

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.comwebsite: www.kitexgarments.com

Ref: KGL/SE/2020-21/FEB/01

February 10, 2021

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 BSE AND NSE DATED JANUARY 27, 2021**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 and nine months ended December 31, 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 2:30 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

Independent Auditor's Review Report on unaudited quarterly and year to date standalone financial results of Kitex Garments Limited pursuant to the 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 December 31, 2020 and the year to-date results for the period April 01, 2020 to December 31, 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 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 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.



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

Geetha Jeyakumar
Partner
Membership No.: 029409
UDIN: 21029409 AAAAC19522



Place: Chennai
Date: February 10, 2021

KITEX GARMENTS LIMITED

CIN: L18101K1992PL006528

Regd. Office : P B NO.5, KIZHAKKAMBALAM, ALWAYE, KERALA-683562,

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020

Rupees in lakhs; except EPS and unless otherwise stated

Particulars	Standalone					
	For the quarter ended			For the nine months ended		Year ended
	31.12.2020	30.09.2020	31.12.2019	31.12.2020	31.12.2019	31.03.2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
(a) Revenue from Operations	12,090.02	13,317.84	25,086.13	34,367.61	59,288.52	73,920.98
(b) Other Income	216.48	386.25	806.74	1,035.01	2,187.99	4,436.56
Total Income	12,306.50	13,704.09	25,892.87	35,402.62	61,476.51	78,357.54
2 Expenses						
(a) Cost of Materials Consumed	4,427.59	3,485.19	8,302.37	9,615.66	24,409.02	31,706.18
(b) Changes in Inventories of Finished Goods and Work-in-Progress	268.61	2,338.37	2,840.57	4,950.79	881.64	439.95
(c) Employee Benefits Expense	2,152.59	2,110.62	3,743.54	5,816.70	9,306.24	12,148.57
(d) Finance Costs	25.80	69.79	210.13	168.08	463.80	702.49
(e) Depreciation and Amortisation Expense	547.41	581.79	656.15	1,783.21	1,995.44	2,645.23
(f) Other Expenses	2,432.84	2,578.28	4,944.57	6,182.34	12,525.80	16,398.00
Total Expenses	9,854.84	11,164.04	20,697.33	28,516.78	48,581.94	64,040.42
3 Profit Before Tax (1-2)	2,451.66	2,540.05	5,195.54	6,885.84	11,894.57	14,317.12
4 Tax Expense						
(a) Current Tax	847.00	608.00	1,401.59	1,964.00	3,302.45	4,104.17
(b) Deferred Tax	(77.98)	7.55	137.34	(95.56)	(353.30)	(654.44)
5 Net Profit for the period/year (3-4)	1,682.64	1,924.50	3,656.61	5,017.40	8,945.42	10,667.39
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)
(b) Fair value changes on equity instruments carried through other comprehensive income	0.31	(0.10)	0.18	0.05	(2.17)	(4.41)
(c) Income tax relating to items that will not be reclassified to profit or loss	(0.08)	0.03	0.04	(0.01)	(0.55)	30.17
Items that will be reclassified to profit or loss	-	-	-	-	-	-
7 Total Comprehensive Income for the period/ year (5+6)	1,682.88	1,924.43	3,656.82	5,017.44	8,942.70	10,777.68
8 Paid-Up Equity Share Capital (Face value Re.1 per share)	665	665	665	665	665	665
9 Earnings Per Share (in Rupees) (of Re. 1/- each) (Not Annualised)						
(a) Basic	2.53	2.89	5.50	7.54	13.45	16.34
(b) Diluted	2.53	2.89	5.50	7.54	13.45	16.34



Notes to Unaudited Standalone Financial Results:

- 1 The above unaudited standalone financial results of the Company for the quarter and nine months ended December 31, 2020 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on February 10, 2021. These results have been subjected to limited review by Statutory Auditors.
- 2 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.
- 3 In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The pandemic and lockdown impacted normal operations by way of interruption in production, supply chain disruption, customer order deferrals, unavailability of personnel, etc. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, intangible assets, inventories, receivables, investments, other assets and liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic and impact of the same on future performance, the Company has used available information from internal and external sources to assess the impact of COVID-19 on the standalone financial results. However, given the undetermined circumstances due to the pandemic the actual outcome may differ from what has been estimated. The Company will continue to monitor the future developments and update its assessment.
- 4 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 5 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 : February 10, 2021



For Kitek Garments Limited


Sabe M Jacob
Managing Director
DIN:00046016



Independent Auditor's Review Report on unaudited quarterly and year to date consolidated financial results of Kitex Garments Limited pursuant to the 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 December 31, 2020 and the year to-date results for the period from April 01, 2020 to December 31, 2020 ('the Statement') attached herewith, 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 Securities and Exchange Board of India under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure requirements), Regulations 2015, as amended, to the extent applicable.



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

Sr. No	Name of the entities	Relationship with the Holding Company
1	Kitex Babywear Limited	Wholly owned subsidiary
2	Kitex Kidswear Limited	Wholly owned subsidiary
3	Kitex Knits Limited	Wholly owned subsidiary
4	Kitex Littlewear 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 losses in the associate has exceeded the cost of investment in an earlier year, loss for the quarter and year to date has not been considered in these 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 unaudited consolidated results in the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards (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 Regulations, 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: 21029409AAAACK6433



Place: Chennai
Date: February 10, 2021

KITEX GARMENTS LIMITED

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020

Rupees in lakhs; except EPS and unless otherwise stated

Particulars	Consolidated					
	For the quarter ended			For the nine months ended		Year ended
	31.12.2020	30.09.2020	31.12.2019	31.12.2020	31.12.2019	31.03.2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
(a) Revenue from Operations	12,090.02	13,317.84	25,086.13	34,367.61	59,289.52	73,920.98
(b) Other Income	76.81	244.51	647.83	612.62	1,828.07	3,918.79
Total Income	12,166.83	13,562.35	25,733.96	34,980.23	61,116.59	77,839.77
2 Expenses						
(a) Cost of Materials Consumed	4,427.59	3,485.19	8,302.37	9,615.66	24,409.02	31,706.18
(b) Changes in Inventories of Finished Goods and Work-in-Progress	268.61	2,338.37	2,840.57	4,950.79	881.64	439.95
(c) Employee Benefits Expense	2,152.59	2,110.62	3,743.54	5,816.70	9,306.24	12,148.57
(d) Finance Costs	25.80	69.79	210.13	169.56	463.80	702.49
(e) Depreciation and Amortisation Expense	547.41	581.79	656.15	1,783.21	1,995.44	2,645.23
(f) Other Expenses	2,435.53	2,580.35	4,942.96	6,189.10	12,536.03	16,410.53
Total Expenses	9,857.53	11,166.11	20,695.72	28,525.02	48,582.17	64,052.95
3 Profit Before Tax (1-2)	2,309.30	2,396.24	5,038.24	6,455.21	11,534.42	13,786.82
4 Tax Expense						
(a) Current Tax	847.00	608.00	1,401.59	1,964.00	3,302.45	4,104.17
(b) Deferred Tax	(91.61)	7.55	137.34	(109.19)	(353.30)	(654.44)
5 Net Profit for the period /year (3-4)	1,553.91	1,780.69	3,499.31	4,600.40	8,575.27	10,937.09
6 Share of Loss of Associate	-	-	-	-	-	-
7 Net Profit for the period /year after Share of Loss of Associate (5+6)	1,553.91	1,780.69	3,499.31	4,600.40	8,575.27	10,937.09
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)
(b) Fair value changes on equity instruments carried through other comprehensive income	0.32	(0.10)	0.18	0.05	(2.17)	(4.41)
(c) Income tax relating to items that will not be reclassified to profit or loss	(0.08)	0.03	0.04	(0.01)	(0.55)	30.17
Items that will be reclassified to profit or loss	-	-	-	-	-	-
9 Total Comprehensive Income for the period/ year (7+8)	1,554.15	1,780.62	3,499.53	4,600.44	8,572.55	10,247.38
10 Paid-Up Equity Share Capital (Face value Re.1 per share)	665	665	665	665	665	665
11 Earnings Per Share (In Rupees) (of Re. 1/- each) (Not Annualised)						
(a) Basic	2.34	2.68	5.26	6.92	12.90	15.54
(b) Diluted	2.34	2.68	5.26	6.92	12.90	15.54



Notes to Unaudited Consolidated Financial Results:

- 1 The above 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 associate for the quarter and nine months ended December 31, 2020 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on February 10, 2021. 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 In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The pandemic and lockdown impacted normal operations by way of interruption in production, supply chain disruption, customer order deferrals, unavailability of personnel, etc. The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, Intangible assets, inventories, receivables, investments, other assets and liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic and impact of the same on future performance, the Group has used available information from internal and external sources to assess the impact of COVID-19 on the consolidated financial results. However, given the undetermined circumstances due to the pandemic the actual outcome may differ from what has been estimated. The Group will continue to monitor the future developments and update its assessment.
- 4 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 5 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 : February 10, 2020



For Kitex Garments Limited


Sabu M Jacob
Managing Director
DIN:00046016