

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/2021-22/JAN/06

January 28, 2022

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
--	---

Dear Sir/ Ma'am,

Ref: **OUR LETTERS TO NSE AND BSE DATED JANUARY 14, 2022**Sub: **OUTCOME OF BOARD MEETING HELD TODAY**

This has reference to our aforesaid letters regarding the captioned subject and pursuant to the 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, 2021 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 and press release for your records.

The Board meeting commenced at 11.00 A.M. and concluded at 11:40 A.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 the Company 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, 2021 and the year to-date results for the period April 1, 2021 to December 31, 2021 ('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'). This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the statement based on our review.
2. This Statement has been prepared by the Company's Management 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.
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 standalone 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
JEYAKUMA
R

Digitally signed by
GEETHA
JEYAKUMAR
Date: 2022.01.28
11:04:46 +05 30'

Geetha Jeyakumar
Partner
Membership No.: 029409
UDIN: 22029409AAAAAN1528

Place: Chennai
Date: January 28, 2022

KITEX

KITEX GARMENTS LIMITED

CIN: L18101KL1992PLC006528

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

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

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

Rupees in lakhs, except EPS and unless otherwise stated

Particulars	Standalone					
	For the quarter ended			For the nine months ended		Year ended
	31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
(a) Revenue from Operations	20,290.56	17,808.51	12,090.02	53,477.52	34,367.61	45,538.82
(b) Other Income	529.35	427.52	216.48	1,634.24	1,035.01	1,010.46
Total Income	20,819.91	18,236.03	12,306.50	55,111.76	35,402.62	46,549.28
2 Expenses						
(a) Cost of Materials Consumed	7,779.56	7,509.25	4,427.59	21,651.16	9,615.66	19,524.90
(b) Changes in Inventories of Finished Goods and Work-in-Progress	499.42	486.19	268.61	2,155.17	4,950.79	(38.17)
(c) Employee Benefits Expense	3,145.98	2,882.53	2,152.59	8,406.21	5,816.70	7,725.77
(d) Finance Costs	30.09	26.84	25.80	63.19	168.08	253.95
(e) Depreciation and Amortisation Expense	545.97	524.58	547.41	1,600.96	1,783.21	2,310.44
(f) Other Expenses	3,940.49	3,116.30	2,432.84	9,698.43	6,182.34	8,287.95
Total Expenses	15,941.51	14,545.69	9,854.84	43,575.12	28,516.78	38,064.84
3 Profit Before Tax (1-2)	4,878.40	3,690.34	2,451.66	11,536.64	6,885.84	8,484.44
4 Tax Expense						
(a) Current Tax	1,339.00	1,023.00	847.00	3,170.00	1,964.00	2,581.77
(b) Deferred Tax	68.09	(58.23)	(77.98)	(27.43)	(95.56)	(87.53)
5 Net Profit for the period/year (3-4)	3,471.31	2,725.57	1,682.64	8,394.07	5,017.40	5,990.20
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	-	-	-	-	-	16.51
(b) Fair value changes on equity instruments carried through other comprehensive income	(0.19)	(0.16)	0.32	0.05	0.05	0.30
(c) Income tax relating to items that will not be reclassified to profit or loss	0.05	0.04	(0.08)	(0.01)	(0.01)	(4.23)
Items that will be reclassified to profit or loss	-	-	-	-	-	-
7 Total Comprehensive Income for the period/ year (5+6)	3,471.17	2,725.45	1,682.88	8,394.11	5,017.44	6,002.78
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	5.22	4.10	2.53	12.62	7.54	9.01
(b) Diluted	5.22	4.10	2.53	12.62	7.54	9.01



Handwritten signature/initials.



Notes to Standalone Financial Results:

- 1 The above unaudited standalone financial results of the Company for the quarter and nine months ended December 31, 2021 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on January 28, 2021. These results have been subjected to limited review by Statutory Auditors. These unaudited standalone financial results have been prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standard (Ind AS) 34 on 'Interim Financial Reporting', the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended.
- 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 The Company has considered the possible effects that may result from the global health pandemic relating to COVID-19 on its operations. Management believes that it has taken into account external and internal information for assessing the possible impact of COVID-19 on various elements of its financial results, including its liquidity position and the recoverability of assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any.
- 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 The Company has incorporated a subsidiary company, "Kitex Apparel Parks Limited" on November 18, 2021 with a proposed investment of Rs.75000 lakhs. The company's operations will encompass all verticals from spinning to ready made garments including manufacture of accessories and packing materials.
- 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 : January 28, 2022

For Kitex Garments Limited


Sabu M Jacob
Managing Director
DIN:00046016



Independent Auditor's Review Report on Consolidated Unaudited Quarterly and year to date financial results of the Group and its Associate 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 consolidated unaudited 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 loss of its associate for the quarter ended December 31, 2021 and the year to-date results for the period from April 1, 2021 to December 31, 2021 ('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'). This statement is the responsibility of the Holding Company's Management and has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the statement based on our review.
2. This Statement has been prepared by the Holding Company's Management 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.
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.

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*

MSKA & Associates

Chartered Accountants

* 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 statements.

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 are 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 Digitally signed by
GEETHA
JEYAKUMA JEYAKUMAR
Date: 2022.01.28
R 11:05:33 +05'30'

Geetha Jeyakumar

Partner

Membership No.: 029409

UDIN: 22029409AAAAA05441

Place: Chennai

Date: January 28, 2022

KITEX

KITEX GARMENTS LIMITED

CIN: L18101KL1992PLC006528

Regd. Office : P 8 NO.5, KIZHAKKAMBALAM, ALWAYE, KERALA-683562,

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

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

Rupees in lakhs; except EPS and unless otherwise stated

Particulars	Consolidated					
	For the quarter ended			For the nine months ended		Year ended
	31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
(a) Revenue from Operations	20,290.56	17,808.51	12,090.02	53,477.52	34,367.61	45,538.82
(b) Other Income	530.97	276.86	76.81	1,333.66	612.62	431.29
Total Income	20,821.53	18,085.37	12,166.83	54,811.18	34,980.23	45,970.11
2 Expenses						
(a) Cost of Materials Consumed	7,779.56	7,509.25	4,427.59	21,651.16	9,615.66	19,524.90
(b) Changes in Inventories of Finished Goods and Work-in-Progress	499.42	486.19	268.61	2,155.17	4,950.79	(38.17)
(c) Employee Benefits Expense	3,145.98	2,882.53	2,152.59	8,406.21	5,816.70	7,725.77
(d) Finance Costs	30.09	26.84	25.80	63.19	169.56	255.59
(e) Depreciation and Amortisation Expense	545.97	524.58	547.41	1,600.96	1,783.21	2,310.44
(f) Other Expenses	3,944.43	3,119.25	2,435.53	9,708.01	6,189.10	8,299.25
Total Expenses	15,945.45	14,548.64	9,857.53	43,584.70	28,525.02	38,077.78
3 Profit Before Tax (1-2)	4,876.08	3,536.73	2,309.30	11,226.48	6,455.21	7,892.33
4 Tax Expense						
(a) Current Tax	1,339.00	1,023.00	847.00	3,170.00	1,964.00	2,581.77
(b) Deferred Tax	68.10	(58.40)	(91.61)	(35.90)	(109.19)	(116.70)
5 Net Profit for the period /year (3-4)	3,468.98	2,572.13	1,553.91	8,092.38	4,600.40	5,427.26
6 Share of Loss of Associate	-	-	-	-	-	-
7 Net Profit for the period /year after Share of Loss of Associate (5+6)	3,468.98	2,572.13	1,553.91	8,092.38	4,600.40	5,427.26
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	-	-	-	-	-	16.51
(b) Fair value changes on equity instruments carried through other comprehensive income	(0.19)	(0.16)	0.32	0.05	0.05	0.30
(c) Income tax relating to items that will not be reclassified to profit or loss	0.05	0.04	(0.08)	(0.01)	(0.01)	(4.23)
Items that will be reclassified to profit or loss	-	-	-	-	-	-
9 Total Comprehensive Income for the period/ year (7+8)	3,468.84	2,572.01	1,554.15	8,092.42	4,600.44	5,439.84
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	5.22	3.87	2.34	12.17	6.92	8.16
(b) Diluted	5.22	3.87	2.34	12.17	6.92	8.16



Handwritten signature/initials



Notes to Consolidated Financial Results:

- 1 The above unaudited consolidated financial results of the Group for the quarter and nine months ended December 31, 2021 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on January 28, 2022. These results have been subjected to limited review by Statutory Auditors. These unaudited consolidated financial results have been prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standard (Ind AS) 34 on 'Interim Financial Reporting', the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended.
- 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 Group has considered the possible effects that may result from the global health pandemic relating to COVID-19 on its operations. Management believes that it has taken into account external and internal information for assessing the possible impact of COVID-19 on various elements of its financial results, including its liquidity position and the recoverability of assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Group will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any.
- 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 The Company has incorporated a subsidiary company, "Kitex Apparel Parks Limited" on November 18, 2021 with a proposed investment of Rs.75000 lakhs. The company's operations will encompass all verticals from spinning to ready made garments including manufacture of accessories and packing materials.
- 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 : January 28, 2022

For Kitex Garments Limited


Sabu M Jacob
Managing Director
DIN:00046016



PRESS RELEASE**KITEX GARMENTS LTD. POSTED ROBUST GROWTH IN Q3 FY 2021-22****Total Income**

Rs. 208.20 Cr.

EBITDA

Rs. 54.54Cr.

Profit After Tax

Rs. 34.71 Cr.

	Quarter on Quarter Dec 2021 Vs. Sep 2021	Year on Year Q3 FY 22 Vs. Q3 FY21	9M FY22 Vs. 9M FY21
Growth in Turnover	14.2%	71.68%	56.2%
Growth in EBITDA	27.4%	120.0%	70.9%
Growth in PAT	27.4%	120.0%	70.9%

Kochi: Kitex Garments Ltd., 2nd largest infants' garments manufacturing company in the world has announced its un-audited financial results for the quarter ended December 31, 2021.

Highlights of the Quarter Ended December 31, 2021

- Total Revenue for the quarter at Rs. 208.20 Crores | higher by 71.68% compared to Q3 FY21.
- EBITDA for the quarter at 26.20% | higher by 80.32% compared to Q3 FY21.
- Profit before Tax for the quarter at 23.43% | higher by 99.0 % compared to Q3 FY21.
- Profit after Tax for the quarter at 34.71 crore | higher by 120% compared to Q3 FY21.
- Zero Debt Company.
- Expansion in the state of Telangana is in progress as per scheduled time line.

Mr. Sabu M. Jacob, Chairman and Managing Director of Kitex Garments Ltd said that "Despite the Increase in raw materials costs by around 30%, the company has been able to achieve a higher turnover and through effective cost control measures been able to achieve higher profits."

For **Kitex Garments Limited**

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

