

Kitex Socks Limited
Balance Sheet as at March 31, 2019

(Rupees in Lakhs)

Sl No.	Particulars	Note No.	As at March 31, 2019
I	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	2	558.09
2	Current assets		
	(a) Financial assets		
	(i) Cash and cash equivalents	3	1.75
	TOTAL ASSETS		559.84
II	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	4	10.00
	(b) Other equity	5	(1.19)
	Liabilities		
2	Non-current liabilities		
	(a) Other non-current liabilities	6	551.03
	TOTAL EQUITY AND LIABILITIES		559.84

Significant accounting policies and key accounting estimates and judgements See Note 1

For MSKA Associates
Chartered Accountants
Firm Registration No. 105047W

**For and on behalf of the Board of Directors of
Kitex Socks Limited**
CIN: U18109KL2018PLC055319

Geetha Jeyakumar
Partner
Membership No.029409

Sabu M Jacob
Director
DIN:00046016

Sindhu Chandrasekhar
Director
DIN: 06434415

Kizhakkambalam, May 20, 2019

Kitex Socks Limited**Statement of Profit and Loss for the period from October 29, 2018 to March 31, 2019**

(Rupees in Lakhs)

Sl No.	Particulars	Note No.	For the period from October 29, 2018 to March 31, 2019
I	EXPENSES:		
	(a) Other expenses	7	1.19
	Total Expenses		1.19
II	Loss before tax (I)		(1.19)
III	Tax expense		-
IV	Loss for the period (II -III)		(1.19)
V	Other comprehensive income		-
VI	Total comprehensive loss for the period (IV+V)		(1.19)
VII	Earnings per equity share (Fair value of Rs.10 each)	8	
	Basic & Diluted in Rs.		(1.19)

Significant accounting policies and key accounting estimates and judgements See Note 1

For MSKA Associates

Chartered Accountants

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Kizhakkambalam, May 20, 2019

Kitex Socks Limited**Cash Flow Statement for the period from October 29, 2018 to March 31, 2019**

(Rupees in Lakhs)

Sl No.	Particulars	October 29, 2018 to March 31, 2019
A.	CASH FLOW FROM OPERATING ACTIVITIES:	
	Net loss before taxation	(1.19)
	Adjustment for:	
	Preliminary expenses written off	0.34
	Cash used in operating activities	(0.85)
B.	CASH FLOW FROM INVESTING ACTIVITIES:	
	Purchase of property, plant and equipments	(558.09)
	Cash used in investing activities	(558.09)
C.	CASH FLOW FROM FINANCING ACTIVITIES:	
	Proceeds from advance received from holding company	551.03
	Proceeds from issuance of equity shares	10.00
	Preliminary expenses	(0.34)
	Net cash generated from financing activities	560.69
	Net increase in cash and cash equivalents (A+B+C)	1.75
	Cash and cash equivalents at the beginning of the period	-
	Cash and cash equivalents at the end of the period	1.75
	Net Increase in cash and cash equivalents	1.75

Significant accounting policies and key accounting estimates and judgements See Note 1

The accompanying notes form an integral part of the financial statements

For MSKA Associates

Chartered Accountants

Firm Registration No. 105047W

For and on behalf of the Board of Directors of**Kitex Socks Limited**

CIN: U18109KL2018PLC055319

Geetha Jeyakumar

Partner

Membership No.029409

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Director

DIN:00046016

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Director

DIN: 06434415

Kizhakkambalam, May 20, 2019

Kitex Socks Limited

Statement of Changes in Equity for the period from October 29, 2018 to March 31, 2019

A. Equity share capital

(Rupees in Lakhs)

Particulars	As at March 31, 2019
Balance at the beginning of the reporting period	-
Issued equity shares during the period	10.00
Balance at the end of the reporting period	10.00

B. Other equity

(Rupees in Lakhs)

Particulars	Retained Earnings
Balance as at October 29, 2018	-
Loss for the period from October 29, 2018 to March 31, 2019	(1.19)
Balance as at March 31, 2019	(1.19)

Kitex Socks Limited

Notes forming part of the Financial Statement for the period from October 29, 2018 to March 31, 2019

2 Property, plant and equipment

(Rupees in Lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at October 29, 2018	Additions during the period	Disposal / Adjustments	As at March 31, 2019	As at October 29, 2018	Disposal/ Adjustments	During the period	As at March 31, 2019	As at March 31, 2019	As at October 29, 2018
Freehold Land	-	558.09	-	558.09	-	-	-	-	558.09	-
Total	-	558.09	-	558.09	-	-	-	-	558.09	-

3 Cash and cash equivalents

(Rupees in Lakhs)

Particulars	As at March 31, 2019
Balance with banks - current account	1.75
Total	1.75

4 Equity share capital

(Rupees in Lakhs)

Particulars	As at March 31, 2019
Authorised:	
10 lakhs equity shares of Rs. 10/- each	100.00
Issued, subscribed and fully paid-up:	
1 lakhs equity shares of Rs. 10/- each	10.00
Total	10.00

4.1 Terms/rights attached to Equity Shareholders

The company has only one class of shares referred to as equity shares with a face value of Rs. 10/- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed/ declared by the Board of Directors is subject to approval/regularisation of the shareholders' in the Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

(Rupees in Lakhs)

4.2 Reconciliation of shares at the beginning and at the end of the period	As at March 31, 2019	
	No. of shares	Amount
No. of shares as at the beginning of the period	-	-
Add: Issued during the period	100,000.00	10.00
No. of shares as at the end of the period	100,000.00	10.00

4.3 Particulars of shareholders holding more than 5% share in the Company

Name of shareholders	As at March 31, 2019	
	No. of shares	%
Kitex Garments Limited	100,000.00	100.00

As per records of the Company, including its Register of Members and other declarations received from them regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

5 Other equity

(Rupees in Lakhs)

Particulars	As at March 31, 2019
Retained earnings	
Opening balance	-
Add: Loss for the period	(1.19)
Closing balance	(1.19)

6 Other non-current liabilities

(Rupees in Lakhs)

Particulars	As at March 31, 2019
Advance received from holding company	551.03
Total	551.03

7 Other expenses

(Rupees in Lakhs)

Particulars	For the period from October 29, 2018 to March 31, 2019
Preliminary expenses written off	0.34
Rent	0.83
Rate and taxes	0.02
Total	1.19

8 Earnings per equity share

(Rupees in Lakhs)

Particulars	For the period from October 29, 2018 to March 31, 2019
Total comprehensive loss for the period	(1.19)
Weighted average number of equity shares of Rs. 10/- each (fully paid-up)	1.00
Earnings per equity share - Basic & Diluted in Rs.	(1.19)

9 Disclosure of transactions with related parties as required by Ind AS-24 for the period from October 29, 2018 to March 31, 2019.

Related party with whom transactions have taken place during the period:

a Holding Company

- i Kitex Garments Limited

The following table provides the total amount of transactions that have been entered into with related party for the relevant period:

(Rupees in Lakhs)	
Particulars	For the period from October 29, 2018 to March 31, 2019
Kitex Garments Limited	
Advances received	551.03
Rent paid	0.70
Issue of equity share capital	10.00

Outstanding amounts carried in the Balance Sheet

(Rupees in Lakhs)	
Name of Related Party	For the period from October 29, 2018 to March 31, 2019
Kitex Garments Limited	
Advance received	551.03

10 In accordance with Ind AS 108 on "Operating Segments", the company is not started the commercial operation during the period, hence segment information is not required to be furnished.

11 All non current assets of the company are located in India.

12 Financial Risk Management - Objectives and Policies

The Company has a well- managed risk management framework, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as liquidity risk, market risk, credit risk and foreign currency risk) that may arise as a consequence of its business operations as well as its investing and financing activities.

The company has not started any operations and is in its preliminary stage. In such circumstances, liquidity risk does not exist.

1) Liquidity Risk

Liquidity risk is the risk that the Company will encounter due to difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The company has not started any operations and is in its preliminary stage. In such circumstances, liquidity risk does not exist.

2) Market Risk

As the Company is debt-free, the exposure to interest rate risk from the perspective of Financial Liabilities is nill.

13 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

As at March 31, 2019, the Company has only one class of equity shares and is virtually debt-free. The company is not subject to any externally imposed capital requirements.