

INDEPENDENT AUDITOR'S REPORT

To the Members of **Kitex Apparel Parks Limited**

Report on the Audit of the Financial statements

Opinion

We have audited the accompanying financial statements of Kitex Apparel Parks Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and loss, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises Management Report, Director's report along with annexures etc but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books including daily back-up of books of accounts and other books and papers maintained in electronic mode.
 - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



iv.

1. The Management has represented that, to the best of its knowledge and belief, as disclosed in note 30 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
2. The Management has represented, that, to the best of its knowledge and belief as disclosed in note 30 to financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise,, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

vi. Based on our examination, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail feature has been operated throughout the year for all transactions recorded in the accounting software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Geetha Jeyakumar
Partner
Membership No. 029409
UDIN: 24029409BKDEKU9637



Place: Kizhakkambalam
Date: May 20, 2024

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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KITEX APPAREL PARKS LIMITED FOR THE YEAR ENDED MARCH 31, 2024

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W



Geetha Jeyakumar

Partner

Membership No.029409

UDIN: 24029409BKDEKU9637



Place: Kizhakkambalam

Date: May 20, 2024

MSKA & Associates

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ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KITEX APPAREL PARKS LIMITED FOR THE YEAR ENDED MARCH 31, 2024

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i.
 - (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.
B. The Company has no intangible assets. Accordingly, the provisions stated under clause (i)(a)(B) of the Order are not applicable to the Company.
 - (b) All the Property, Plant and Equipment will be physically verified by the management in the next year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) According to the information and explanations given to us, registration of title deeds is in progress in respect of immovable properties as disclosed in note 2.1 to financial statements.
 - (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment and intangible assets during the year. Accordingly, the provisions stated under clause (i)(d) of the Order are not applicable to the Company.
 - (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause (i)(e) of the Order are not applicable to the Company.
- ii.
 - a) The Company does not have any inventory during the period. Accordingly, the provisions stated under clause (ii)(a) of the Order are not applicable to the Company.
 - b) The Company has not been sanctioned any working capital limits during the year on the basis of security of current assets. Accordingly, the provisions stated under clause (ii)(b) of the Order is not applicable to the Company.
- iii. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under clause (iii) (a) to (f) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013, are applicable and accordingly, the provisions stated under clause (iv) of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions stated under clause (iv) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.
- vi. The provisions of sub-Section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company as Company is yet to commence commercial production and business. Accordingly, the provisions stated under clause (vi) of the Order are not applicable to the Company.



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- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have been generally regular in depositing by the Company with appropriate authorities in all cases during the year.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, cess, and other statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues relating to goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute.

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in clause (viii) of the Order is not applicable to the Company.

- ix. (a) The Company does not have any loans or borrowings or interest thereon due to any lenders during the year. Accordingly, the provision stated under clause (ix)(a) to (c) and sub-clause (e) and (f) of the Order is not applicable to the Company.

- (d) According to the information and explanation provided to us, there are no funds raised on short term basis. Accordingly, the provision stated under clause (ix)(d) of the Order is not applicable to the Company.

- x. (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated under clause (x)(a) of the Order are not applicable to the Company.

- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment or private placement of shares, during the year and the requirements of Section 42 and Section 62 of the Companies Act, 2013 have been complied with. The amount raised has been used for the purposes for which they were raised.

- xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the year in the course of our audit.

- (b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Companies Act, 2013, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause (xi)(b) of the Order is not applicable to the Company.

- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.



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- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause (xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013, in clause (xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the provisions stated under clause (xvi)(a) of the Order are not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the provisions stated under clause (xvi)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one Core Investment Company as a part of its group. Accordingly, the provisions stated under clause (xvi)(d) of the Order are not applicable to the Company.
- xvii. Based on the overall review of financial statements, the Company has incurred cash losses in the current year and in the immediately preceding financial year. The details of the same are as follows:

Particulars	March 31, 2024 (Current Year) (Amount in lakhs)	March 31, 2023 (Previous Year) (Amount in lakhs)
Cash loss	166.52	204.07

- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated under clause (xviii) of the Order are not applicable to the Company.



- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and

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based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due

- xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company. Hence, reporting under clause (xx)(a) to (b) of the Order is not applicable to the Company
- xxi. According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Accordingly, reporting under Clause (xxi) of the Order is not applicable.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Geetha Jeyakumar
Partner
Membership No.029409
UDIN: 24029409BKDEKU9637



Place: Kizhakkambalam
Date: May 20, 2024

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KITEX APPAREL PARKS LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Kitex Apparel Parks Limited on the Financial Statements for the year ended March 31, 2024]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to financial statements of Kitex Apparel Parks Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

Managements' and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.



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Meaning of Internal Financial Controls With reference to Financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W



Geetha Jeyakumar

Partner

Membership No.029409

UDIN: 24029409BKDEKU9637



Place: Kizhakkambalam

Date: May 20, 2024

Kitex Apparel Parks Limited
Balance Sheet as at March 31, 2024

All Amounts are in lakhs unless stated otherwise

Sl No.	Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
I	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment	2.1	3,797.05	3,774.70
	(b) Capital work-in-progress	2.2	86,257.77	27,178.66
	(c) Financial assets			
	Other Financial assets	3	1,462.65	639.83
	(d) Other non-current assets	4	18,786.68	9,890.22
	Total Non-current assets		110,304.15	41,483.41
2	Current assets			
	(a) Financial assets			
	(i) Cash and cash equivalents	5	291.31	332.58
	(ii) Bank balances other than (i) above	6	-	1,400.00
	(b) Other Current Asset	7	2,914.11	307.47
	Total current assets		3,205.42	2,040.05
	TOTAL ASSETS		113,509.57	43,523.46
II	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity share capital	8	41,061.00	38,775.00
	(b) Other equity	9	1,469.18	(511.01)
	Total Equity		42,530.18	38,263.99
	Liabilities			
2	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	10	59,271.17	-
	(b) Other Non Current Liabilities	11	11,300.56	5,148.48
	Total Non-current liabilities		70,571.73	5,148.48
3	Current liabilities			
	(a) Financial liabilities			
	(i) Trade Payable			
	- Total outstanding dues to Micro and Small Enterprises			
	- Total outstanding dues to creditors other than Micro and Small Enterprises	12	293.23	16.58
	(ii) Other financial liabilities	13	90.67	72.70
	(b) Other current liabilities	14	23.76	21.71
	Total Current liabilities		407.66	110.99
	TOTAL EQUITY AND LIABILITIES		113,509.57	43,523.46

The accompanying notes are an integral part of these financial statements (1-32)

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm Registration No. 105047W

Geetha Jayakumar
Geetha Jayakumar
Partner
Membership No.029409



For and on behalf of the Board of Directors of
Kitex Apparel Parks Limited
CIN: U18100TG2021PLC157154

Sabu M Jacob
Sabu M Jacob
Managing Director
DIN:00048016

Sindhu Chandrasekharan
Sindhu Chandrasekharan
Director
DIN: 06434415

Gopalakrishnan Rajamani
Gopalakrishnan Rajamani
Chief Financial Officer

CS Dayana Joseph
CS Dayana Joseph
Company Secretary
ICSI M.No.A61808

Place : Kizhakkambalam
Date: May 20, 2024

Place : Kizhakkambalam
Date: May 20, 2024



Kitex Apparel Parks Limited
Statement of Profit and Loss for the year ended March 31, 2024

All Amounts are in lakhs unless stated otherwise

Sl No.	Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
I	Income			
	(a) Other income	15	182.08	103.61
	Total Income		182.08	103.61
II	Expenses			
	(a) Employee Benefits Expense	16	8.15	-
	(b) Depreciation	2	0.34	-
	(c) Other expenses	17	340.45	307.68
	Total Expenses		348.94	307.68
III	Loss before tax (I - II)		(166.86)	(204.07)
IV	Tax expense			
	(a) Current tax		-	-
	(b) Deferred tax		-	-
	Total tax expense		-	-
V	Loss for the year (III - IV)		(166.86)	(204.07)
VI	Other comprehensive income		-	-
VII	Total comprehensive loss for the year (V+VI)		(166.86)	(204.07)
VIII	Loss per equity share (Face value of Rs. 10 each)			
	Basic earnings /(loss) per share (INR)	18	(0.04)	(0.17)

The accompanying notes are an integral part of these financial statements (1-32)

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm Registration No. 105047W

Geetha Jayakumar

Geetha Jayakumar
Partner
Membership No.029409



Place : Kizhakkambalam
Date: May 20, 2024

For and on behalf of the Board of Directors of
Kitex Apparel Parks Limited
CIN: U18100TG021PLC157154

Sabu M Jacob
Sabu M Jacob
Managing Director
DIN:00046016

Sindhu Chandrasekharan
Sindhu Chandrasekharan
Director
DIN: 06434415

Gopalekriehnan Rajamani
Gopalekriehnan Rajamani
Chief Financial Officer

CS Dayana Joseph
CS Dayana Joseph
Company Secretary
ICSI M.No.A61808

Place : Kizhakkambalam
Date: May 20, 2024



Kitex Apparel Parks Limited
Cash Flow Statement for the year ended March 31, 2024

All Amounts are in lakhs unless stated otherwise

Sl No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A	Cash Flows from Operating Activities		
	Loss before tax	(166.86)	(204.07)
	Adjustments for:		
	Depreciation	0.34	-
	Operating loss before working capital changes	(166.52)	(204.07)
	Adjustments for:		
	Trade, other payables and provisions	296.33	107.58
	(Increase)/ Decrease in trade and other receivables	(2,606.64)	(298.54)
	Cash used in operating activities (A)	(2,476.83)	(395.03)
B	Cash Flows from Investing Activities		
	Payment for property, plant and equipment, CWIP including capital advances	(61,407.80)	(28,280.14)
	Bank balances not considered as Cash and cash equivalents	577.18	(2,039.83)
	Other Advance		
	Cash used in investing activities (B)	(60,830.62)	(30,319.97)
C	Cash Flow from Financing Activities		
	Share Alloted/ pending allotment from Promoter Company	2,286.00	30,887.04
	Proceeds from bank borrowing	60,980.18	
	Cash generated from financing activities (C)	63,266.18	30,887.04
	Net (decrease) / increase in cash and cash equivalents (A+B+C)	(41.27)	172.04
	Cash and cash equivalents at the beginning of the year	332.58	160.54
	Cash and cash equivalents at the end of the year [See note 3]	291.31	332.58
	Net (decrease) / increase in cash and cash equivalents	(41.27)	172.04

The accompanying notes are an integral part of these financial statements (1-32)

Note:

a) The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Statement of Cash Flows.

As per our report of even date attached

For M S K A & Associates
Chartered Accountants
Firm Registration No. 105047W

Geetha Jayakumar
Partner
Membership No.029409



For and on behalf of the Board of Directors of
Kitex Apparel Parks Limited
CIN: U16100TG2021PLC157154

Sabu M Jacob
Managing Director
DIN:00046016

Sindhu Chandrasekharan
Director
DIN: 08434415

Gopalekrisnan Rajamani
Chief Financial Officer

CS Dayana Joseph
Company Secretary
ICSI M.No.A61808

Place : Kizhakkambalam
Date: May 20, 2024

Place : Kizhakkambalam
Date: May 20, 2024



Kitex Apparel Parks Limited**Statement of Changes in Equity for the year ended March 31, 2024**

All Amounts are in lakhs unless stated otherwise

A Equity Share Capital

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the reporting year	38,775.00	7,887.96
Changes in equity share capital during the year	2,286.00	38,775.00
Share application money/ pending allotment		(7,887.96)
Balance at the end of the reporting year	41,061.00	38,775.00

B Other Equity

Particulars	Retained earnings	Deemed Capital contribution	Total
Balance as at April 1, 2022	(306.93)	-	(306.93)
Loss for the period	(204.07)	-	(204.07)
Balance as at March 31, 2023	(511.00)	-	(511.00)
Balance as at April 01, 2023	(511.00)	-	(511.00)
Loss for the year	(166.86)	-	(166.86)
Fair value of Guarantee received from Promoter Companies		2,147.04	2,147.04
Balance as at March 31, 2024	(677.86)	2,147.04	1,469.18

The accompanying notes are an integral part of these financial statements (1-32)

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration No. 105047W



Geetha Jayakumar

Partner

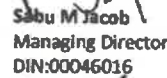
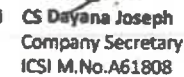
Membership No.029409



For and on behalf of the Board of Directors of

Kitex Apparel Parks Limited

CIN: U18100TG2021PLC157154


Sabu M Jacob
Managing Director
DIN:00046016
Sindhu Chandrasekharan
Director
DIN: 06434415
Gopalakrishnan Rajamani
Chief Financial Officer
CS Dayana Joseph
Company Secretary
ICSI M.No.A61808

Place : Kizhakkambalam

Date: May 20, 2024

Place : Kizhakkambalam

Date: May 20, 2024



Notes to the Financial Statements for the year ended March 31, 2024

General Information

Kitex Apparel Parks Limited is a Public Company incorporated and domiciled in India having its registered office at H NO. 15-10-196/2, Pothana Road, Ramannapet, Warangal, Telangana- 506002, India. The Company was incorporated on November 18, 2021. The Company is intent to carry on the business of manufacturers, dealers, purchasers, sellers, importers and exporters of textile items such as yarn, fabrics, garments, wearing apparels, made from natural or synthetic fibres or from blends of both. The Company is a Subsidiary of Kitex Garments Limited and associate of Kitex Childrenswear Limited.

The financial statements are approved for issue by the Company's Board of Directors on May 20, 2024.

Material Accounting Policy

1.1 Basis of Preparation of Financial Statements

The financial statements which comprise the Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement, and the Statement of Changes in Equity ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015, along with relevant amendment rules issued thereafter and other relevant provisions of the Act, as applicable.

(i) Basis of measurement

The financial statements have been prepared on a historical cost basis on the accrual basis of accounting.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III of the Act, unless otherwise stated.

Use of estimates and judgement

In the preparation of financial statements, the management makes estimates and assumptions in conformity with the Generally Accepted Accounting Principles in India. Such estimates and assumptions are made on reasonable and prudent basis taking into account all available information. However, actual results could differ from these estimates and assumptions and such differences are recognised in the period in which results are ascertained. The estimates and underlying assumptions are reviewed on an on-going basis.

1.2 Classification between Current and Non-current

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - noncurrent classification of assets and liabilities.



1.3 Property, Plant & Equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment if any. Freehold land is carried at historical cost. The Company is adopting the cost model for determining gross carrying amount. Cost comprises of purchase price, inward freight, duties, taxes and any attributable cost of bringing the assets to its working condition for its intended use.

1.4 Foreign Currency Transactions

Company has determined its functional currency as Indian Rupee (INR).

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement as at Balance Sheet Date

Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at year end exchange rates.

Non-monetary items carried at historical cost are translated using the exchange rates at the dates of initial transactions.

Treatment of exchange differences

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

1.5 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are recognised as expenditure in the period in which they are incurred.

1.6 Financial Instruments

(a) Financial asset

(i). Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii). Subsequent measurement

For purposes of subsequent measurement, financial assets are measured at amortised cost or fair value through profit or loss.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).



(iii) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

(b) Financial liabilities

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective interest rate method. Gains and losses are recognised in profit and loss when the liabilities are de-recognised as well as through the amortisation of effective interest.

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

1.7 Revenue Recognition

(A) Other Operating Income

(i) Interest Income

For all debt instruments measured at amortised cost, interest income is recognised on time proportion basis, taking into account the amount outstanding and effective interest rate..

1.8 Earnings per share

Basic/diluted earnings per share is calculated by dividing the net profit and loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares/diluted potential equity shares outstanding as at the end of the year, as the case may be.

1.9 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

1.10 Statement of Cash Flows

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated

1.11 Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) because of a past event, for which it is probable that a cash outflow will be required, and a reliable estimate can be made of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, it's carrying amount is the present value of those cash flows (when the effect of time value of money is material). These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.



1.12 Significant Accounting Judgments, Estimates and Assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

(i) Impairment of assets:

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

(ii) Property Plant and Equipment

The Company depreciates property, plant and equipment on a straightline basis over estimated useful lives of the assets. The charge in respect of periodic depreciation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful life is reviewed at least annually.

1.13 Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



Kitex Apparel Parks Limited

Notes forming part of the Financial Statements for the year ended March 31, 2024

2.1 Property, plant and equipment

(Amount in INR Lakh, unless otherwise stated)

Particulars	GROSS BLOCK			DEPRECIATION		NET BLOCK	
	As at April 1, 2023	Additions during the year	Disposal / Adjustments	As at March 31, 2024	As at April 1, 2023	As at March 31, 2024	As at March 31, 2024
Freehold land	3,774.70	3.25	-	3,777.95	-	-	3,777.95
Plant and machinery	-	16.75	-	16.75	-	-	16.75
Computer and accessories	-	2.69	-	2.69	-	-	2.35
Total	3,774.70	22.69	-	3,797.39	-	-	3,797.09

Particulars	GROSS BLOCK			DEPRECIATION		NET BLOCK	
	As at April 1, 2022	Additions during the year	Disposal / Adjustments	As at March 31, 2023	As at April 1, 2022	As at March 31, 2023	As at March 31, 2023
Freehold land	-	3,774.70	-	3,774.70	-	-	3,774.70
Total	-	3,774.70	-	3,774.70	-	-	3,774.70

Company holds agreement for sale title to the freehold land vide agreement with Telangana State Industrial Infrastructure Corporation dated April 21, 2022. Title on the freehold land will be transferred to the Company on commencement of commercial production and on utilisation of land to a minimum of 50% of the area in the land allotted for production facility.

2.2 Capital work-in-progress

Particulars	As at April 1, 2023	Expenditure during the year	Net Interest Cost	Capitalized during the year	Impairment	Written off	As at March 31, 2024
Capital work-in-progress	27,178.66	56,630.11	2,549.00	-	-	-	86,257.77

Particulars	As at April 1, 2022	Expenditure during the year	Net Interest Cost	Capitalized during the year	Impairment	Written off	As at March 31, 2023
Capital work-in-progress	-	27,178.66	-	-	-	-	27,178.66

2.2A Ageing of capital work-in-progress is as below:

Particulars	Amount in CWP for a period of				As at March 31, 2024
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	59,079.11	27,178.66	-	-	86,257.77

Particulars	Amount in CWP for a period of				As at March 31, 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	27,178.66	-	-	-	27,178.66



Kitex Apparel Parks Limited
Notes forming part of the Financial Statements for the year ended March 31, 2024

(Amount in INR Lakhs, unless otherwise stated)

3 Other non current financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Measured at amortised cost		
Security deposits	2.85	2.83
In deposit accounts with maturity for more than 12 months	1,459.80	637.00
Total	1,462.65	639.83

4 Other non-current assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, Considered Good		
Capital advances (Refer Note 4.1)	18,786.68	9,890.22
Total	18,786.68	9,890.22

4.1 Capital advances includes advances provided to related parties amounting to Rs 234.35 Lakhs. (Refer Note 19)

5 Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balance with Banks		
in current accounts	291.31	332.58
Total	291.31	332.58

6 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Deposit with maturity for more than 3 months but less than 12 months	-	1,400.00
Total	-	1,400.00

7 Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, Considered Good		
Balance with Government authorities	2,795.16	200.91
Interest accrued but not due on margin deposit	98.58	103.61
Other current assets	20.37	2.95
Total	2,914.11	307.47

8 Equity share capital:

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised:		
75,00,00,000 Equity Shares of Rs. 10/- each (75,00,00,000 Equity Shares of Rs. 10/- each as on March 31, 2023)	75,000.00	75,000.00
Issued, subscribed and fully paid-up:		
41,06,10,000 Equity Shares of Rs. 10/- each (38,77,50,000 Equity shares of Rs. 10/- each as on March 31, 2023)	41,061.00	38,775.00
Total	41,061.00	38,775.00



Kitex Apparel Parks Limited

Notes forming part of the Financial Statements for the year ended March 31, 2024

8.1 Terms / rights attached to equity shareholders

The Company has only one class of shares referred to as equity shares with a face value of Re. 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.

8.2 Reconciliation of subscribed equity shares with voting rights at the beginning and at the end of the financial year

Particulars	As at March 31, 2024			As at March 31, 2023	
	No. of shares	Amount (Rupees in lakhs)	No. of shares	Amount (Rupees in lakhs)	
No. of shares as at the beginning of the financial year	387,750,000	38,775.00	-	-	
Add: Issued during the year	22,860,000	2,286.00	387,750,000	38,775.00	
No. of shares as at the end of the financial year	410,610,000	41,061.00	387,750,000	38,775.00	

8.3 Particulars of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2024			As at March 31, 2023	
	No. of shares	% of total holding	No. of shares	% of total holding	
Kitex Garments Limited	287,427,000	70.00%	267,750,000	69.05%	
Kitex Childrenswear Limited	123,183,000	30.00%	120,000,000	30.95%	
	410,610,000	100.00%	387,750,000	100%	

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.

8.4 Particulars of promoters' shareholding percentage in the Company is as below

Promoters name	As at March 31, 2024		As at March 31, 2023		Change during the Year	
	No. of shares	%	No. of shares	%	No. of shares	%
Kitex Garments Limited	287,427,000	70.00%	267,750,000	69.05%	19,677,000	7.35%
Kitex Childrenswear Limited	123,183,000	30.00%	120,000,000	30.95%	3,183,000	2.65%
	410,610,000	100.00%	387,750,000	100%	22,860,000	10.00%



Kitex Apparel Parks Limited
Notes forming part of the Financial Statements for the year ended March 31, 2024
9 Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
Surplus/(deficit) in the statement of profit and loss	(677.86)	(511.00)
Fair value of financial guarantee received from promoter Companies:-		
a. Kitex Garments Limited	1,502.93	-
b. Kitex Childrenswear Limited	644.11	-
Total	1,469.18	(511.00)

(A) Surplus/(deficit) in the statement of profit and loss

Opening balance	(511.00)	(306.93)
Add: Net loss for the current year	(166.86)	(204.07)
Closing balance	(677.86)	(511.00)

10 Non current borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
(a) Term loan from Banks (Refer note below)	60,980.17	-
Unsecured		
(a) Fair value of financial guarantee received from promoter Companies	(1,709.00)	-
Total	59,271.17	-

10.1 Term loan from Banks

Company have availed consortium loan to the sanctioned limit of Rs 2033.94 Crores wide Facility Agreement dated January 5, 2023. The said consortium was initially led by State Bank of India but was replaced by Axis Bank Limited vide Supplementary Agreement dated April 24, 2023 with sanctioned limit of Rs.2023 Crores.

10.2 Term loan from Banks was taken during the financial year 2023-24 and interest is chargeable at six months SBI MCLR Rate (7.7% to 8.45%). The loan is repayable in 28 quarterly instalments starting from October 1, 2025.
10.2 As per the facility Agreement, the said Loan was taken for the purpose of part financing the project cost. The Company has used such borrowings for the purposes as stated in the Facility agreement.
10.3 Details of securities of term loan from Banks:

(a) First ranking charge by way of mortgage over the immovable properties (both present and future) of the Company.

(b) First charge over the movable assets of the Company, including but not limited to movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets both present and future.

(c) Assignment/charge (to the extent permitted) by way of Security interest of:

(i) All the rights, title, interest, benefits, claims and demands whatsoever of the Company in Project Documents (to which the Company is a party), as amended, varied or supplemented from time to time,

(ii) All the rights, title, interest, benefits, claims and demands whatsoever, of the Company under the Insurance Contracts and Clearances, procured by the Company or procured by any of its contractors favouring the Company, in relation to the Project,

(iii) All the rights, title, interest, benefits, claims and demands whatsoever, of the Company in any letters of credit, guarantees, performance bonds etc. Provided/submitted by the counter parties to the Project Documents.

(d) First ranking Security Interest over all intangible assets of the Company, including but Not limited to the goodwill and Intellectual Property Rights, uncalled capital etc of the Company, both present and future.

(e) First ranking Security Interest over all present and future current assets (including but Not limited to book debts, operating cash flows, receivables, stock in trade, raw materials, finished goods etc. commissions, revenues and the Subsidy Amount.

(f) First ranking Security Interest over the Accounts to be opened for routing the Project Cash flows and its sub-accounts including Debt Service Reserve Account and any other reserve and other bank accounts and its sub-accounts of the Company wherever Maintained that may be opened in accordance with the Finance Documents and the Trust and Retention Account Agreement, or any of the other Transaction Documents And all funds from time to time deposited therein, the receivables and all Permitted Investments or other securities.

(g) First ranking Security Interest over subordinated debt of the Company, if any, raised For the purpose of equity infusion, or any other purpose in respect of the Projects.

(h) An unconditional corporate guarantee from the Sponsors guaranteeing the Facility and All Obligations in relation thereto.

(i) A non-disposal undertaking from the Sponsors to hold at least 51% (Fifty One Percent) Of the total paid up and voting share capital of the Company till the Final Settlement Date.

(j) Till the Final Settlement Date, the Company undertakes to notify the Facility Agent in writing of all its acquisitions of immovable properties as soon as practicable and not later than 3 (three) months from the date of acquisition thereafter to make out a marketable title to the satisfaction of the Facility Agent and mortgage the same in favour of the Security Trustee for the benefit of the Lenders within the timelines agreed in such and form and manner acceptable to the Facility Agent.



11 Other non current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Government grant (Refer note 26)	11,300.56	5,148.48
Total	11,300.56	5,148.48

12 Trade payable

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	283.23	16.58
Total	283.23	16.58

12.01 Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). There is no interest payable or paid to any suppliers under the said Act.

12.02 Trade Payables – ageing analysis and segregation of MSME / Other payables & Disputed Payables

Particulars	Not due	Outstanding for following periods from due date of payment				As at March 31, 2024
		<1 Year	1-2 Year	2-3 Year	>3 Year	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	283.23	-	-	-	-	283.23
(iii) Disputed dues MSME	-	-	-	-	-	-
(iv) Disputed dues others	-	-	-	-	-	-
Total	283.23	-	-	-	-	283.23

Particulars	Not due	Outstanding for following periods from due date of payment				As at March 31, 2023
		<1 Year	1-2 Year	2-3 Year	>3 Year	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	16.58	-	-	-	-	16.58
(iii) Disputed dues MSME	-	-	-	-	-	-
(iv) Disputed dues others	-	-	-	-	-	-
Total	16.58	-	-	-	-	16.58

Kitex Apparel Parks Limited
Notes forming part of the Financial Statements for the year ended March 31, 2024
13 Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Other Payables	90.67	72.70
Total	90.67	72.70

14 Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from related parties (Refer Note 19)	-	0.14
Statutory dues Payable	23.76	21.57
Total	23.76	21.71

15 Other income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income from banks	0.25	103.61
Gain on exchange rate fluctuation	181.83	-
Total	182.08	103.61

16 Employee benefits expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Staff welfare expenses	8.15	-
Total	8.15	-

17 Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rent paid (Refer note 23)	9.78	6.49
Legal and professional charges	52.13	24.60
Payment made to statutory auditors (Refer note 17.1)	1.60	1.14
Preliminary expenses	0.75	-
Electricity charges	0.08	0.09
Printing and stationery	0.13	0.15
Postage and courier charges	0.09	0.06
Food expenses	-	5.57
Travelling expenses	24.59	25.91
Other miscellaneous expenses	10.73	7.34
Contract wages (Refer note 19)	161.70	-
Bank charges	78.87	236.33
Total	340.45	307.68

17.1 Payment to auditors

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
As auditor:		
Statutory audit	0.75	0.75
Limited Review	0.75	0.25
In other capacity:		
For other matters	-	0.14
Reimbursement of expenses	0.10	-
Total	1.60	1.14



Kitex Apparel Parks Limited

Notes forming part of the Financial Statements for the year ended March 31, 2024

18 Earnings per share

	As at March 31, 2024	As at March 31, 2023
Loss for the year attributable to equity shareholders	(166.86)	(204.07)
Weighted average number of equity shares*	394,797,566	120,809,589

* The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year.

Basic & Diluted earning per share	(0.04)	(0.17)
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19 Disclosure of transactions with related parties as required by Ind AS-24 for the year ended March 31, 2024.**List of related parties:****A Key managerial personnel:**

- i Sabu M Jacob, Managing Director
- ii Sindhu Chandrasekharan, Director
- iii Gopalakrishnan Rajamani, Chief financial officer
- iv CS Dayana Joseph, Company secretary

B Holding Company / Ultimate Holding Company

- i Kitex Garments Limited

C Enterprise having significant influence over the entity

- i Kitex Childrenswear Limited

D Fellow subsidiaries *

- (i) Kitex Littlewear Limited
- (ii) Kitex Knits Limited
- (iii) Kitex Socks Limited
- (iv) Kitex Packs Limited
- (v) Kitex Kidswear Limited
- (vi) Kitex Babywear Limited

E Associate of holding Company *

- (i) Kitex USA LLC

F Enterprise owned or significantly influenced by key management personnel or their relatives

- (i) Kitex Limited*
- (ii) Anna Aluminium Company Private Limited*
- (iii) Kitex Herbals Limited*
- (iv) Kitex Building Systems Limited* (formerly Kitex Apparels Limited)
- (v) Kitex Infantswear Limited*
- (vi) Twenty 20 Kizhakkambalam Association*
- (vii) Kitex Building Systems LLC

* No transactions with these parties during the year.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Kitex Garments Limited		
Contract wages	161.70	-
Rent Paid	1.42	1.42
Fair Value of financial guarantee received (Ind AS adjustment)	1,502.93	-
Equity Shares Issued	1,967.70	26,775.00
Advance Received (net)	(0.02)	0.08

	For the year ended March 31, 2024	For the year ended March 31, 2023
Kitex Childrenswear Limited		
Equity shares issued	318.30	12,000.00
Fair Value of financial guarantee received (Ind AS adjustment)	644.11	-
Advance received (net)	-	0.06



Kitex Apparel Parks Limited
Notes forming part of the Financial Statements for the year ended March 31,2024

Kitex Building Systems LLC	For the year ended March 31, 2024	For the year ended March 31, 2023
Advance given for capital goods	234.35	-

Gopalakrishnan Rajamani, Chief financial officer	For the year ended March 31, 2024	For the year ended March 31, 2023
Salary and emoluments Paid (contract wages)	10.22	-

Outstanding amounts carried in the Balance Sheet
Enterprises owned or significantly influenced by key management personnel or their relatives:

Name of related party	As at March 31, 2024	As at March 31, 2023
Amount paid to promoter company		
Kitex Garments Limited	0.02	-
Equity share capital		
Kitex Garments Limited*	28,742.70	26,775.00
Kitex Childrenswear Limited*	12,318.30	12,000.00
Advance given		
Kitex Building Systems LLC	234.35	-
Other equity		
Fair value of financial guarantee received from KGL (Ind AS adjustment)	1,502.93	-
Fair value of financial guarantee received from KCL (Ind AS adjustment)	644.11	-
Fair value of financial guarantee received		
Kitex Garments Limited (Ind AS adjustment)	1,196.30	-
Kitex Childrenswear Limited (Ind AS adjustment)	512.70	-

* As per facility agreement with Banks, KCL and KGL are liable to hold at least 51% (Fifty One Percent) Of the total paid up and voting share capital of the Company till the Final Settlement Date.

20 Since the Company has not commenced commercial production and in the process of setting up the plant, no segments have been identified as per INDAS 108 on Operating Segments.

21 Income tax

Accumulated tax losses of Rs.677.86 lakhs (31.03.2023 Rs.511.01) are available for offsetting for a maximum period of eight years against future taxable profits of the Company. The Company has not recognised deferred tax assets in the absence of convincing evidence of future taxable profits.

20 Fair value measurement

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

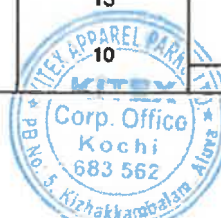
Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There were no transfers between Level 1 and Level 2 during the year.

Category wise classification of financial instruments is as follows:

Particulars	See note	As at March 31, 2024	As at March 31, 2023
Financial assets measured at amortised cost			
Current:			
(i) Cash and cash equivalents	5	291.31	332.58
(ii) Other bank balances	6	-	1,400.00
Non Current:			
(i) Other financial assets	3	1,462.65	639.83
		1,753.96	332.58
Financial liabilities measured at amortised cost			
Current:			
(i) Trade payable	12	293.23	16.58
(ii) Other financial liabilities	13	90.67	72.70
Non Current:			
(i) Borrowings	10	59,271.17	-
		59,655.07	16.58



21 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.

Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable risk parameters in a disciplined and consistent manner and in compliance with applicable regulation.

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. The Company accesses local financial markets to meet its liquidity requirements. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Maturities of financial liabilities As at March 31, 2024	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings (net)	-	-	60,980.17	60,980.17
Trade payable	293.23	-	-	293.23
Other financial liabilities (current)	90.67	-	-	90.67
Maturities of financial liabilities As at March 31, 2023	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	-	-	-	-
Trade payable	16.58	-	-	16.58
Other financial liabilities	72.70	-	-	72.70

2) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks.

a) Foreign currency exchange rate risk

Since the Company has not commenced any operations and in the stage of setting up its manufacturing facility Company does not have any material foreign exchange payables or receivables. In all of the material cases capital goods are delivered on the basis of prepaid advances hence not effected by foreign currency exchange risk.

b) Interest Rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of the loans and borrowings effected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings as follows :

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate instruments		
Financial liability - Term Loan from Banks	60,980.17	-
Financial liability	60,980.17	-

Cash flow sensitivity for variable rate instruments

Particulars	Impact on Profit or (Loss)	
	March 31, 2024	March 31, 2023
Sensitivity		
50 BPS increase in rate	304.90	-
50 BPS decrease in rate	(304.90)	-

c) Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Since the company has not commenced operations this risk is not applicable



22 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing from Banks. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars	As at March 31, 2024	As at March 31, 2023
Equity attributable to share holders	42,530.18	38,263.99
Borrowings	58,271.17	-
Less: Cash and cash equivalents	291.31	332.58
Net debt	58,979.86	-
Total capital (equity + debt)	101,510.04	38,263.99
Net debt to capital ratio	0.58	-

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

23 Lease accounting

Operating lease

Office premises are hired on operating lease. The lease term is renewable every year at the option of the Company. There is no escalation clause in the lease agreement. All of the material lease agreements entered by the Company are for term less than one year, hence Company have opted for the exception from the requirements of IND AS 116. There are no restrictions imposed by lease arrangements. There are no subleases.

Particulars	As at March 31, 2024	As at March 31, 2023
Amount charged to statement of profit and loss account during the year		
Rent for premises	9.78	6.49
Total	9.78	6.49

24 Capital commitments

	As at March 31, 2024	As at March 31, 2023
- Estimated amount of contracts remaining to be executed on capital account (Net of Advances of Rs.18,786.68 lakhs (previous year Rs.358.20 lakhs))	48,672.42	965.20
Total	48,672.42	965.20

25 The details of provisions, contingent liabilities and contingent assets are as required under Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets for the year ended March 31, 2024.

25.01 Contingent liabilities not provided for:

Particulars	As at March 31, 2024	As at March 31, 2023
Bank guarantees	1,976.00	687.50
Total	1,976.00	687.50

25.02 The Company has purchased capital assets under Export Promotion Capital Goods license against which the Company has an export obligation of six times of duty saved. Contingent liability, to the extent of duty saved in respect of EPCG is Rs 11,300.56 Lakhs (Rs.5148.48 Lakhs) . The export obligation to be fulfilled as per license is upto six years from date of issue of EPCG licence.

26 The Company is in receipt of the Government grant/assistance as defined under Ind AS 20 - 'Accounting for Government Grants and Disclosure of Government Assistance' as under:

- EPCG authorisation is obtained by the Company from Directorate General of Trade as import duty waiver over procurement of capital goods defined in Foreign Trade Policy 2015-20. The Company has deferred the grant in the books and it will be amortised to the profit or loss account as and when the conditions attached (export obligation) to authorisations are fulfilled. Company is yet to commence its operations. Accordingly government grant of Rs 11,300.56 lakhs has been classified as Non current liability.
- The Company has signed an MOU with the Government of Telangana whereby customized investment subsidy will be provided to the Company. In line with the agreement, Government has issued GO's for Warangal and Sitarampur projects separately. Investment in civil works, Plant and machineries, utility and other fixed assets investment incurred upto 30th September, 2026 is eligible for the subsidy. Subsidy will be paid from date of commencement of production. In addition to the above, Government has agreed to reimburse 80% of the freight cost subject to Rs.95,000 per container movement between project location and port of choice for 10 years from date of commencement of production. This is also applicable for import of capital goods prior to date of commencement of production.

27 Corporate social responsibility

Company is yet to commence its operations and hence has not met profit criteria for CSR applicability under CSR Rules. Accordingly CSR and related disclosures are not applicable to the Company.



28 Financial ratios

Ratio	As at March 31, 2024	As at March 31, 2023	Variation	Reason (If variation is more than 25%)
(a) Current Ratio, (times) (Total current assets/Current liabilities) (Current Assets: Cash & bank balances+ Other Current Assets) (Current liabilities: Trade Payables + Other Current Liability+other financial liabilities)	7.66	18.38	57%	Variance is mainly on account of deposit of Rs.1400 lakhs made as margin money deposit against Letter of credit
(b) Debt-Equity Ratio, (times) (Net debt / Average equity) (Net debt: Non-current borrowings - Cash and cash equivalents) (Equity: Equity share capital + Other equity)	1.39	NA		
(c) Debt Service Coverage Ratio, (EBIT/ Net finance charges + Scheduled principal repayments of non-current borrowings) (EBIT: Profit before taxes +/- Exceptional items - Net finance charges) (Net finance charges: Finance costs (excluding interest on current borrowings) - Interest income - Dividend income from current investments - Net gain/(loss) on sale of current investments)	*NA	NA		
(d) Return on Equity Ratio (%) (Profit after tax (PAT) / Average Equity) (Equity: Equity share capital + Other equity)	*NA	NA		
(e) Inventory turnover ratio (in days) (Average inventory/Cost of materials consumed +Changes in inventories of finished goods, work in progress)	*NA	NA		
(f) Trade Receivables turnover ratio (in days) (Average trade receivables/Turnover in days) (Turnover: Revenue from operations)	*NA	NA		
(g) Trade payables turnover ratio (in days) (Average Trade Payables / Cost of materials consumed +Changes in inventories of finished goods, work in progress) (Average Trade Payables: (Opening Trade Payables + Closing Trade Payables)/2)	*NA	NA		
(h) Net capital turnover ratio (in days) (Average working capital/Turnover) (Working capital: Current assets - Current liabilities) (Turnover: Revenue from operations)	*NA	NA		
(i) Net profit ratio (%) (Net profit after tax / Turnover) (Turnover: Revenue from operations)	*NA	NA		
(j) Return on Capital employed (%) (EBIT / Capital Employed) (Capital Employed: Total Assets - Current Liabilities) (EBIT: Profit before taxes +/- Exceptional items + Net finance charges)	*NA	NA		

*These ratios are not applicable as the entity has not commenced its operations

29 In the opinion of the Directors, short term loans, advances and other current assets, have the value at which they are stated in the balance sheet, if realized in the ordinary course of business.

30 **Utilisation of Borrowings & Securities Premium**
No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in part identified by or on behalf of the Company (Ultimate Beneficiaries).

The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

31 Other Disclosures

(a) Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956. - The Company does not have any transactions or relationships with any struck off Companies

(b) Details of Benami Property held - The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

(c) Undisclosed income - The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year / previous year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(d) Registration of charges or satisfaction with Registrar of Companies - The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(e) Details of Crypto Currency or Virtual Currency - The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(f) Compliance with approved Scheme(s) of Arrangements - The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(g) The Code on Social Security 2020 - The Code on Social Security 2020 ("the Code") relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

(h) Compliance with number of layers of companies - The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.



32 Previous year figures

Previous year figures, unless otherwise stated are given within brackets and have been re-grouped and recast wherever necessary to be in conformity with current year's layout.

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm Registration No. 105047W

Geetha Jayakumar
Geetha Jayakumar
Partner
Membership No.029409



Place : Kizhakkambalam
Date: May 20, 2024

For and on behalf of the Board of Directors of
Kitex Apparel Parks Limited
CIN: U19100TG2021PLC157154

Sibu M Jacob
Sibu M Jacob
Managing Director
DIN:00046016

Gopalakrishnan Rajamani
Gopalakrishnan Rajamani
Chief Financial Officer

Sindhu Chandrasekharan
Sindhu Chandrasekharan
Director
DIN. 06434415

CS Dayana Joseph
CS Dayana Joseph
Company Secretary
KSI M.No.A61808

Place : Kizhakkambalam
Date: May 20, 2024

