

KITEX**Kitex Garments Limited**

(CIN: L18101KL1992PLC006528)

P. B. No. 5, Kizhakkambalam,

Alwaye, Kochi, Kerala, 683562

Phone: 91 484 4142000, Fax: 91 484 2680604

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

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

September 14, 2020

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,

Ref: **OUR LETTERS TO NSE AND BSE DATED SEPTEMBER 5, 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 has approved and took on record the un-audited financial results (Standalone and Consolidated) along with limited review report for the quarter ended June 30, 2020 as duly reviewed and recommended by the audit committee. We are enclosing herewith statement showing un-audited financial results (standalone and consolidated) for the aforesaid quarter along with limited review report of Independent auditors for your records.

The Board meeting commenced at 12.00 P.M. and concluded at 02:25 P.M.

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)



Enclosure: as above

KITEX GARMENTS LIMITED
PB NO 5, KIZHAKKAMBALAM, ERNAKULAM, 683562
CIN : L110101KL1992PLC005528
STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

Rupees in lakhs, except EPS and unless otherwise stated

Particulars	Standalone			
	Quarter ended			Year ended
	30.06.2020	31.03.2020	30.06.2019	31.03.2020
	Unaudited	Audited (Refer note 3)	Unaudited	Audited
1 Income				
(a) Revenue from Operations	8,959.75	14,632.46	14,555.80	73,920.98
(b) Other Income	432.28	2,248.57	108.52	4,436.56
Total Income	9,392.03	16,881.03	14,664.32	78,357.54
2 Expenses				
(a) Cost of Materials Consumed	1,702.88	7,297.16	6,813.64	31,706.18
(b) Changes in Inventories of Finished Goods and Work-in-Progress	2,343.81	(441.69)	(1,087.22)	439.95
(c) Employee Benefits Expense	1,553.49	2,842.33	2,487.85	12,148.57
(d) Finance Costs	72.49	238.69	116.82	702.49
(e) Depreciation and Amortisation Expense	654.01	649.79	675.76	2,645.23
(f) Other Expenses	1,171.22	3,872.20	3,330.24	16,398.00
Total Expenses	7,497.90	14,458.48	12,337.09	64,040.42
3 Profit Before Tax (1-2)	1,894.13	2,422.55	2,327.23	14,317.12
4 Tax Expense				
Current Tax	509.00	801.72	957.00	4,104.17
Deferred Tax	(25.13)	(301.14)	(92.38)	(654.44)
5 Net Profit for the period/year (3-4)	1,410.26	1,921.97	1,452.61	10,867.39
6 Other Comprehensive Income/(Loss) (net of tax) for the period / year				
Items that will not be reclassified to profit or loss				
(a) Remeasurements of post employment benefit obligations	-	(115.47)	-	(115.47)
(b) Fair value changes on equity instruments carried through other comprehensive income	(0.17)	(2.24)	0.57	(4.41)
(c) Income tax relating to items that will not be reclassified to profit or loss	0.04	30.72	-	30.17
Items that will be reclassified to profit or loss	-	-	-	-
7 Total Comprehensive Income for the period/ year (5+6)	1,410.13	1,834.98	1,453.18	10,777.68
8 Paid-Up Equity Share Capital (Face value Re.1 per share)	665	665	665	665
9 Earnings Per Share (In Rupees) (of Re. 1/- each) (Not Annualised)				
(a) Basic	2.12	2.89	2.18	16.34
(b) Diluted	2.12	2.89	2.18	16.34

For KITEX GARMENTS LTD

SABU M JACOB
MANAGING DIRECTOR



Notes to Unaudited Standalone Financial Results:

- 1 The above unaudited standalone financial results of the Company for the quarter ended June 30, 2020 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on September 14, 2020. These results have been subjected to limited review by Statutory Auditors.
- 2 In accordance with Ind AS 108 on "Operating Segments", the Group operates in a single business segment viz. Textile-Infant/Kids Apparel Manufacturing and hence has only one reportable segment.
- 3 The audited figures for the quarter ended March 31, 2020 are the balancing figures between audited figures for the full financial year ended March 31, 2020 and nine month ended unaudited published figures up to December 31, 2019. Also, the figures up to nine month ended had been reviewed and not subjected to audit.
- 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 Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. The Management has made a detailed assessment on recoverability and carrying value of its assets comprising of plant, property and 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 results. The Management believes that the Company will not have any challenge in meeting its financial obligations for the financial year 2020-21. In this regard, the Company will continue to closely monitor any material changes to future economic conditions.
- 5 During the quarter, the Company engaged in the production of Personal Protective Equipment Kit (PPE Kit). Revenue from operations include Rs. 1,818.56 lakhs relating to sale of PPE Kits.
- 6 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 : September 14, 2020

For Kitex Garments Limited



Sabu M Jacob
Managing Director
DIN:00046016





& Associates

Chartered Accountants

Floor 5, Main Building, Guna Complex
New No. 443 & 445, Old No. 304 & 305, Anna Salai
Teynampet, Chennai 600018, INDIA
Tel: + 91 44 6131 0200

Limited Review Report on Unaudited Quarterly Standalone Financial Results of Kitex Garments Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**The Board of Directors
Kitex Garments Limited**

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Kitex Garments Limited ('the Company') for the quarter ended June 30, 2020 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation').
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether financial results are free of material misstatements. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



MSKA

& Associates

Chartered Accountants

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



Geetha Jeyakumar

Partner

Membership No.: 029409

UDIN: 200291409 AAAAG132469

Place: Chennai

Date: September 14, 2020

KITEX GARMENTS LIMITED
PB NO 5, KIZHAKKAMBALAM, ERNAKULAM, 683562
CIN : L18101KL1992PLC006528
STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

Rupees in lakhs, except EPS and unless otherwise stated

Particulars	Consolidated			
	Quarter ended		Year ended	
	30.06.2020	31.03.2020	30.06.2019	31.03.2020
	Unaudited	Audited (Refer note 3)	Unaudited	Audited
1 Income				
(a) Revenue from Operations	8,959.75	14,632.46	14,555.80	73,920.98
(b) Other Income	291.30	2,090.72	110.26	3,918.79
Total Income	9,251.05	16,723.18	14,666.06	77,839.77
2 Expenses				
(a) Cost of Materials Consumed	1,702.88	7,297.16	6,813.64	31,706.18
(b) Changes in Inventories of Finished Goods and Work-in-Progress	2,343.81	(441.69)	(1,087.22)	439.95
(c) Employee Benefits Expense	1,553.49	2,842.33	2,487.85	12,148.57
(d) Finance Costs	73.97	238.69	116.82	702.49
(e) Depreciation and Amortisation Expense	654.01	649.79	675.76	2,645.23
(f) Other Expenses	1,173.22	3,874.50	3,388.16	16,410.53
Total Expenses	7,501.38	14,460.78	12,395.01	64,052.95
3 Profit Before Tax (1-2)	1,749.67	2,262.40	2,271.05	13,786.82
4 Tax Expense				
Current Tax	509.00	801.72	967.00	4,104.17
Deferred Tax	(25.13)	(301.14)	(92.38)	(654.44)
5 Net Profit for the period /year (3-4)	1,265.80	1,761.82	1,396.43	10,337.09
6 Share of Loss of Associate	-	-	-	-
7 Net Profit for the period /year after Share of Loss of Associate (5+6)	1,265.80	1,761.82	1,396.43	10,337.09
8 Other Comprehensive Income/(Loss) (net of tax)				
Items that will not be reclassified to profit or loss				
(a) Remeasurements of post employment benefit obligations	-	(115.47)	-	(115.47)
(b) Fair value changes on equity instruments carried through other comprehensive income	(0.17)	(2.24)	0.57	(4.41)
(c) Income tax relating to items that will not be reclassified to profit or loss	0.04	30.72	-	30.17
Items that will be reclassified to profit or loss	-	-	-	-
9 Total Comprehensive Income for the period/ year (7+8)	1,265.67	1,674.83	1,397.00	10,247.38
10 Paid-Up Equity Share Capital (Face value Re.1 per share)	665	665	665	665
11 Earnings Per Share (In Rupees) (of Re. 1/- each) (Not Annualised)				
(a) Basic	1.90	2.65	2.10	15.54
(b) Diluted	1.90	2.65	2.10	15.54

For KITEX GARMENTS LIMITED

SABU M JACOB
MANAGING DIRECTOR




Notes to Unaudited Consolidated Financial Results:

- 1 The above unaudited consolidated financial results of the Company for the quarter ended June 30, 2020 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on September 14, 2020. These results have been subjected to limited review by Statutory Auditors.
- 2 In accordance with Ind AS 108 on "Operating Segments", the Group operates in a single business segment viz. Textile-Infant/Kids Apparel Manufacturing and hence has only one reportable segment.
- 3 The consolidated audited figures for the quarter ended March 31, 2020 are the balancing figures between audited figures for the full financial year ended March 31, 2020 and nine month ended unaudited published figures up to December 31, 2019. Also, the figures up to nine month ended had been reviewed and not subjected to audit.
- 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 Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. The Management has made a detailed assessment on recoverability and carrying value of its assets comprising of plant, property and 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 results. The Management believes that the Company will not have any challenge in meeting its financial obligations for the financial year 2020-21. In this regard, the Company will continue to closely monitor any material changes to future economic conditions.
- 5 During the quarter, the Company engaged in the production of Personal Protective Equipment Kit (PPE Kit). Revenue from operations include Rs. 1,818.56 lakhs relating to sale of PPE Kits.
- 6 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 : September 14, 2020

For Kitex Garments Limited


Sabu M Jacob
Managing Director
DIN:00046016





MSKA
& Associates

Chartered Accountants

Floor 5, Main Building, Guna Complex
New No. 443 & 445, Old No. 304 & 305, Anna Salai
Teynampet, Chennai 600018, INDIA
Tel: + 91 44 6131 0200

Limited Review Report on Unaudited Quarterly Consolidated Financial Results of Kitex Garments Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**The Board of Directors
Kitex Garments Limited**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Kitex Garments Limited ('the Holding Company'), its subsidiaries, (the Holding Company and its subsidiaries together referred to as the 'Group') and its share of the net loss after tax and total comprehensive income of its associate for the quarter ended June 30, 2020 ('the Statement'), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulations').
2. 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 in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



MSKA**& Associates**

Chartered Accountants

4. This Statement includes the results of the following entities:

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

* As the Holding Company's share of loss in the associate has exceeded the cost of investment in an earlier year, loss for the quarter has not been considered in the unaudited consolidated financial results.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

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


Geetha Jeyakumar

Partner

Membership No.: 029409

UDIN: 20029409AAAAGITLS10

Place: Chennai

Date: September 14, 2020