

KITEX**Kitex Garments Limited**

(CIN: L18101KL1992PLC006528)

Regd. Office: P. B. No. 5, Kizhakkambalam,

Alwaye, Kochi, Kerala, 683562

Phone: +91 484 4142000, Fax: +91 484 2680604

Email: sect@kitexgarments.com website: www.kitexgarments.com

Ref: KGL/SE/2022-23/JAN/03

January 13, 2023

To,

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

Sub: **OUTCOME OF BOARD MEETING HELD TODAY**

This has reference to our aforesaid subject and pursuant to the Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (referred to as the "SEBI Listing Regulations") as amended, the Board of Directors at its meeting held today i.e., January 13, 2023, has inter-alia considered and unanimously approved the following items:

1. To make investments, give loans, guarantees or provide security under section 186 of the Companies Act, 2013 read with Regulation 23 of SEBI Listing Regulations:

In supersession of Board resolution passed on March 11, 2022 on aforesaid subject and as a part of new expansion project in the state of Telangana, the Board has decided, subject to such other regulatory/ statutory approvals as may be required, including the approval of shareholder of the Company (a) to give loan to any person or body corporate; (b) give any guarantee or provide any security in connection with a loan to any other body corporate or person and; (c) acquire by way of subscription, purchase or otherwise the securities of any other body corporate, from time to time, in future, which shall not exceed a sum of Rs. 2200 Crores (Rupees Two Thousand and Two Hundred crores only) which may, however, be over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more.

2. Material Related Party Transactions by way of contract(s)/ Transaction(s)/ arrangement(s) in form of Investment/ loan/ Corporate Guarantee by the Company with Kitex Apparel Parks Limited being the subsidiary of the Company for an amount of Rs. 2900 Crores (Rupees Two Thousand and Nine Hundred crores only) in each financial year for a period of 10 years w.e.f FY 2022-23. Disclosure under Regulation 30 of SEBI Listing Regulations and circular issued by SEBI vide no. CIR/CFD/CMD/4/2015 dated September 9, 2015, on continuous disclosure requirements is annexed herewith (Annexure - A).

3. Material Related Party Transactions by way of contract(s)/ Transaction(s)/ arrangement(s) by the Company with Kitex Childrenswear Limited being promoter group company for an amount

of Rs. 300 Crores (Rupees Three Hundred Crores only) in each financial year for a period of 10 years w.e.f FY 2022-23.

4. Material Related Party Transactions by way of contract(s)/ Transaction(s)/ arrangement(s) by the Company with Kitex USA LLC being Associate company for an amount of Rs. 600 Crores (Rupees Six Hundred Crores only) in each financial year for a period of 10 years w.e.f FY 2022-23.

The Board has also decided to seek approval of shareholders on aforesaid agenda items no. 1-4 vide postal ballot route. Shareholders whose names appear on the register of members/ list of beneficial owners as on January 13, 2023 (cut off date) will be considered for the purpose of voting through Postal Ballot and e-voting.

5. Further Investment of the Company in Kitex Apparel Parks Limited, Subsidiary Company

The Company along with its promoter group company ie Kitex Childrenswear Limited has decided to invest additional funds of Rs. 100 crores of which Rs. 70 crores divided by 7 crores shares of Rs. 10 each would be invested by the Company. With this, the Company's investment would be increased to Rs. 210 crores in Investee Company.

The details required under Regulation 30 of SEBI (LoDR) Regulations, 2015 read with SEBI circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015 is enclosed herewith as Annexure - B.

6. Updates on Consortium of Bank Loan for Expansion Project in the Telangana State for its Subsidiary

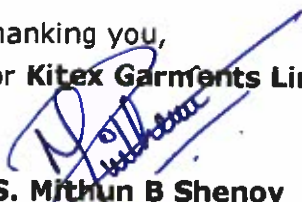
With reference to our letter no KGL/SE/2022-23/NOV/02 dated November 12, 2022 on outcome of Board Meeting, this is to inform you that Kitex Apparel Parks Limited being subsidiary company has signed the consortium of rupee term loan for expansion project in the state of Telangana on January 5, 2023 for an amount of Rs. 2023 crores plus Rs. 10.94 crores as CEL facility with the State Bank of India being the lead banker to the consortium of rupee loan along with Union Bank of India, Bank of Baroda, Axis Bank and Exim Bank.

7. Updates on Registered office address of the Company

We wish to inform you that due to change in post office number where the registered office of the Company is situated, the Registered Office address of the Company is changed from P. B. No. 5, Kizhakkambalam P O, Aluva, Cochin - 683562, Kerala to Building no. VI/496, Kizhakkambalam, Vilangu P.O., Aluva, Cochin - 683561 subject to other regulatory approvals.

The Board meeting commenced at 11.00 A.M. and concluded at 2:45 P.M.

Thanking you,
For **Kitex Garments Limited**


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

Enclosure: as above



Sl. No.	Particulars	Details
1	Name of party for which such guarantee or indemnity or surety was given	Kitex Apparel Parks Ltd. (KAPL)
2	Whether the promoter/ promoter group/ group companies have any interest in this transaction? If yes, nature of interest and details thereof and whether the same is done at "arm's length"	Yes, KAPL is a subsidiary of the Company. The Corporate guarantee proposed to be given is at arm's length.
3	Brief details of such guarantee or indemnity or becoming a surety viz. brief details of agreement entered (if any) including significant terms and conditions, including amount of guarantee	The Company together with Kitex Childrenswear Limited being promoter group company shall individually provide the corporate guarantee to the extent of Rs. 2023 crores plus Rs. 10.94 crores as CEL facility. In this regard, the Companies as mentioned above along with KAPL have entered into Deed of Guarantee in the favour of SBI Cap Trustee Company Limited being Security Trustee of the lenders to the Consortium of rupees term loan. The Company has also entered a Sponsors' Deed of Hypothecation to create charge over the Subordinated Debt both present and future in KAPL.
4	Impact of such guarantee or indemnity or surety on listed entity	The corporate guarantee issued in favour of lenders will be the contingent liability in the Books of the Company.

Annexure B

DETAILS OF FURTHER INVESTMENT OF THE COMPANY IN KITEX APPAREL PARKS LIMITED, SUBSIDIARY COMPANY

Sl. No.	Particulars	Details
1	Name of the Target Entity, details in brief such as size, turnover etc.;	Kitex Apparel Parks Limited (KAPL) <ul style="list-style-type: none"> • Authorised Capital: Rs. 750,00,00,000 (Rupees Seven Hundred and Fifty Crores only) • Paid up Capital: Rs. 300,00,00,000 (Rupees Three Hundred Crores only) • Turnover: Nil (Yet to commence business operations)
2	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length";	KAPL is a Subsidiary of the Company wherein 70% of investment will be made by the Company and balance 30% will be invested by Kitex Childrenswear Ltd. being member of group company. KAPL falls within the related party of the Company and promoters of the Company are interested in the subsidiary company to the extent of their shareholding of the Company.

3	Industry to which the entity being acquired belongs;	Textile Garments manufacturing industry
4	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	The Subsidiary company is engaged in establishment and carrying on the business of textile items, such as yarn, fabrics, garments, wearing apparels made from natural or synthetic fibres or from blends of both including children's garments, babywear, Infantswear, menswear, ladies wear irrespective of age limit and the like and also to procure all raw material and other auxiliary materials/ services required for the above.
5	brief details of any governmental or regulatory approvals required for the acquisition;	NA
6	Indicative time period for completion of the acquisition;	NA
7	Nature of consideration - whether cash consideration or share swap and details of the same	Cash
8	cost of acquisition or the price at which the shares are acquired;	Rs. 70,00,00,000 (Rupees Seventy Crores) divided 7 crores shares of Rs. 10 each.
9	percentage of shareholding / control acquired and / or number of shares acquired;	70%
10	brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	KAPL is incorporated in India and registered with the Registrar of Companies, Andhra Pradesh & Telangana on November 18, 2021 and Company is yet to commence its business operations.

For **Kitex Garments Limited**


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

