



Kitex Garments Limited

PB NO.5, KIZHAKKAMBALAM-683562, KOCHI, KERALA, INDIA
PHONE: 91 484 4142000, FAX: 91 484 2680604
E mail: kgl@kitexgarments.com
CIN: L18101KL1992PLC006528
www.kitexgarments.com

Ref: KGL/SE/2019-20/MAY/02

May 20, 2019

Ref: To,

Date:

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

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

We hereby inform you that Board of Directors at its meeting held today inter-alia transacted the following items:

1. FINANCIAL RESULTS

Approved and taken on record the audited financial results including audited consolidated financial results of the Company and its subsidiaries, for the year ended March 31, 2019. Copy of the audited financial results along with the auditors report furnished by the Auditors of the Company is enclosed herewith for your reference and record.

2. RECOMMENDATION OF A FINAL DIVIDEND

Board of Directors has recommended a final dividend of Rs. 1.50 per equity share of Re. 1 each (150%) of the Company subject to the shareholders approval at its 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, 2019 and the date from which dividend, if approved by the shareholders, will be paid or warrants thereof will be dispatched to the shareholders.


3. CHANGE IN KEY MANAGERIAL PERSONNEL

The Board of Directors approved the appointment of Mr. Bobby Micheal (who is a former CFO of the Company for a period from Feb 2012 to Jan 2016) as Chief



Financial officer (CFO) of the Company designated as Key Managerial Personnel w.e.f. July 1, 2019. The new appointment shall be in the place of Mr. Krishnaraj S, present CFO who has resigned due to his personal reason. The Board has accepted his letter and relieved him from the office on closing of today's business hours. The Board has appointed Mr. Sabu M. Jacob as interim CFO (in addition to the role of Chairman and Managing Director) till June 30, 2019.

Nomination and Remuneration reviewed and recommended his appointment to the Board for approval. Brief profile of new appointee is annexed herewith.

The Board meeting commenced at 12:30 P.M. and concluded at 3:00 P.M. 

Please take the above on record and acknowledge the receipt.

Thanking you,

For **Kitex Garments Limited**



Sabu M. Jacob
Chairman & Managing Director &
Interim CFO



Enclosure: As above



BRIEF PROFILE OF MR. BOBY MICHEAL

Mr. Bobby Micheal being the former Chief Financial Officer (CFO) of the Company, is a graduate in commerce and Chartered Accountant by profession. He has vast knowledge and 32 years of experience in the field of accounting and auditing. He is also adept in Internal & External Financial reporting with adequate exposure in business planning, operational analysis and Integrated systems. Prior to the new assignment, he was working with M/s. Agappe Giagnostics Limited as CFO. Earlier, Mr. Bobby was associated with M/s. Harrisons Malayalam Limited, M/s. Patspin India Ltd, M/s. Popular Vehicles etc. in the senior managerial position. He has exposure in working with Manufacturing, Construction, Plantation, Textiles and trading Industries.



**Auditors' Report On Quarterly Financial Results and Year to Date Financial Results of the Company
Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015**

To the Board of Directors of Kitex Garments Limited

1. We have audited the accompanying Statement of Standalone Financial Results of Kitex Garments Limited ('the Company') for the quarter and year ended March 31, 2019 (the 'Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The statement, as it relates to the quarter ended March 31, 2019, are the balancing figures between audited standalone figures in respect of the full financial year and the published standalone year to date figures up to the end of the third quarter of the financial year, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'). The Statements also relates to the year ended March 31, 2019, has been prepared on the basis of the related standalone financial statements for the year ended March 31, 2019, prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This Statement is the responsibility of the Company's Management and is approved by the Board of Directors. Our responsibility is to express an opinion on the Statement based on our audit of standalone financial statements for the year ended March 31, 2019 and our review of standalone financial results for the nine months period ended December 31, 2018.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the Statement that give a fair presentation view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Statement.



MSKA

& Associates

Chartered Accountants

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Statement.

Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - ii. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, total comprehensive income and other financial information of the Company for the year ended March 31, 2019.

Other Matter

5. The comparative financial information of the company for the year ended March 31, 2018 prepared in accordance with Ind AS included in the Statement have been audited by the predecessor auditor who had audited the financial statements for the relevant periods. The report of the predecessor auditor dated May 18, 2018 on the comparative financial information for the year ended March 31, 2018 expressed an unmodified audit opinion on those financial statements.

Our opinion is not modified in respect of this matter.

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



Geetha Jeyakumar
Partner
Membership No.: 029409



Place: Kochi
Date: May 20, 2019

**Auditors' Report On Quarterly Consolidated Financial Results and Consolidated Year to Date
Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015**

To the Board of Directors of Kitex Garments Limited

1. We have audited the accompanying Statement of Consolidated Financial Results of Kitex Garments Limited (the 'Company') and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), and its associate for the year ended March 31, 2019 (the 'Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The statement, as it relates to the quarter ended March 31, 2019, are the balancing figures between audited consolidated figures in respect of the full financial year and the published consolidated year to date figures up to the end of the third quarter of the financial year, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'). The Statements also relates to the year ended March 31, 2019, has been prepared on the basis of the related consolidated financial statements for the year ended March 31, 2019, prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This Statement is the responsibility of the Company's Management and is approved by the Board of Directors. Our responsibility is to express an opinion on the Statement based on our audit of consolidated financial statements for the year ended March 31, 2019 and our review of consolidated financial results for the nine months period ended December 31, 2018.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the Statement that give a fair presentation view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Statement.

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



MSKA

& Associates

Chartered Accountants

4. The Statement also include the Group's share of total comprehensive loss (comprising of loss and other comprehensive income) of Rs. 1,025.04 Lakhs for the year ended March 31, 2019, as considered in the Statement, in respect of one associate, financial statement have not been audited by us. The financial statement of the associate have been audited by the other auditor whose report have been furnished to us by the management, and our opinion on this Statement, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid associate, is based solely on the report of other auditors.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
- includes the financial results of the following entities considered for consolidation for the year ended March 31, 2019:
 - Subsidiaries: 1) Kitex Littlewear Limited
2) Kitex Kidswear Limited
3) Kitex Babywear Limited
4) Kitex Socks Limited
5) Kitex Packs Limited
 - Associate: 1) Kitex USA LLC
 - is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit, total comprehensive income and other financial information of the Group for the year ended March 31, 2019.

Other Matter

6. The comparative financial information of the Group for the year ended March 31, 2018 prepared in accordance with Ind AS included in the Statement have been audited by the predecessor auditor who had audited the financial statements for the relevant periods. The report of the predecessor auditor dated May 18, 2018 on the comparative financial information dated May 18, 2018 expressed an unmodified audit opinion with respect to those financial statements. Our opinion is not modified in respect of this matter.

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



Geetha Jeyakumar
Partner
Membership No.: 029409
Place: Kochi
Date: May 20, 2019





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STATEMENT OF AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED MARCH 31, 2019

(Rs. in Lakhs)

Particulars	Standalone					Consolidated	
	For the three months ended			Year ended		Year ended	
	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	Audited	Unaudited	Audited	Audited	Audited	Audited	Audited
1 Income							
(a) Revenue from Operations	17,997.36	13,613.13	13,116.83	60,680.46	55,725.42	60,680.46	55,725.42
(b) Other Income	165.18	409.28	76.84	2,246.01	267.07	2,247.12	267.07
Total Income	18,162.54	14,022.41	13,193.67	62,926.47	55,992.49	62,927.58	55,992.49
2 Expenses							
(a) Cost of Materials Consumed	7,133.33	6,233.88	6,580.65	28,280.74	25,404.54	28,280.74	25,404.54
(b) Changes in Inventories of finished goods, work in progress	38.68	(1,337.30)	(714.27)	(3,644.54)	(3,735.78)	(3,644.54)	(3,735.78)
(c) Employee Benefits Expense	2,701.81	2,680.66	2,494.51	10,508.83	9,851.37	10,508.83	9,851.37
(d) Finance Costs	143.51	137.29	106.38	388.00	581.18	388.00	581.18
(e) Depreciation and amortisation expense	692.76	691.12	614.27	2,726.25	2,340.14	2,726.25	2,340.14
(f) Other Expenses	3,725.33	3,487.22	2,936.49	11,648.18	10,802.12	11,667.95	10,802.12
Total Expenses	14,435.42	11,892.87	12,018.03	49,907.46	45,243.57	49,927.23	45,243.57
3 Profit before tax (1-2)	3,727.12	2,129.54	1,175.64	13,019.01	10,748.92	13,000.35	10,748.92
4 Tax expense							
Current Tax	1,299.00	890.00	332.00	5,107.00	4,000.00	5,107.00	4,000.00
Deferred Tax	(9.13)	4.07	(168.02)	(233.54)	(232.13)	(233.54)	(232.13)
Income tax for earlier years			(21.18)	-	(21.18)	-	(21.18)
5 Net Profit for the period /year (3-4)	2,437.25	1,235.47	1,032.84	8,145.55	7,002.23	8,126.89	7,002.23
6 Share of loss of Associate						(982.34)	(647.29)
7 Net Profit for the period /year after Share of Loss of Associate (5+6)	2,437.25	1,235.47	1,032.84	8,145.55	7,002.23	7,144.55	6,354.94
8 Other Comprehensive Income							
Items that will not be reclassified to profit or loss							
(a) Remeasurements of post employment benefit obligations	(21.61)	-	-	(21.61)	117.40	(21.61)	117.40
(b) Fair value changes on Equity Instruments carried through other Comprehensive income	1.68	0.82	99.94	-	(3.87)	-	(3.87)
(c) Income tax relating to items that will not be reclassified to profit or loss	-	-	(40.63)	-	(40.63)	-	(40.63)
(d) Items that will be reclassified to profit or loss	-	-	-	-	-	(42.70)	12.33
9 Total Comprehensive Income for the Period (5+6)	2,417.32	1,236.29	1,092.15	8,123.94	7,075.13	7,080.24	6,440.17
10 Paid-up equity share capital (Face Value Re.1 per share)	665	665	665	665	665	665	665
11 Earnings Per Share (In Rupees) (of Re. 1/- each) (Not Annualised)							
(a) Basic	3.64	1.86	1.64	10.64	10.64	10.65	9.68
(a) Diluted	3.64	1.86	1.64	10.64	10.64	10.65	9.68



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(Rs. In Lakhs)

STATEMENT OF ASSETS AND LIABILITIES		Standalone		Consolidated	
Sl No	Particulars	As at	As at	As at	As at
		31.03.2019	31.03.2018	31.03.2019	31.03.2018
		Unaudited	Audited	Unaudited	Audited
A	ASSETS				
1	Non-current assets				
	(a) Property, Plant and Equipment	16,387.65	17,129.78	21,389.13	17,129.78
	(b) Capital work-in-progress	3,763.58	3,201.36	3,763.58	3,201.36
	(c) Other Intangible assets	49.93	34.51	49.93	34.51
	(d) Intangible assets under development	223.25	200.28	223.25	200.28
	(e) Financial Assets				
	(i) Investments	2,922.92	2,652.96	6.92	902.01
	(ii) Other financial assets	5,146.56	166.95	224.89	166.95
	(f) Non-Current Tax Assets	275.93	275.93	275.93	275.93
	(g) Other non-Current Assets	316.90	403.17	316.90	403.17
	Total Non current Assets	29,086.72	24,064.94	26,250.53	22,313.99
2	Current assets				
	(a) Inventories	12,888.02	8,782.44	12,888.02	8,782.44
	(b) Financial Assets				
	(i) Trade receivables	16,531.54	12,300.53	16,531.54	12,300.53
	(ii) Cash and Cash Equivalents	9,406.27	9,268.03	9,406.27	9,268.03
	(iii) Bank balances other than (ii) above	457.46	418.69	489.00	418.69
	(iv) Other financial assets	1,470.36	2,078.30	1,470.36	2,078.30
	(c) Other Current Assets	8,721.80	4,832.45	8,731.80	4,832.45
	Total Current Assets	49,475.45	37,680.44	49,516.99	37,680.44
	TOTAL ASSETS	78,562.17	61,745.38	75,767.52	59,994.43
B	EQUITY AND LIABILITIES				
1	Equity				
	(a) Equity Share Capital	665.00	665.00	665.00	665.00
	(b) Other Equity	58,478.68	50,956.00	55,684.02	49,205.05
	Total Equity	59,143.68	51,621.00	56,349.02	49,870.05
	Liabilities				
2	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	-	62.58	-	62.58
	(b) Provisions	777.92	676.26	777.92	676.26
	(c) Deferred tax liabilities (Net)	1,338.94	1,572.48	1,338.94	1,572.48
	(d) Other Non Current Liabilities	669.59	824.56	669.59	824.56
	Total Non-Current Liabilities	2,786.45	3,135.88	2,786.45	3,135.88
3	Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	8,668.30	29.22	8,668.30	29.22
	(ii) Trade payables	4,210.59	4,252.28	4,210.59	4,252.28
	(iii) Other financial liabilities	747.30	1,101.13	747.30	1,101.13
	(b) Other Current Liabilities	401.72	478.73	401.73	478.73
	(c) Provisions	265.07	208.94	265.07	208.94
	(d) Current Tax Liabilities (Net)	2,339.06	918.20	2,339.06	918.20
	Total Current Liabilities	16,632.04	6,988.50	16,632.05	6,988.50
	TOTAL EQUITY AND LIABILITIES	78,562.17	61,745.38	75,767.52	59,994.43



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Notes:

- 1 The above quarterly results for the year and quarter ended March 31, 2019 were reviewed by the Audit Committee and has been approved by the Board of Directors at its meeting held on May 20, 2019 and have been subjected to audit by the Statutory Auditors of the Company. The audited Standalone and consolidated Financial Results are prepared in accordance with Indian Accounting Standards (IndAs) as prescribed under Section 133 of the Companies Act, 2013.
- 2 TOYS "R" US, Inc., a customer of the Company had filed a petition in the Bankruptcy Court in The United States of America to wind down its US operation in the previous year. Provision of Rs. 347.03 Lakhs was made for the receivables towards loss, if any on recovery of receivables in the Financial year 2017-18. After the hearings at the US Bankruptcy court on September 6, 2018 and November 13, 2018, Plan submitted under Chapter 11 was confirmed. The Claim allowed to the company aggregates to 9.17 Million US Dollars, of which the company has already received an interim disbursement of 1.60 million dollars (17.50% of the claim allowed) during March 2019. Consequently, the provision carried in the books of Rs.347.03 Lakhs has been written back during the year. The accounting for the balance claim will be made on the receipt of balance amount.
- 3 Ind AS - 115 Revenue from Contracts with Customers, has been recently introduced effective April 01, 2018 and its application did not have any significant impact on recognition and measurement of revenue and related items in the financial results including the retained earnings as at April 01, 2018.
- 4 In accordance with Ind AS 108 on "Operating Segments", the Company operates in one business segment viz. Textiles Business and hence has only one reportable segment.
- 5 Figures for the quarter ended 31 March 2019 and 31 March 2018 are the balancing figures between the audited figures in respect of the full financial year ended 31 March 2019 and 31 March 2018 respectively and the published year to date figures for nine months ended 31 December 2018 and 31 December 2017 respectively.
- 6 At the meeting held on May 20, 2019 the Board of Directors have proposed, subject to the approval of the shareholders, final dividend @ Rs.1.50 (Previous year Rs.1.50) per equity shares of face value of Re 1 each.
- 7 Previous year/ period's figures have been regrouped/recast, wherever necessary, to conform to the classification on the current period's classification.

For Kitex Garments Ltd


Sabu M Jacob
Managing Director
DIN:00046016

Place : Kizhakkambalam

Date : May 20 , 2019



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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,

Subj: **DECLARATION PURSUANT TO REG 33 (3) (d) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 FOR UNMODIFIED OPINION**

I, Sabu M. Jacob, Chairman & Managing Director and interim CFO of M/s. Kitex Garments Limited 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 on Audited Financial Results for the Quarter and year ended March 31, 2019.

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**
Sabu M. Jacob
Chairman and Managing Director &
Interim CFO