re.1 per share fully paid up)</b>	<b>665</b>	<b>665</b>	<b>665</b>	<b>665</b>	<b>665</b>
<b>14 Other equity</b>				<b>89,793.67</b>	<b>85,167.89</b>
<b>15 Earnings Per Share (In Rupees) (of Re. 1/- each) (Not Annualised)</b>					
(a) Basic	3.03	2.27	0.51	8.47	8.65
(b) Diluted	3.03	2.27	0.51	8.47	8.65



**Notes to Consolidated Financial Results:**

- 1 The above consolidated results of Kitex Garments Limited ('Holding Company'), its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate for the quarter and year ended March 31, 2024 were reviewed by the Audit Committee and has been approved by the Board of Directors at its respective meeting held on May 20, 2024. The audited Consolidated Financial Results are prepared in accordance with Indian Accounting Standards (IndAs) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016.
- 2 The Board of Directors of holding Company has proposed final dividend of Re.1.50 per Equity share of face value Rs.1.00 each in the meeting held on May 20, 2024, which will be paid subject to the approval of the shareholders.
- 3 In accordance with Ind AS 108 on "Operating Segments", the Company operates in a single business segment viz. Textile - Infant/Kids Apparel Manufacturing and hence has only one reportable segment.
- 4 The figures of the quarter ended March 31, 2024 and March 31, 2023 are the balancing figures between the audited figures in respect of the financial year up to March 31, 2024 and March 31, 2023 and the unaudited published year-to-date figures up to December 31, 2023 and December 31, 2022 being the date of the end of third quarter of the financial year which were subjected to limited review by statutory auditors.
- 5 Holding Company has accounted receivable denominated in Foreign currency to the tune of Rs 8,832.07 lakhs which is outstanding for more than one year. Company has taken active measures to regulate the delay with AD Bank for compliance with the provision of Foreign Exchange Management Act, 1999 (FEMA) read with rules notified therewith.
- 6 Group's investment in associate company Kitex USA LLC has been adjusted fully by the share of loss of associate in earlier years. Hence no further share of loss has been recognised by the Group during the quarter and year ended March 31, 2024
- 7 Previous year's/period's figures have been regrouped/reclassified, wherever necessary, to conform to the classification on the current year's/period's classification.

Place : Kizhakkambalam  
Date : May 20, 2024



For Kitex Garments Limited

Sabu M Jacob  
Managing Director  
DIN:00046016

Rupees in lakhs

STATEMENT OF ASSETS AND LIABILITIES		Standalone		Consolidated	
Sl No	Particulars	March 31,	March 31,	March 31,	March 31,
		2024	2023	2024	2023
		Audited	Audited	Audited	Audited
<b>A</b>	<b>ASSETS</b>				
1	<b>Non-Current Assets</b>				
	(a) Property, Plant and Equipment	11,401.28	13,339.03	24,409.91	26,325.31
	(b) Capital Work-in-Progress	2,645.96	2,042.70	88,597.10	29,221.36
	(c) Other Intangible Assets	6.01	50.22	6.01	50.22
	(d) Financial Assets				
	(i) Investments	33,270.57	29,794.50	8.7043	3.26
	(ii) Loans	10,549.64	9,245.35	-	-
	(ii) Other Financial Assets	248.97	246.24	1,711.63	886.07
	(e) Income Tax Assets	275.93	275.93	275.93	275.93
	(f) Other Non-Current Assets	556.60	599.17	19,343.28	10,489.39
	<b>Total Non-Current Assets</b>	<b>58,954.96</b>	<b>55,593.14</b>	<b>134,352.57</b>	<b>67,251.54</b>
2	<b>Current Assets</b>				
	(a) Inventories	16,409.16	11,693.28	16,409.16	11,693.28
	(b) Financial Assets				
	(i) Trade Receivables	25,681.29	20,346.24	25,681.29	20,346.24
	(ii) Cash and Cash Equivalents	4,645.92	4,178.81	4,981.26	4,552.33
	(iii) Bank Balances other than (ii) above	1,942.16	4,128.82	1,942.16	5,528.82
	(iv) Loans	-	-	-	-
	(iv) Other Financial Assets	3,579.58	1,906.70	2,900.88	613.46
	(c) Other Current Assets	3,353.87	3,105.49	6,244.65	3,412.96
	<b>Total Current Assets</b>	<b>55,611.98</b>	<b>45,359.34</b>	<b>58,159.40</b>	<b>46,147.09</b>
	<b>TOTAL ASSETS</b>	<b>114,566.94</b>	<b>100,952.48</b>	<b>192,511.97</b>	<b>113,398.63</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	95,635.45	89,824.01	89,793.67	85,167.89
	(b) Non-controlling interest	-	-	12,754.25	11,841.89
	<b>Total Equity</b>	<b>96,300.45</b>	<b>90,489.01</b>	<b>103,212.92</b>	<b>97,674.78</b>
2	<b>Liabilities</b>				
	<b>Non-Current Liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	-	-	60,467.48	-
	(b) Other financial liabilities	918.50	-	0.00	-
	(b) Provisions	987.67	850.44	987.67	850.44
	(c) Deferred Tax Liabilities (Net)	260.85	395.76	260.85	395.76
	(d) Other Non-Current Liabilities	77.59	186.76	11,378.15	5,335.24
	<b>Total Non-Current Liabilities</b>	<b>2,244.61</b>	<b>1,432.96</b>	<b>73,094.15</b>	<b>6,581.44</b>
3	<b>Current Liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	7,652.19	2,500.00	7,652.19	2,500.00
	(ii) Trade Payables				
	- Total outstanding dues to Micro and Small Enterprises	303.53	348.18	303.53	348.18
	- Total outstanding dues to creditors other than Micro and Small Enterprises	4,936.69	3,815.11	5,206.61	3,831.69
	(iii) Other financial liabilities	507.39	356.27	320.26	428.97
	(b) Provisions	409.71	353.80	409.71	353.80
	(c) Current Tax Liabilities (Net)	1,914.62	1,180.79	1,914.62	1,180.79
	(d) Other Current Liabilities	297.75	476.36	397.98	498.98
	<b>Total Current Liabilities</b>	<b>16,021.88</b>	<b>9,030.51</b>	<b>16,204.90</b>	<b>9,142.41</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>114,566.94</b>	<b>100,952.48</b>	<b>192,511.97</b>	<b>113,398.63</b>



Note 9

Statement of Cash Flow for the year ended March 31, 2024

Rupees in lakhs

Particulars	Standalone		Consolidated	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit before taxation	9,908.17	8,142.17	8,672.46	7,925.51
Adjustments for increase/(decrease) in operations:				
Depreciation and amortisation expense	2,070.40	2,120.97	2,070.40	2,120.97
Unrealised foreign exchange (gain)/loss (net)	(205.14)	159.22	(205.14)	159.22
Gain/Loss on forward contracts	-	158.38	-	158.38
Interest income	(908.44)	(347.82)	(154.33)	(347.82)
Deferred grant income	(526.85)	(154.97)	(526.85)	(154.97)
Loss on sale of property, plant and equipment (net)	(7.49)	-	(7.49)	-
Liability no longer required written back	-	(69.54)	-	(69.54)
Advances written off	6.03	-	6.03	-
Provision for expected credit loss	300.00	-	300.00	-
Interest expense	733.19	447.17	733.19	447.17
<b>Operating profit before working capital changes</b>	<b>11,369.87</b>	<b>10,455.58</b>	<b>10,888.27</b>	<b>10,238.92</b>
Adjustments for:				
(Increase)/Decrease Trade and other receivables	(7,812.56)	14,857.39	(7,902.88)	13,898.25
(Increase)/Decrease Inventories	(4,715.88)	3,760.20	(4,715.88)	3,760.20
Increase/(Decrease) Trade, other payables and provisions	634.42	(2,004.67)	392.12	4,520.32
<b>Cash generated from operating activities before taxes</b>	<b>(524.15)</b>	<b>27,068.50</b>	<b>(1,338.37)</b>	<b>32,417.69</b>
Direct taxes paid (net of refunds)	(2,487.17)	(2,884.72)	(2,487.17)	(2,884.72)
<b>Net cash generated from / (used in) operating activities</b>	<b>(3,011.32)</b>	<b>24,183.78</b>	<b>(3,825.54)</b>	<b>29,532.97</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Payment for property, plant and equipment and intangible assets, CWIP including capital advances	(599.70)	(726.22)	(61,700.87)	(41,602.44)
Proceeds from sale of property, plant and equipment	12.33	-	12.33	-
Bank balances not considered as Cash and cash equivalents	2,186.65	(1,527.52)	786.65	(127.52)
Investments in subsidiary	(1,967.70)	(22,386.65)	-	-
Share application/advance given to Subsidiary	-	-	-	-
Interest received	163.59	339.23	163.59	339.23
Loans to wholly owned subsidiaries	(11.05)	(26.29)	-	-
<b>Net cash used in investing activities</b>	<b>(215.88)</b>	<b>(24,327.45)</b>	<b>(60,738.30)</b>	<b>(41,390.73)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Proceed/(Repayment) of borrowings	5,152.19	(4,806.55)	66,132.36	(4,806.55)
Issue of share to minority share holders	-	-	318.30	12,000.00
Interest paid	(460.53)	(485.92)	(460.53)	(485.92)
Dividend paid	(1,003.32)	(1,005.14)	(1,003.32)	(1,005.14)
<b>Net cash used in /(from) financing activities</b>	<b>3,688.34</b>	<b>(6,297.61)</b>	<b>64,986.81</b>	<b>5,702.39</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>461.14</b>	<b>(6,441.28)</b>	<b>422.97</b>	<b>(6,155.37)</b>
Exchange difference on translation of foreign currency cash and cash equivalents	5.97	(77.41)	5.97	(77.41)
Cash and cash equivalents at the beginning of the year	4,178.81	10,697.49	4,552.32	10,785.09
Cash and cash equivalents at the end of the year	4,645.92	4,178.80	4,981.26	4,552.33

Components of cash and cash equivalents

Particulars	Standalone		Consolidated	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
<b>Cash and cash equivalents:</b>				
Cash on hand	2.79	10.13	2.79	10.13
Balance with bank	4,643.13	4,168.67	4,978.47	4,542.20
<b>Cash and cash equivalents considered for cash flow statement</b>	<b>4,645.92</b>	<b>4,178.80</b>	<b>4,981.26</b>	<b>4,552.33</b>



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

(CIN: L18101KL1992PLC006528)  
Regd. Office: Building No. VI/496, Kizhakkambalam,  
Vilangu P.O, Aluva, Ernakulam – 683561, Kerala  
Phone: 91 484 4142000, Fax: 91 484 2680604  
Email: [sect@kitexgarments.com](mailto:sect@kitexgarments.com)  
Website: [www.kitexgarments.com](http://www.kitexgarments.com)

May 20, 2024

To,

<b>BSE Limited</b> Dept. of Corporate Services (Listing) 1 <sup>st</sup> Floor, New Trading Ring, Rotunda Building, P J Towers Dalal Street, Mumbai – 400 001, Maharashtra BSE Scrip Code : <b>521248</b>	<b>The National Stock Exchange of India Ltd</b> Listing Department, Exchange Plaza, 5 <sup>th</sup> Floor, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra NSE Symbol : <b>KITEX</b>
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Dear Sir/ Ma'am,

**Sub: Declaration regarding Unmodified opinion on Consolidated Audited Financial Statements**

Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm and declare that the Statutory Auditors of the Company, M/s. MSKA & Associates, Chartered Accountants, Chennai, has issued Audit Report with Unmodified opinion on Consolidated Audited Financial Results for the financial year ended March 31, 2024.

You are requested to take the above on record.

For **Kitex Garments Limited**



**Boby Michael**  
**Chief Financial Officer**

