KITEX GARMENTS LIMITED
Annual Report 2025-26

STRENGTH TO SCALE

TURNING RESILIENCE INTO LASTING LEADERSHIP

Our strong foundation

At the core of Kitex, lies a deep commitment to enhancing lives through compassion.

Shri. M.C. Jacob

(22.04.1933 – 05.06.2011)

Our founder, M.C. Jacob, instilled the principle of 'caring' into our work ethos. Over time, this principle has reinforced our business focus, empowered our people and helped to uplift communities.

In 1968, moved by the hardships faced by farmers working in his father's fields, Mr. Meckamkunnel Chacko Jacob established an Aluminium unit with only eight employees, marking the beginning of a transformation of a remote village, Kizhakkambalam, in Kerala. This little-known village today is a living example of a thriving industrial centre. His legacy was carried forward with the expansion of the Anna-Kitex group as it became a successful conglomerate, encompassing diverse businesses including Aluminium, Spices, Textiles and Apparels.

Going beyond business success, we continue our pursuit of excellence by reiterating our promise of reshaping communities through compassionate action. It is this spirit that drives us to engage in initiatives which provide employment opportunities and nurture the aspirations of numerous people, to truly make a difference to lives.

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Scan the QR code to
know more about us

Strength
to scale

A garment takes shape one thread at a time. So does a business of scale. Over three decades, we have woven together manufacturing expertise, customer understanding and operational discipline to create a stronger platform for the opportunities ahead.

FY 2025-26 put that strength into action. As markets shifted and uncertainties tested the apparel industry, we responded with decisive action, keeping our focus on strengthening the capacity that would shape our next phase. Rather than allowing near term challenges to define our trajectory, we invested in what lies beyond them.

That conviction is now taking form in Warangal Telangana. As the facility nears completion and Commercial production commenced, a new chapter is coming into view, bringing greater manufacturing capacity and strengthening our ability to serve global demand. It marks more than an expansion of our footprint. It represents the point where years of experience, manufacturing expertise and resilience begin to translate into a larger platform for growth.

Strength to Scale captures this transition. It is about turning the strength built through experience into the capacity to move further, serve wider markets and deepen our position in infantwear manufacturing. As we step into this new phase, we are building from a foundation tested by change and shaped by action, with the scale to turn resilience into lasting leadership.

About

From Knitwear Expertise to Global Apparel Capability

Founded in 1992, we have built our business on a deep understanding of knitwear manufacturing and the evolving requirements of international apparel markets. Based in Kizhakkambalam, Kerala, we operate as a fully export-oriented enterprise with an integrated yarn-to-garment model, giving us control over critical stages of production and enabling us to deliver with consistency.

Our experience in infant and children's apparel forms the foundation of our business, while our capabilities now extend across men's, women's and unisex categories. We work with leading international customers in the USA and Europe, bringing together product knowledge, manufacturing expertise and disciplined execution to address diverse market requirements.

Built for Scale. Designed for Responsibility.

Our operations bring together scale, integration and responsible manufacturing. Modern machinery, specialised production capabilities and established processes connect key stages of the value chain, creating an efficient manufacturing platform. Our listing on the BSE in 1995 marked an important milestone in our evolution as a listed company reflects the journey we have undertaken since our early years.

Expanding the Canvas

As we broaden our manufacturing footprint and product portfolio, we are shaping a more diversified apparel business with the capabilities, scale and operating discipline to serve global markets. Our focus is on strengthening what we have built while creating new avenues for growth and greater value for our stakeholders.

34

YEARS OF EXPERTISE

FY26 Performance

Strength in the Numbers

Business scale

₹59169.06 Lakhs
REVENUE

₹8933.73 Lakhs
EBITDA

₹5689.98 Lakhs
PAT

(40)%
REVENUE GROWTH

14.03%
EBITDA MARGIN

8.94%
PAT MARGIN

Operations

350000 sq. ft.
MANUFACTURING AREA

50 Tons Nos.
CAPACITY PER DAY

4.32
Lakhs garments per day
TEXTILE CAPACITY

People

4512
TOTAL WORKFORCE

53.90%
WOMEN IN WORKFORCE

8
TRAINING HOURS

Market reach

USA and Europe
COUNTRIES SERVED

₹514.38 Cr
INTERNATIONAL REVENUE

350
SUPPLIERS ENGAGED

87% of revenue
COUNTRIES SERVED

ESG

292000 Jules
RENEWABLE ENERGY SHARE

77311 KL
WATER RECYCLED/REUSED

13%
GHG REDUCTION

42.31 MT
WASTE RECYCLED

Geographic Footprint

From Our Roots to the World

We have built a presence across multiple continents, supported by advanced manufacturing capabilities and strategic partnerships. This reach enables us to respond to diverse market needs while maintaining consistent quality, dependable delivery and close engagement with customers.

93.36%

6.64%

Map not to scale. Used for representation purpose only


Europe
India

2014

Doubled processing capacity to meet growing demand

2012

Received Vendor of the Year award from Toys R US and Gerber

2007

Set up a processing plant to manufacture fabric from yarn

BUILDING SCALE & CAPABILITIES

2000

Expanded product range specifically to infant apparel

1995

Launched IPO and listed on the Bombay Stock Exchange (BSE)

1993

Commenced garment manufacturing with 300 employees

1992

Incorporated in Kerala, India

FOUNDATION & EARLY GROWTH

Our

2015

Incorporated Kitex USA LLC

Received AA- rating from ICRA

Honoured with KSIDC Award for Excellence; featured in Forbes Asia's Best Under a Billion list; achieved debt-free status

2016

Introduced Little Star as a mass-market brand in the US and Canada

2017

Opened a world-class design studio in New Jersey to enhance design services for global clients

GLOBAL EXPANSION & BRAND BUILDING

2021

Initiated an integrated manufacturing project in Telangana with an investment of **₹3,550 crore**.

355000 Lakhs
App: Project cost

70:30 TL V Equity
Funding pattern

250000 Lakhs
Term loans

105000 Lakhs
Equity

Warangal & Sitarampur
Plant locations

Production started in April 2025
Warangal

2025

Initiated merger of textile division of Kitex Childrenswear Ltd with our Company

Commenced production at Phase I at Warangal facility under KAPL

Initiated the launch of globally trusted 'Little Star' USA brand in the Indian market

2026

Filed shareholders approval before NCLT and awaiting orders

Completed Audit for certifications required for commencement of Exports from Warangal

EXPANDING CAPACITY & MARKET PRESENCE

Journey

The Making of Our Momentum

Chairman and Managing Director's Message

> This movement mirrors the wider softness experienced across the export oriented textile sector rather than any change in our underlying competitive position. The Board and Management view this year less as a departure from our trajectory and more as confirmation that the investments made in preceding years, particularly in expanding our manufacturing base, were timely and necessary.

Sabu M Jacob
Chairman & Managing Director

Dear Shareholders,

The financial year 2025-26 tested the apparel manufacturing industry in ways that called for measured judgment rather than reactive response. Global demand patterns shifted through large parts of the year, and the sourcing environment remained uncertain across our key markets. For Kitex, this meant a year in which near term numbers reflected the broader industry cycle even as long term capacity was being built with intent.

Our revenue from operations for the year stood at ₹59,169.06 Lakhs, a figure that sits below the previous year's performance. This movement mirrors the wider softness experienced across the export oriented textile sector rather than any change in our underlying competitive position. The Board and Management view this year less as a departure from our trajectory and more as confirmation that the investments made in preceding years, particularly in expanding our manufacturing base, were timely and necessary.

The most significant development of the year was the progress at our integrated manufacturing facility in Telangana. Conceived in 2021 with a planned investment of₹3,550 crore, the project moved from construction to production during the year, with Phase I commencing operations at our Warangal plant in August 2025. This facility marks a structural shift in our capacity, and its completion strengthens our ability to serve global demand for the years ahead.

Alongside this expansion, the year also saw the initiation of the merger of the textile division of Kitex Childrenswear Limited with the Company. This step brings greater coherence to our yarn to garment model and consolidates capabilities that were earlier managed separately. We also began introducing our Little Star brand into the Indian market, extending a brand already trusted in the United States to a market we understand well.

None of this progress would be possible without the people who carry out this work each day. Kizhakkambalam, the village where our founder Mr. M C Jacob began an aluminium unit with eight employees in 1968, has grown alongside our Company into an industrial centre that supports thousands of livelihoods today. The values he instilled around caring for people continue to guide how we build our workforce and engage with the communities around our facilities. We continued to invest in training and workplace safety this year, recognising that our manufacturing strength depends on the people who operate it.

The Board continued to provide close oversight of our operations through the year, and we remained focused on transparent communication with our shareholders as our footprint expanded.

Looking ahead, our priority is to ramp up production at the Telangana facility as it moves toward full capacity. We will continue strengthening our presence in the United States and Europe while building our position in UK and also in the Indian market through Little Star. The industry is unlikely to see near term uncertainty ease quickly, but our capacity to respond to that uncertainty has grown meaningfully over the course of this year.

I would like to thank our shareholders for their continued confidence in the Company. I am equally grateful to our employees, whose discipline and commitment carried our operations through a demanding year, and to our customers, who have stayed engaged with us through this period of transition. The year ahead calls for the same steadiness that defined this one, and I look forward to updating you on our progress as the Telangana facility reaches its full potential.

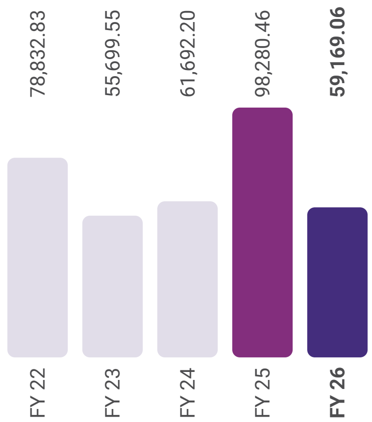
Warm Regards,

Sabu M Jacob

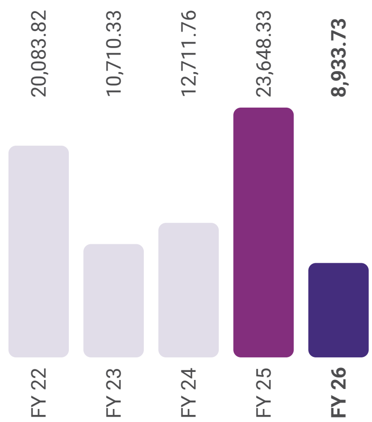
Chairman & Managing Director

Performance Scorecard
The Proof Behind the Progress

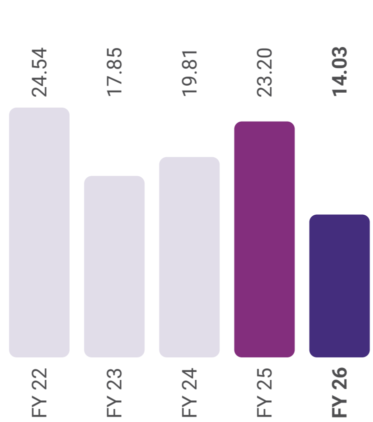
Revenue
(₹ in Lakhs)



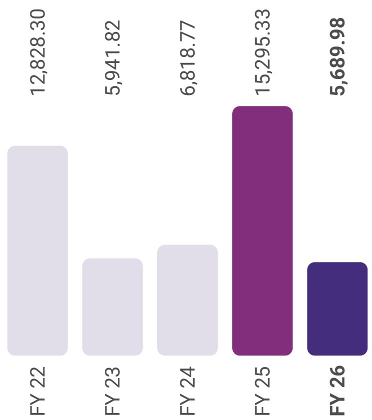
EBITDA
(₹ in Lakhs)



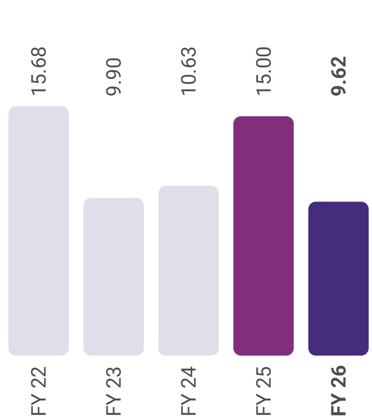
EBITDA margin
(in %)



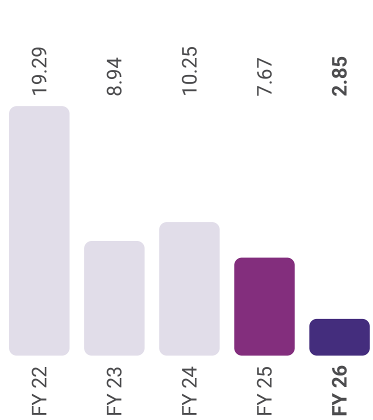
PAT
(₹ in Lakhs)



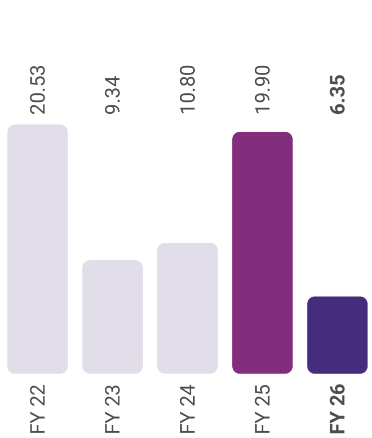
PAT margin
(in %)



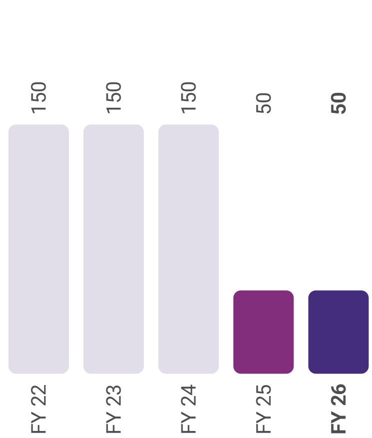
EPS
(in ₹/share)



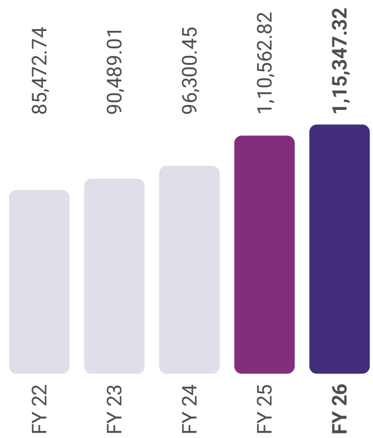
Return on Capital Employed (RoCE)
(in %)



Dividend
(in %)



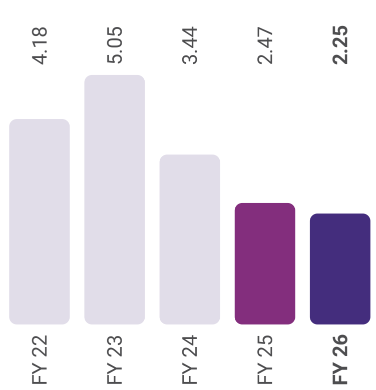
Net worth
(₹ in Lakhs)



Ratios

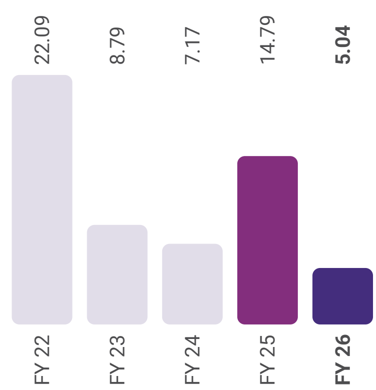
Current ratio

(times)



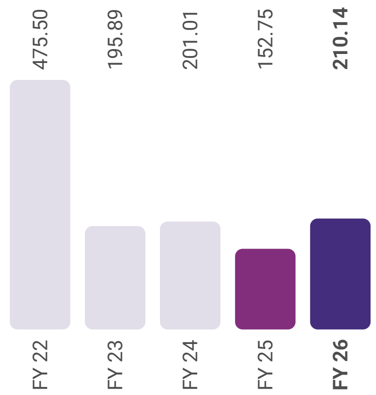
Return on Equity Ratio (ROE)

(in %)



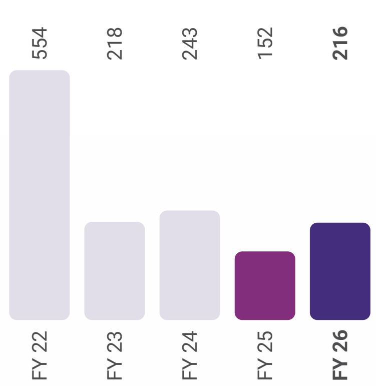
Inventory Turnover Ratio (ITR)

(in days)



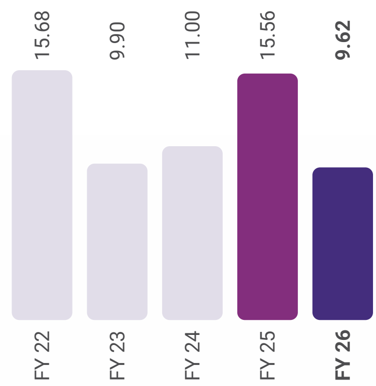
Net Capital Turnover Ratio (NCTR)

(in days)



Net Profit Ratio (NPR)

(in %)



Design and Product Development

Turning Market Insight into Product Value

We approach design and product development as an integrated process that connects creative thinking with a clear understanding of the markets we serve. Our teams translate insights from customers, fashion movements and changing consumption patterns to shape commercially relevant product concepts. We balance design appeal with functionality, quality and the practical demands of large-scale garment manufacturing. By linking product development closely with production, we can respond to specific market requirements while maintaining consistency in quality and execution.

Designing for the market

We translate market insights into products that align with evolving customer needs and emerging opportunities.

01

Designs shaped by changing customer preferences and market trends

02

Product development tailored to specific requirements of global clients

03

Exploration of new product categories and market segments

04

Development of products under our own brands, including Little Star

Product meets technology

We bring product development and modern manufacturing technology together to achieve precision, efficiency and consistent quality.

01

Development of new materials, fabrics and product applications

02

Advanced machinery for precision manufacturing

03

Technology enabled processes for efficient production

04

Quality focused sourcing of fabrics, accessories and other inputs

05

Product safety controls, including the use of materials free from harmful chemicals

Making responsibility part of the process

We integrate resource efficiency and environmental practices across our manufacturing processes.

01

Water recycling and efficient water management systems

02

Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs)

03

Waste reduction and responsible waste management

04

Investment in cleaner technologies and improved production processes

05

Employee training to support responsible practices across operations

Operational Excellence

Precision in Every Stage

Our manufacturing operations bring together established expertise, modern production infrastructure and disciplined processes to meet the requirements of global customers.

We bring manufacturing, technology, quality assurance and supply chain activities together to strengthen coordination through the value chain. Our focus on quality, productivity and reliable execution helps us deliver products that meet demanding customer expectations with consistency.

5

INTERNATIONAL BUYERS

6

GLOBAL CERTIFICATIONS

350

SUPPLIERS ENGAGED

₹ 51438 Lakhs

EXPORT REVENUE

Our priority areas

Our business is shaped by a set of capabilities that strengthen our manufacturing proposition and position us to respond to evolving customer requirements.

Robust Supply Chain

A structured supplier network supports dependable sourcing and timely availability of key materials.

China+1 Strategy

Our manufacturing footprint in India positions us to serve customers seeking sourcing alternatives across global supply chains.

30+ Years of Expertise

Decades of experience in garment manufacturing inform our approach to product execution, quality and operational discipline.

Premium Infant and Children's Wear

Our focus on infant and children's wear is supported by specialised manufacturing capabilities and an understanding of product safety and quality requirements.

Advanced Manufacturing

Modern production facilities and machinery support precision, consistency and scale across manufacturing operations.

Technology-enabled Operations

Digital tools and technology-supported machinery aid production planning, process control and operational visibility.

Our growth drivers

We are building on our manufacturing strengths while pursuing opportunities that can broaden our market reach and deepen our position with global customers.

Capacity Expansion

Investments in modern production facilities are adding capacity to serve rising demand from global buyers seeking reliable, competitive sourcing partners.

Market Share Growth

We are targeting a major share of Europe, UK and domestic sales in addition to US garment exports.

Market Diversification

We are expanding our presence across Europe and India to broaden our customer and market base.

Favourable Global Trade Shifts

Changes in global sourcing patterns and supply-chain realignments create opportunities for Indian manufacturing.

Quality built into the process

We manage quality at every stage of production, from procurement and processing through garment manufacturing and final inspection. Our teams follow defined quality procedures supported by process monitoring, inspection and testing. We also refine machinery and raw-material specifications where required to meet customer and product requirements.

Logistics and supply chain

Our logistics and distribution processes are structured around timely movement of materials and finished products. Planned procurement, inventory management and coordinated order fulfilment help maintain appropriate stock levels while managing logistics costs. An integrated inventory system provides visibility of materials across procurement, processing, cutting, garmenting and finishing. Our logistics network supports both domestic and international shipments, including Free-on-Board exports.

Global accreditations

Global Stamps Approval for Kitex

Global Organic Textile Standard (GOTS)	Leading textile processing standard for Organic Fibers
OEKO-TEX Standard 100	Benchmark for textile safety, from yarn to finished product
Worldwide Responsible Accredited Production	World's largest factory-based certification programme for manufacturers of clothing
Supplier Compliance Audit Network	Eliminate difficulties in auditing with suppliers
Supplier Qualification Program	Evaluation of supplier performance and promote continuous improvement
Life Building and Safety	Certification on workplace safety and protection of property as per LABS Methodology and Standards

Our People

The Craft Behind Our Capability

Our people shape the quality, productivity and reliability of our operations. We seek to create a workplace where employees can strengthen their capabilities, contribute ideas and build meaningful careers.

Our people practices span talent acquisition, learning and development, workplace policies, health and safety, well-being and career growth, creating an environment where individuals can contribute with confidence.

Our HR Vision

We aim to create a supportive workplace where our people can contribute to the Company's growth while building fulfilling careers of their own. We value the skills, experience and ideas that each individual brings and encourage our people to take an active role in shaping the business.

Our HR Mission

We seek to attract and retain capable people while providing opportunities for training, development and career progression. Our approach focuses on productivity, fair compensation, effective communication, workplace safety and compliance with applicable employment and labour requirements.

A Workforce Built for the Work Ahead

Our workforce is integral to our day-to-day operations. We provide opportunities for employees and workers to develop their capabilities, take on greater responsibilities and contribute to business performance. Our people practices cover recruitment, training, workplace policies, employee communication and career development.

580

STAFF MEMBERS

3932

WORKERS

Learning and Development

We equip our people with the knowledge and skills required to perform effectively in their roles. Our training programmes cover compliance, technical skills, quality management and personal development, with learning tailored to individual responsibilities and operational needs.

8 **hours per worker**

MAN-HOURS OF TRAINING CONDUCTED

Workplace Health and Safety

We build safety practices into our operational processes and maintain dedicated oversight of workplace health and safety. Our facilities undergo regular safety checks and are supported by emergency response arrangements, first aid facilities and medical support. An ambulance service is available to enable a prompt response in case of emergencies.

A Workplace Designed for Everyday Well Being

We provide clean, hygienic accommodation and essential facilities for our employees and workers. Dormitories are maintained for male and female employees, with trained security personnel overseeing the premises. We also provide meals and other essential amenities to support the everyday well-being of our workforce.

Inclusive and Diverse Workplace

We value the varied backgrounds, experiences and perspectives within our workforce. We promote equal treatment and provide opportunities based on merit. Our policies address diversity, workplace respect and fair treatment, while our leadership approach encourages an environment where people feel respected and able to contribute.

53.90%

FEMALE EMPLOYEES

Corporate Social Responsibility

Creating Value Where It Matters

We direct our CSR efforts towards practical needs within communities around our operations. Our programmes focus on essential infrastructure, access to basic services and livelihood opportunities, with particular attention to underserved communities and women. By responding to local priorities, we seek to support better living conditions and create avenues for greater economic participation.

₹ 2.94 Crores

CSR EXPENDITURE

Infrastructure and housing development

We invest in community infrastructure that addresses essential needs such as drinking water, housing, rural roads and other basic facilities. Our projects are designed around local requirements, with the objective of creating safer and more liveable communities.

₹2.92 Crores

EXPENDITUREONINFRASTRUCTURE DEVELOPMENT

Public

BENEFICIARIES

Women empowerment

We work with Kudumbashree units to create opportunities for women to participate in economic activities. These initiatives seek to improve household livelihoods while creating avenues for women to contribute to their families and communities.

100

LIVES TOUCHED

Environment

Scaling with Greater Responsibility

We integrate environmental considerations into our operations, focusing on responsible resource use, conservation and waste management. Our approach covers energy and water efficiency, emissions management and responsible disposal practices. We also engage our employees, suppliers and other stakeholders in adopting environmentally responsible practices and meeting applicable regulatory requirements.

Energy Consumption

We manage energy use through efficient systems, modern machinery and regular monitoring of consumption patterns. Energy-saving initiatives and employee awareness programmes support responsible energy use across our facilities.

34%

REDUCTION IN ENERGY CONSUMPTION

Greenhouse Gas Emissions

We are reducing our carbon footprint through cleaner technologies, energy-efficient machinery and lower electricity consumption. We are also increasing the use of renewable energy within our operations.

13%

REDUCTION IN GREENHOUSE GAS EMISSIONS

Water Consumption

We manage water use by reducing dependence on external sources and adopting water-efficient processes. Treatment systems and process upgrades help us use water more efficiently within our operations.

2%

REDUCTION IN WATER CONSUMPTION

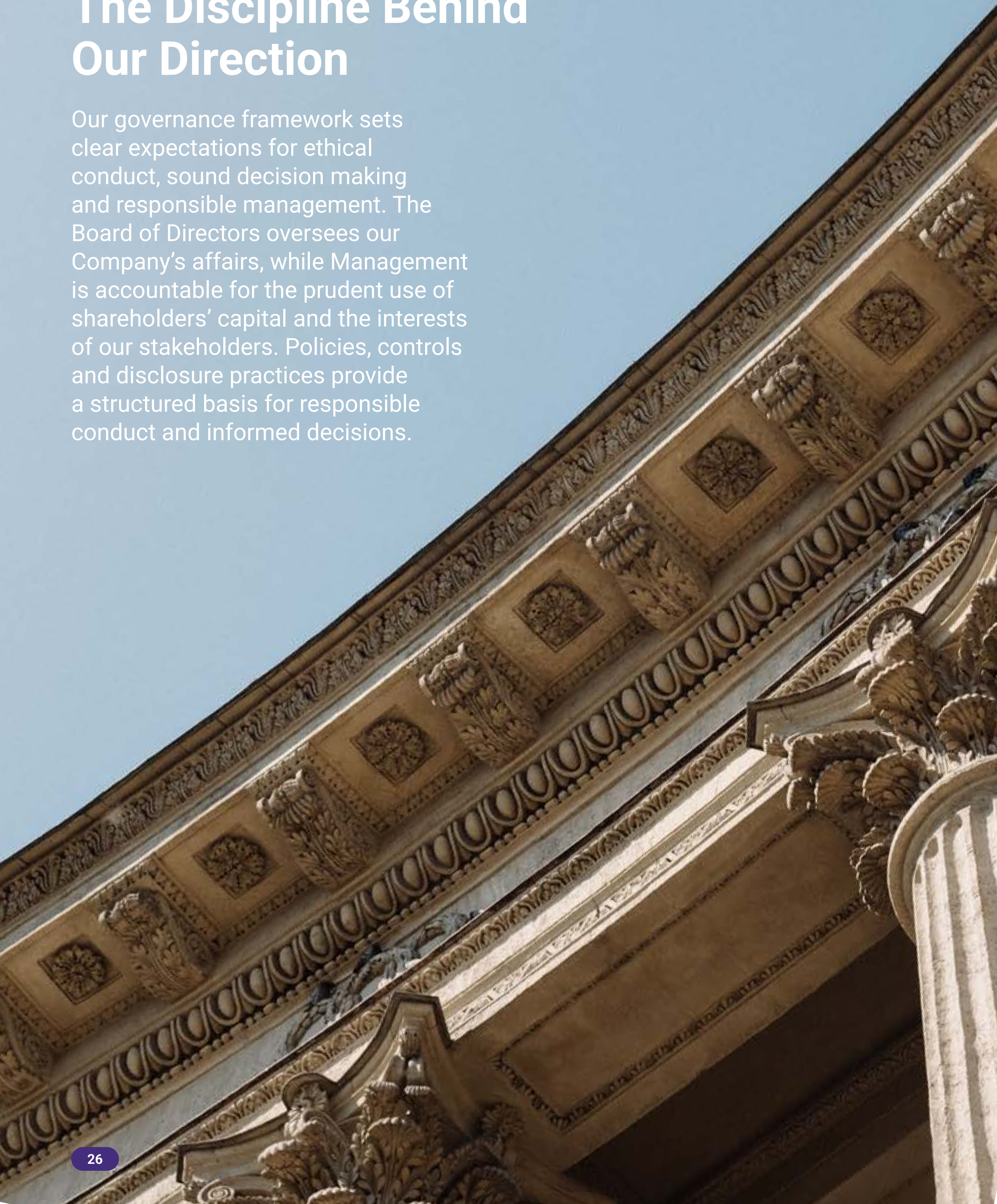
Waste Management

We segregate waste into biodegradable and non-biodegradable categories and arrange disposal through authorised vendors. Effluent and sewage treatment systems support responsible water management, while regular monitoring helps maintain compliance with applicable requirements.

Governance

The Discipline Behind Our Direction

Our governance framework sets clear expectations for ethical conduct, sound decision making and responsible management. The Board of Directors oversees our Company's affairs, while Management is accountable for the prudent use of shareholders' capital and the interests of our stakeholders. Policies, controls and disclosure practices provide a structured basis for responsible conduct and informed decisions.



Leadership with Clear Lines of Accountability

Our Board sits at the centre of our governance framework, providing oversight of Management, reviewing key business matters and safeguarding the interests of shareholders and other stakeholders. Board Committees strengthen this framework through clearly defined responsibilities, focused review and regular oversight.

Our Governance Principles

Appropriate Board composition

We bring relevant expertise and experience to Board deliberations.

Access to information

We provide timely and relevant information to support informed discussions and effective decision making by the Board and its Committees.

Accountability

We define responsibilities clearly across the Board, its Committees and Management.

Transparency

We communicate truthfully and on a timely basis with our stakeholders.

Business-led structure

We maintain a simple corporate structure aligned with our business requirements.

Regulatory compliance

We maintain policies and processes to support adherence to applicable laws and regulations.

Our committees

- Stakeholder Relationship Committee
- Audit Committee
- Nomination and Remuneration Committee
- Risk Management Committee
- Corporate Social Responsibility (CSR) Committee

Board of Directors
(As on 14.08.2026)

Experience at the Helm

Mr. Sabu M Jacob
Chairman & Managing Director
SRC RMC CSR STC

Mr. Bijoy Philipose
Independent Director
AC SRC RMC CSR STC

Mr. A K Mathew
Independent Director
NRC AC CSR

Mr. K. L. V. Narayanan
Non-Executive Director
NRC SRC CSR

Mrs. Sindhu Chandrasekharan
Executive Director
SRC RMC STC

Mrs. Sumi Francis
Independent Director
AC NRC

C Chairman
M Member

AC Audit Committee

NRC Nomination and Remuneration Committee

RMC Risk Management Committee

CSR Corporate Social Responsibility Committee

SRC Stakeholders Relationship Committee

STC Share Transfer Committee

Corporate Information

BOARD OF DIRECTORS
(as on August 14, 2026)

Mr. Sabu M. Jacob
Chairman & Managing Director

Mrs. Sindhu Chandrasekharan
Executive Director

Mr. K L V Narayanan
Non Executive Director

Mr. A K Mathew
Independent Director

Mr. Bijoy Philipose
Independent Director

Mrs. Sumi Francis
Independent Director

BOARD COMMITTEES
(as on August 14, 2026)

Audit Committee

Mr. Bijoy Philipose
Chairman

Mr. A K Mathew
Member

Mrs. Sumi Francis
Member

Nomination and Remuneration Committee

Mr. A K Mathew
Chairman

Mr. K L V Narayanan
Member

Mrs. Sumi Francis
Member

Stakeholders Relationship Committee

Mr. K L V Narayanan
Chairman

Mr. Sabu M Jacob
Member

Mrs. Sindhu Chandrasekharan
Member

Mr. Bijoy Philipose
Member

Risk Management Committee

Mr. Sabu M Jacob
Chairman

Mr. Bijoy Philipose
Member

Mrs. Sindhu Chandrasekharan
Member

CSR Committee

Mr. Sabu M Jacob
Chairman

Mr. K L V Narayanan
Member

Mr. Bijoy Philipose
Member

Mr. A K Mathew
Member

Share Transfer Committee

Mr. Sabu M Jacob
Chairman

Mr. Bijoy Philipose
Member

Mrs. Sindhu Chandrasekharan
Member

CHIEF FINANCIAL OFFICER
Mr. Boby Michael

COMPANY SECRETARY & COMPLIANCE OFFICER
Ms. Dayana Joseph

MANAGEMENT TEAM

Mr. Sabu M. Jacob
Chairman & Managing Director

Mr. Boby Michael
Chief Financial Officer

INDEPENDENT STATUTORY AUDITORS

M/s. MSKA & Associates,
Chartered Accountants, Chennai

INTERNAL AUDITORS

M/s. K Venkatachalam & Aiyer & Co,
Chartered Accountants Kochi

SECRETARIAL AUDITORS

M/s. SVJS & Associates,
Company Secretaries, Kochi

INCOME TAX CONSULTANTS

M/s. Varma & Varma,
Chartered Accountants, Kochi

BANKERS

State Bank of India

Union Bank of India Limited

Axis Bank Limited

HDFC Bank Limited

SHARE TRANSFER AGENTS

M/s. Cameo Corporate Services Limited
Subramanian Building,
No. 1, Club House Road,
Chennai - 600002, Tamil Nadu, India
Tel: 044 - 40020700
E-mail: investor@cameoindia.com
Online Investor Portal: https://wisdom.cameoindia.com/

REGISTERED OFFICE & FACTORY

Kitex Garments Limited
(CIN: L18101KL1992PLC006528)
Building No. VI/496,
Kizhakkambalam, Vilangu P.O,
Aluva, Ernakulam - 683561, Kerala, India
Phone: 0484 2585000
Website: www.kitexgarments.com
E-mail: sect@kitexgarments.com
Grievance Redressal Division: investor@kitexgarments.com

LISTED IN STOCK EXCHANGES:

BSE Limited, Mumbai

National Stock Exchange of India Limited, Mumbai

Management Discussion and Analysis

Economic review

Global economy[1]

The global economy grew by 3.5% in CY 2025, maintaining a steady growth trajectory despite trade-related volatilities and policy uncertainties. Economic factors including technological investments, supply-chain realignments, tariff restrictions, Regional conflicts and wars and easing fiscal conditions propelled sustained progress. Inflation moderated to around 4.1%, thereby driving capital inflows and currency stability. This enabled major central banks to implement structured interest rate reductions.

Advanced economies recorded a growth of 1.9%, with the US exhibiting steady growth, attributable to robust domestic demand and sustained investments in advanced technologies. Emerging economies expanded by 4.5%, fuelled by significant export performance and steady trade across major Asian economies.

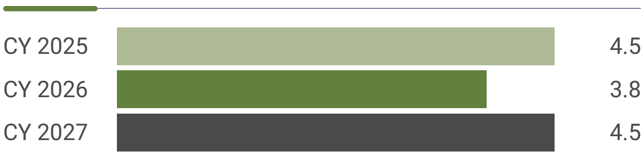
Global economies exhibited notable agility amid external uncertainties. Global trade remained resilient, driven by robust merchandise trade, significant trade advancements and consistent services trade expansion.

Growth in the GDP (%)

Global Economy

Advanced Economy

Emerging Market & Developing Economies (EMDEs)



Source: IMF World Economic Outlook July 2026

Global Inflation
(%)

Source: IMF World Economic Outlook

Outlook[2]

The global economic outlook remains uncertain amid evolving trade policies, fiscal pressures and persistent geopolitical risks. The conflict in West Asia has escalated macroeconomic tensions, thereby decelerating global economic activity. Global GDP growth is projected to stabilise to 3.0% in CY 2026 before improving to 3.4% in CY 2027. Growth will be propelled by resilient domestic demand, favourable policy measures and gradual monetary easing across major economies.

Global inflation is projected to heighten to 4.7% in CY 2026 before moderating to 3.9% in CY 2027. Easing supply constraints, enhanced demand and moderating labour market pressures will facilitate gradual stabilisation.

Indian economy

India maintained its position among the fastest-growing major economies. In FY 2026, the Indian GDP grew at 7.7%, backed by robust domestic demand and favourable fiscal conditions, thereby promoting sustained economic progress. Inflation moderated to 3.4%, remaining within the Reserve Bank of India's (RBI) target range of 2% to 6%, indicating lower input costs and supply chain optimisation.

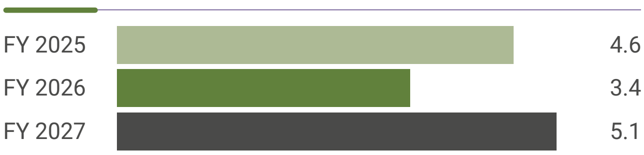
Consistent rural demand, GST rationalisation and easing monetary conditions accelerated private consumption. Input cost minimisation and enhanced supply conditions moderated manufacturing costs across diverse industries, including textiles. The services sector demonstrated resilient performance through cost competitiveness, surging consumer demand and sustained exports.

India's GDP Growth
(%)

FRE- First Revised Estimate; PE- Provisional Estimate; P- Projected

Source: RBI Bulletin

Inflation Over the Years
CPI Inflation (%)



Source: Economic Survey 2025-26; RBI Press Release

[1]https://www.imf.org/-/media/files/publications/weo/2026/update/july/english/text.pdf

[2]https://www.imf.org/-/media/files/publications/weo/2026/update/july/english/text.pdf

Outlook

Economic activity is expected to remain resilient, with GDP growth projected at 6.6% for FY 2026-27, driven by sustained services sector momentum, resilient domestic demand and favourable financial activity. CPI inflation is projected at 5.1%, indicating stable food prices, enhanced supply conditions and monetary policies. To propel seamless economic activity, the Monetary Policy Committee (MPC) minimised the repo rate to 5.25% while maintaining a neutral policy stance.

The manufacturing Purchasing Managers' Index (PMI) moderated to 55.4 while remaining within the delimited range. A healthy order pipeline was driven by robust consumer demand. The escalation of the West Asia conflict could adversely impact key input availability for downstream sectors, including plastics, textiles, chemicals and synthetic fibres[3]. Despite persisting supply-chain disruptions, the sector remains well positioned for sustained progress through strategic advancements.

The expansion of India's Free Trade Agreements (FTAs) with the UK, EFTA and New Zealand, along with the agreement with the European Union, is expected to drive competitiveness across the Indian textile and apparel sector. India remains well positioned to capitalise on emerging opportunities with enhanced market accessibility and reduced tariff barriers. Long-term progress will be propelled by strategic supply chain integration and export market diversification, thereby enabling global value chain integration.

Industry overview

Global apparel industry

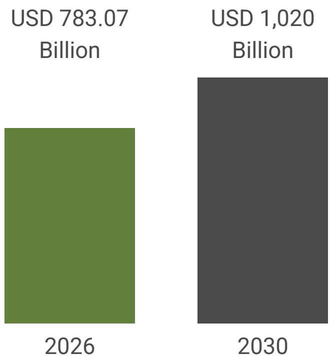
The apparel market experienced robust expansion. It is projected to augment from $736.58 billion in 2025 to $783.07 billion in 2026 with an estimated CAGR of 6.3%. Growth will be backed by extensive worldwide textile production, rising disposable incomes and the emergence of structured retail. Increasing urbanisation and the presence of low-cost production centres will further drive enduring progress.

The apparel market is expected to maintain its growth momentum. It is forecasted to reach $1.02 trillion by 2030 at a 7% CAGR rate. Surging demand for eco-friendly clothing, the expansion of digital fashion platforms and the progressive adoption of data-driven design will enable consistent scaling. Additionally, direct-to-consumer operations and the growing impact of social commerce will catalyse long-term value creation.

During the forecast period, the escalating demand for sustainable apparel materials, the transition towards fast fashion production and the expansion of online apparel sales channels enabled significant industry advancements. Consistent product innovation, disciplined execution and the prioritisation of customisation will drive future progress with an elevated emphasis on brand-led collections.

Global apparel market

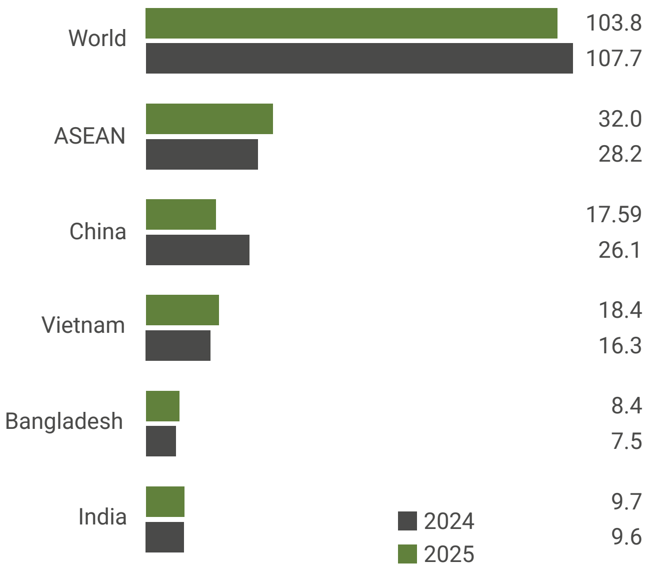
Market forecast to grow at a CAGR of 7.0%



Source: Research and Markets

Imports of textile and apparel into USA

(USD billion)



Source: International Trade Administration

[3]https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/0BULT23042026FL5A726E38FAF84453B435F18A3709DD11.PDF

Growth drivers

Rising disposable income

Increasing disposable income consistently drives apparel demand by enhancing purchasing power and consumer expenditure on discretionary products including clothing and fashion. Economic recovery, remuneration growth and easing inflation have significantly augmented household spending.

E-commerce expansion

Progressive e-commerce adoption is accelerating apparel sales as consumers increasingly transition towards online platform purchases. The expansion of digital retail channels is accelerating progress across the apparel manufacturing segment.

Sustainable apparel demand

The surging demand for sustainable apparel materials is reinforced through the prioritisation of environmentally responsible products and circular economy initiatives. Major brands consistently adopt responsible manufacturing practices to drive long-term value creation.

Technology and product innovation

Manufacturers are increasingly adopting data-driven design processes to address the demand for tailored products. Product functionality is significantly enhanced through direct-to-consumer operations and smart fabric technologies to deliver enduring value with a customer-centric approach.

Indian apparel industry

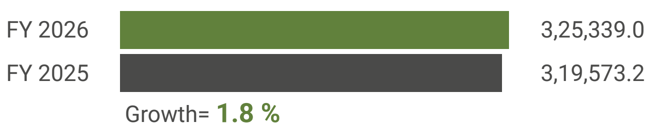
India's textile and apparel sector has evolved into a globally competitive, innovation-driven and employment-intensive industry. The market is witnessing a dynamic shift toward e-commerce and sustainability, alongside the surging demand for trendy and tailored clothing requirements. The augmentation of rising disposable incomes and the prioritisation of quality and branded merchandise among the emerging middle class will propel with sustained expansion. The sector provides direct employment to over 5.3 crore individuals and is projected to generate approximately two crore additional jobs over the next three years[4].

> As the sixth-largest exporter of textiles and apparel, India accounts for approximately 4% worldwide export market share[5].

During FY 2025–26, India's net exports, including the handicrafts segment, reached ₹3,25,339.00 crores. This reinforces the industry's operational resilience amid market volatilities, including global demand uncertainties and fluctuating input costs[6]. Robust exports in the textiles, apparel and handicrafts sector facilitated a positive year-on-year growth across our extensive global footprint. Major markets, including the US, the European Union and the UK, continue to account for over half of the nation's exports, while emerging economies including Bangladesh, the UAE, Australia and Canada, are rapidly consolidating their position.

The implementation of Government schemes has catalysed robust progress across the Indian textile and apparel sector. The industry remains well positioned for strategic growth backed by and targeted initiatives including the Production Linked Incentive (PLI) scheme for textiles. Recent amendments have enabled seamless operations through minimised entry barriers. Reducing minimum investment rates, expanding product portfolio and easing turnover requirements have significantly accelerated disciplined project execution. Concurrently, favourable GST rate rationalisation has optimised prices while promoting exports and generating employment across the textile sector.

Indian Textile and Apparel export
Values in ₹ crore



[4]https://www.pib.gov.in/PressReleasePage.aspx?PRID=2271781&reg=1&lang=1
[5]https://www.pib.gov.in/PressReleasePage.aspx?PRID=2222927&reg=48&lang=2
[6]https://www.pib.gov.in/PressReleasePage.aspx?PRID=2286960&reg=48&lang=2

Source: PIB

Government initiatives

The PM MITRA scheme

The Pradhan Mantri Mega Integrated Textile Region and Apparel (PM MITRA) scheme consists of a cluster-based economic strategy that includes developing seven large-scale textile parks across Tamil Nadu, Telangana, Gujarat, Karnataka, Madhya Pradesh, Uttar Pradesh and Maharashtra with an estimated ₹4,445 crore outlay. Subsequently, these parks ensure an investment-ready, plug-and-play infrastructure, alongside common civic resources and facilities, with end-to-end integration, ranging from fibre to finished goods[7].

The RELIEF scheme launch

The Resilience and Logistics Intervention for Export Facilitation (RELIEF) scheme established by the Government of India under the Export Promotion Mission, monitors and safeguards the Indian exporters who navigate operational constraints from the ongoing conflict in West Asia and the Middle East, alongside maritime disruptions in the Gulf region.

The Tex-Eco initiative

The Tex-Eco Initiative upholds globally competitive and environmentally sustainable Textiles and Apparel (T&A) production, thereby, ensuring that the domestic manufactured products adhere to international sustainability standards and supports heightened accessibility to emerging green markets.

Samarth 2.0 skilling programme

An upgraded skilling programme, Samarth 2.0 aims to modernise the textile skill framework via enhanced integration within industry and academic institutions. Additionally, it propels maximum availability of industry-focused skilled workforce throughout the supply chain.

The RoSCTL and RoDTEP export schemes

The Government introduced the Rebate of State and Central Taxes and Levies (RoSCTL) scheme that applies to apparel, garments and made-ups to strengthen the competitive edge through zero-rated exports. The textile products which remain

Opportunities and threats

Opportunities

Surging global buyer–supplier engagements

Bharat Tex 2026 augmented international buyer–seller connections and sourcing interactions, thereby, generating opportunities for Indian apparel exporter base to further secure new contracts and long-standing sourcing partnerships.

Rising demand for MMF-centric apparel

Global apparel consumption is rapidly adopting man-made fibre (MMF)-based garments due to their durable performance and cost-effectiveness, while simultaneously opening new frontiers for manufacturers to diversify beyond cotton products.

Transformation to integrated manufacturing ecosystems

The upgradation of integrated textile value chains is unlocking new horizons for streamlined operations, improved supply-chain efficacy and enhanced export advantage for apparel providers.

Strengthened export opportunities

India's expanding network of trade agreements, including the UK, EU, New Zealand, UAE and European Free Trade Association (EFTA), is fortifying preferential or duty-free access to key apparel sectors, thereby, enhancing trade performance and supporting market diversification that opens new avenues for further growth trajectory.

Expansion of e-commerce-led exports

Improved market access through digital commerce is supporting the reach of apparel manufacturers to expand overseas, their beyond conventional retail frameworks.

Threats

Volatility in cotton and raw material prices

Fluctuations in cotton availability and prices, including instable cost of fibres, dyes and chemicals, may increase manufacturing expenses and profit crunch.

Intensifying global competition

Robust competition from apparel-exporting countries such as Bangladesh, Vietnam, Cambodia and Indonesia continues to pose threats to the Indian market share concerning key export destinations.

Stringent sustainability and compliance requirements

Rising environmental, traceability and product compliance demands from global buyers and importing markets may elevate compliance costs and operational complexity for exporters.

[7]https://www.pib.gov.in/PressReleasePage.aspx?PRID=2222927&reg=48&lang=2

covered under the RoSCTL scheme are covered under the Remission of Duties and Taxes on Exported Products (RoDTEP) scheme alongside other products

Company overview

Kitex Garments Limited, incepted in 1992 by Sabu M. Jacob, has emerged at the helm of India's dominant exporters of knitwear, specialising in toddler and childrenswear. Headquartered in Kizhakkambalam, Kerala, the Company has successfully anchored a resilient footprint in the garment manufacturing industry worldwide, particularly in the childrenswear segment. Moreover, Kitex Garments has undertaken substantial investments for improved sustainable operations, thereby, advancing the development of the local community through prioritising initiatives pertaining to the segments of education, healthcare and social ecosystem.

Correspondingly, the Company's robust infrastructure, with a daily production capacity of 4.32 lakhs garments and unified textile processing facilities, backs its workflows worldwide. Operationalised under an entirely export-focused yarn-to-garments model, the Company caters to significant client base across USA and European markets, thereby, generating 90% of its aggregate revenue through exports. Kitex Garments continues to sharpen its focus on bolstering its production proficiency to address the growing requirements from global customers, while foraying into diverse segments to build a spectrum of offerings to further enter new markets.

Operational highlights

Strategic expansion

The Warangal unit, of Kitex Apparel Parks Ltd, Subsidiary of Kitex garments Ltd with an installed capacity of 160.35 million pieces, was operationalised on 15 September 2025, ensuring access to cost-effective labour and heightened availability of raw cotton. To mitigate demand hazard, the Group deferred the construction of the Sitarampur facility due to geopolitical unrest and to further stabilise operations at the Warangal unit. Additionally, the construction of the Sitarampur unit is set to commence in 2nd half of FY27, with the milestone to fulfilled by the duration of 18–24 months. The capacity utilisation of the Warangal unit remains likely to improve from FY27 onwards and concurrently cater to emerging requirements from the geographically diversified client base, alongside existing customers.

Portfolio diversification

The Group initiated expansion into the European and Australian markets to reduce its reliability on the US market. It onboarded Hennes and Mauritz (H&M) for the European region, with extended assimilation of new significant buyers from the European and Australian markets during FY26 and FY27, thereby, providing medium-term revenue visibility from non-US sectors. The Group's undertakings assist in bolstering its footprints domestically through launching its products across leading e-commerce platforms.

Consolidated financial performance

- During FY26, the Company's operating revenue was value at ₹71,928 lakhs, against ₹1,00,135 lakhs in the prior-year. The dip in revenue was due to US Tariff related issues and geo political problems across the Globe. This situation is expected to be reversed in FY 27 due to normalising of US Tariff and signing of EU and UK Trade agreements.
- EBITDA for the year was recorded at ₹8,071 lakhs, against ₹21,930 lakhs showing a major dip of ₹13,859 lakhs due to reasons mentioned above along with losses from KAPL since 1st year of operations with minimal sales and major operational expenses along with high depreciation and term loan interest on ₹1,000 crores loan.
- Profit After Tax (PAT) for the year under purview, decreased to ₹ (1321) lakhs, against ₹13575 lakhs last year . Reasons are already explained above.
- The Company reported basic and diluted earnings per share of the amount ₹(0.66) for FY26.

Revenue

(INR in lakhs)	FY 26	FY 25	Change
Operating revenue	59,169.06	98,280.46	-39,111.40
Miscellaneous income	4,491.87	3,660.96	830.91

Cost of materials

(INR in lakhs)	FY 26	FY 25	Change
Cost of raw materials consumed (including Purchase of stock in trade and transformation in inventories of FG, traded goods and WIP)	27,788.26	42,244.62	-14,456.36
Operating revenue	59,169.06	98,280.46	-39,111.40
Material expenditure / Operating revenue	46.96%	42.98%	3.98%

Employee benefits

(INR in lakhs)	FY 26	FY 25	Change
Employee benefits	13,000.21	15,833.66	-2,833.45
% of revenue	21.97%	16.11%	5.86%

Finance Costs

(INR in lakhs)	FY 26	FY 25	Change
Finance costs	1,604.97	1,401.72	203.25
% of revenue	2.71%	1.43%	1.28%

Depreciation and amortisation

(INR in lakhs)	FY 26	FY 25	Change
Depreciation cost	1,228.04	1,571.67	-343.63
% of Revenue	2.08%	1.60%	0.48%

Miscellaneous expenses

(INR in lakhs)	FY 26	FY 25	Change
Other expenditure	13,938.73	20,214.82	-6,276.09
% of revenue	23.56%	20.57%	2.99%

Income tax

(INR in lakhs)	FY 26	FY 25	Change
Income tax	2,160.74	5,379.61	-3,218.87
Profit Before Tax (PBT)	7,850.72	20,674.94	-12,824.22
Tax as % of PBT	27.52%	26.02%	1.5%

Credit rating

Year-round, India Ratings and Research Private Limited (Ind-Ra) has allocated the credit rating of the Company as follows:

Loan facility	Rating as of March 2026
Bank loan facilities	IND A/Negative/IND A1
Bank loan facilities	IND A/Negative/IND A1

Key ratios

Ratios	As at March 31, 2026	As at March 31, 2025	Y-o-Y Change (%)	Reasons for changes greater than 25%
Current ratio (times)	2.25	2.47	-8.94	Nil
Return on Equity Ratio (ROE) (%)	5.04	14.79	-65.94	There has been decrease in profit during the year in line with decreased operations and sales on account of imposition of additional US Tariff rates.
Inventory Turnover Ratio (ITR) (in days)	210.14	152.75	37.57	Mainly due to decreased revenue during the period owing to imposition of additional US Tariff rates.
Trade Receivables Turnover Ratio (TRTR) (in days)	142.47	110.74	28.66	Mainly due to decreased revenue during the period owing to imposition of additional US Tariff rates.
Trade Payables Turnover Ratio (TPTR) (in days)	75.58	54.45	38.80	While the trade payables has decreased, a substantial decrease was operations and purchases on account of the US tariff Rates
Net Capital Turnover Ratio (NCTR) (in days)	216	152.07	41.74	Net capital turnover ratio has declined as turnover has declined around 40% in the current year.
Net Profit Ratio (NPR) (%)	9.62	15.56	-38.21	Majorly due to margin crunches on additional tariffs US Tariffs imposed contrary to increased finance cost charges during the year owing to increased usage of credit facilities.
Return on Capital Employed (ROCE) (%)	6.35	19.74	-67.83	There has been decrease in profit during the year in line with decreased operations and sales on account of imposition of additional US Tariff rates.

Human resource

The Company sustains its sharpened focus on building a safe, productive and inclusive workplace that addresses each emerging requirement with its agile and prudent human resource strategy. As of March 31, 2026, the total workforce comprised 4512 individuals, featuring a significant proportion of female employees that demonstrates the organisation's commitment to fostering equity, diversity and upholding inclusivity.

Notably, Kitex has emerged successful for its employee-friendly policies, including assurance of fair wages, optimal operating conditions and healthcare benefits except for the Tariff issues and Geo Political problems which are beyond the control of the Company. Its human resource infrastructure is structured to promote long-term education, career advancement, alongside well-being. By prioritising a workplace of sustained harmony and collaboration, the Company aims to foster an engaged workforce equipped to accomplish its long-term vision and corporate milestones.

Outlook

Coming out of Global and geo-political challenges Kitex Garments Limited is poised for a bounce back in FY 27 with export orders back to the level of FY 25 and consequent enhancement in turnover and profits. We are also establishing Europe as an alternative to USA. With FTA now operative with Europe and UK we expect our business to flourish more internationally. In addition, we have launched our international brand Little Star through on line in the domestic market.

The future growth of the Group will be through expansion in Warangal, Telangana through the Subsidiary Company, Kitex Apparel Parks Ltd, where commercial production has started already and substantial production lines are being added during FY 27. After the dip in overall business Globally due to tariff issues and wars, we expect a rebound including in the Textile business in a major way. And we are in an advantageous position due to the above mentioned expansion which will be fully implemented in FY 28. The Phase II at Sitarampur, Hyderabad is expected to start construction during FY 27 and expected to be commissioned in FY 29. Together, these facilities represent a cumulative investment of ₹3,550 crores and are equipped with world-class infrastructure, imported and automated machinery and seamless vertical integration from raw material procurement to finished goods and the Group is expected to reach a turnover of ₹7,000 crores once Sitarampur also achieved optimal Capacity.

Risk and mitigation

Risks	Description	Mitigation
Financial hazards	Fluctuations in foreign exchange and interest rates may adversely impact the Company's profitability, raising borrowing costs and causing delays in planned capital expenditures or for growth initiatives.	The Company implements a proactive financial risk management policy in compliance with Board approved directives. To manage currency variations, hedging strategies are implemented, with interest rate exposure controlled through a conservative funding strategy and economical borrowing undertakings.
Commodity price threats	Global supply chain volatility and price variability in raw materials, pertaining to cotton and other textile inputs, further pose a significant hazard to the Company's cost structure and pricing strategy.	The Company actively minimises this risk via strategic sourcing agreements, forward contracts, alongside robust supplier partnerships. Its reputation for quality and value ensures flexibility in pricing and concurrent brand positioning in key markets to absorb near-term expenditure volatility.
Regulatory crosswinds	Non-adherence with dynamic domestic and international regulations, especially those related to labour laws, environment and trade policies may further result in penalties, reputational damage and operational disruptions.	The Company conducts regular internal audits and consults legal specialists to remain updated on regulatory modifications. Comprehensive compliance checks are integrated across its operational protocols, supplemented by independent third-party audits and customer-led evaluations.
Human resource risks	Operating within a competitive labour industry, the Company undergoes challenges in attracting, retaining and upskilling its professionals, which is key to optimising innovation, alongside operational efficiency.	A systematised human capital strategy is currently underway. This approach includes skill development, performance-based rewards, perquisites like free accommodation, food and medical facilities and leadership enhancement. Moreover, the Company partners with institutions such as the Integrated Skill Development Scheme to construct a future-ready talent pipeline.

Risks	Description	Mitigation
Strategic constraints	Long-term risks arising from capital allocation selections, market expansion initiatives and potential misalignment with consumer trends may adversely affect the Company's growth trajectory.	To navigate these risks, the Company considers regular reviews for its growth roadmap and monitors macroeconomic transformations to recalibrate its expansion priorities.
Environmental and sustainability challenges	The heightening emphasis on sustainability among global consumers, regulators and brand partners may diminish the Company's competitiveness if environmental benchmarks are not met. Non-compliance with Environmental, Social and Governance (ESG) norms may result in declined access to premium markets, thereby, decelerating investor confidence.	The Company has implemented a zero discharge, zero pollution manufacturing philosophy. All dyes and chemicals utilised are organic and are sourced from certified suppliers. Manufacturing operations adhere to global ESG norms, supported by industry leading sustainability certifications and completed traceability from farm to finish.

Internal control systems and their adequacy

The Company has established a comprehensive internal control system to safeguard assets, prevent unauthorised use or loss and ensure that transactions are properly authorised, recorded and reported. This control framework is maintained through documented policies, guidelines and procedures and is supported by a thorough internal audit program conducted by trained in-house personnel. The audit committee periodically reviews audit findings and corrective actions to ensure the system's effectiveness. This internal control system is designed to ensure that financial and other records are reliable for preparing accurate financial statements and maintaining accountability.

Cautionary statement

Statements in this document that outline the Company's expectations or forecasts are considered 'forward-looking statements.' Actual results may vary from these expectations. Key factors that could impact the Company's performance include market conditions, input costs, government regulations and economic developments both within and outside the country.

Kitex Garments Limited

(CIN: L18101KL1992PLC006528)
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Ernakulam - 683561, Kerala, Phone: 91 484 2585000, Fax: 91 484 2680604
Website: www.kitexgarments.com, E-mail: sect@kitexgarments.com

Notice

Notice is hereby given that the 34th Annual General Meeting of the Members of Kitex Garments Limited will be held on Friday, September 25, 2026 through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) at 11.00 A.M. (IST) to transact the following business: -

ORDINARY BUSINESS

1. **ADOPTION OF AUDITED FINANCIAL STATEMENTS – STANDALONE & CONSOLIDATED**

   To receive, consider and adopt Audited Financial Statements (both Standalone and Consolidated Financial Statements) of the Company for the year ended March 31, 2026 together with the Report of the Board of Directors and Independent Auditors report thereon.

2. **DECLARATION OF FINAL DIVIDEND**

   To declare a final dividend of ₹0.50 per fully paid-up Ordinary (equity) Share of face value ₹ 1/- each for the Financial Year 2025-26 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** a final dividend of ₹0.50/- (Fifty Paisa only) per fully paid-up Ordinary (equity) share of ₹ 1/- (Rupee One) each fully paid-up of the Company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2026 and the same be paid out of the profits of the Company."

3. **APPOINTMENT OF A DIRECTOR RETIRING BY ROTATION**

   To appoint a director in place of Mr. K L V Narayanan (DIN: 01273573), who retires by rotation as director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. K L V Narayanan (DIN: 01273573), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS

4. **APPOINTMENT OF MR. BIJOY PHILIPOSE (DIN: 00516331) AS AN INDEPENDENT DIRECTOR**

   To consider and if thought fit to pass with or without modification, the following resolution as a Special Resolution: -

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Articles of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee and that of the Board of Directors, Mr. Bijoy Philipose (DIN: 00516331), who was appointed as an Additional Director in the capacity of an Independent Director with effect from June 30, 2026, who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years from June 30, 2026 till June 29, 2031 on the Board of the Company.

   RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto."

5. **TO APPROVE CAPITAL RAISING BY WAY OF ISSUANCE OF SECURITIES BY WAY OF QUALIFIED INSTITUTIONS PLACEMENT ("QIP")**

   To consider and if thought fit to pass with or without modification, the following resolution as a Special Resolution: -

   "**RESOLVED THAT** pursuant to Sections 23, 42, 62(1)(c), 179 and other applicable provisions, if any, of the Companies Act, 2013 and the applicable rules made thereunder including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, including any amendment(s), statutory modification(s), or re-enactment(s) thereof for the time being in force and in accordance with the provisions of the memorandum of association and articles of association of the Company, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "SEBI Listing Regulations") and the Foreign Exchange Management Act, 1999 and the regulations made thereunder including the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, the Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry Government of India from time to time, each as amended, the listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited (the "Stock Exchanges") where the equity shares of face value of ₹ 1 each of the Company (the "Equity Shares") are listed, subject to completion of ongoing scheme of arrangement between Kitex Garments Limited and Kitex Childrenswear Limited and their respective shareholders and creditors, and subject to other applicable statutes, laws, regulations, rules, notifications or circulars or guidelines promulgated or issued from time to time by the Ministry of Finance, Ministry of Corporate Affairs ("MCA"), Reserve Bank of India ("RBI"), Securities and Exchange Board of India ("SEBI"), Stock Exchanges, Registrar of Companies, Kerala at Ernakulam ("RoC"), the Government of India ("GOI") and such other governmental/ statutory/ regulatory authorities in India or abroad ("Appropriate Authorities"), and subject to such terms, conditions, or modifications as may be prescribed or imposed while granting such approvals, permissions, consents, and/ or sanctions as may be necessary or required from SEBI, the Stock Exchanges, RBI, MCA, GOI, RoC, or any other concerned governmental/ statutory/regulatory authority in India or abroad, and subject to such terms, conditions, or modifications as may be prescribed or imposed while granting such approvals, permissions, consents, and/or sanctions by any of the aforesaid Appropriate Authorities, which may be agreed to by the Board of Directors of the Company ("Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter to be constituted for the time being, for exercising the powers conferred on the Board by this resolution), the approval of the members of the Company be and is hereby accorded to create, offer, issue, and allot such number of Equity Shares, non-convertible debentures along with warrants, any other eligible securities convertible into Equity Shares of the Company, or any combination (hereinafter collectively referred to as "Securities") (including with provisions for reservations on firm and/or competitive basis, or such part of issue and for such categories of persons as may be permitted) through one or more of the permissible modes including but not limited to qualified institutions placement ("QIP") to any eligible investors, including, resident and/or non-resident/foreign investors (whether institutions and/or incorporated bodies and/or trusts or otherwise)/foreign portfolio investors/mutual funds/pension funds/venture capital funds/ banks/alternate investment funds/Indian and/or multilateral financial institutions, insurance companies and any other category of persons or entities who/which are authorised to invest in Securities of the Company as per extant regulations/guidelines or any combination of the above as may be deemed appropriate by the Board in its absolute discretion (whether or not such investors are Members of the Company, to all or any of them, jointly and/or severally), for cash, in one or more tranches, for an aggregate amount of up to Rs. 3,000 Crores (Rupees Three Thousand Crores Only) (inclusive of such discount or premium to market price or prices permitted under applicable law), on such other terms and conditions as may be mentioned in the offer document and/or placement document and/ or such other documents/ writings/ circulars/ memoranda to be issued by the Company in respect of the proposed issue, as permitted under applicable laws and regulations, in such manner, and on such terms and conditions as may be deemed appropriate by the Board in its absolute discretion may deem fit and appropriate and without requiring any further approval or consent from the Members, considering the prevailing market conditions and/or other relevant factors, and wherever necessary, in consultation with the book running lead managers and/or other advisors appointed by the Company and the terms of the issuance as may be permitted by SEBI, the Stock Exchanges, RBI, MCA, GOI, RoC, or any other concerned governmental/statutory/ regulatory authority in India or abroad, together with any amendments and modifications thereto("Issue")."

RESOLVED FURTHER THAT in the event the Issue is undertaken by way of a QIP, following provisions of Chapter VI of the SEBI ICDR Regulations shall apply:

1. QIP to be undertaken pursuant to the special resolution passed at meeting of the shareholders of the Company.

2. The Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company;

3. The Equity Shares of the same class, which are proposed to be allotted through QIP or pursuant to conversion or exchange of Securities being offered through QIP, have been listed on a stock exchange for a period of at least 1(one) year, prior to the date of issuance of the notice to the Shareholders of the Company for convening the meeting to pass the special resolution.

4. The number and/or price of the Securities or the underlying Equity Shares issued on conversion of the Securities convertible into Equity Shares shall

be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division, reclassification of equity shares into other securities, issue of equity shares by way of capitalisation of profit or reserves, or any such capital or corporate restructuring;

5. In the event Equity Shares are issued as Securities, the "relevant date" in accordance with the Regulation 171(b) of the SEBI ICDR Regulations for the purpose of pricing of the Equity Shares to be issued, shall be the date of the meeting in which the Board or the committee of Directors authorised by the Board decides to open the QIP, subsequent to the receipt of Shareholders' approval in terms of provisions of the Act and other applicable laws, rules, regulations and guidelines in relation to the QIP;

6. In the event that Securities issued are convertible securities and/or warrants which are convertible into Equity Shares of the Company, the relevant date for the purpose of pricing of the convertible securities and/or warrants to be issued, shall be, either the date of the meeting at which the Board or a committee of Directors authorised by the Board decides to open the QIP or the date on which the holders of such convertible securities and/or warrants become entitled to apply for Equity Shares, as decided by the Board and at such price being not less than the price determined in accordance with the requirements of the SEBI ICDR Regulations;

7. Issue of Securities made by way of a QIP shall be at such price which is not less than the price determined in accordance with Regulation 176(1) under Chapter VI of the SEBI ICDR Regulations ("QIP Floor Price") and applicable law. The Board may, however, at its absolute discretion in consultation with the lead managers, issue Securities at a discount of not more than five percent on the price so calculated, or such other discount as may be permitted under the SEBI ICDR Regulations to the QIP Floor Price;

8. the allotment of Securities shall only be made to Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations;

9. the allotment of the Securities, or any combination of the Securities as may be decided by the Board and subject to applicable laws, shall be completed within 365 days from the date of passing of the special resolution of the shareholders of the Company or such other time as may be allowed under the SEBI ICDR Regulations, Companies Act 2013, and/or applicable and relevant laws/guidelines, from time to time;

10. the Securities under the QIP shall be offered and allotted in dematerialized form and shall be allotted on fully paid up basis.

11. the tenure of the convertible or exchangeable Securities (if any) issued through the QIP shall not exceed sixty months from the date of allotment;

12. the Securities to be created, offered, issued and allotted in terms of this resolution shall rank pari-passu in all respects including entitlement to dividend, with the existing Equity Shares of the Company, as may be provided under the terms of issue and in accordance with the placement document(s);

13. the Securities allotted in the QIP shall not be eligible for sale by the respective allottee for a period of 1 year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the SEBI ICDR Regulations;

14. no single allottee shall be allotted more than 50% of the proposed QIP size and the minimum number of allottees shall be in accordance with the SEBI ICDR Regulations; It is clarified that QIBs belonging to same group or under same control shall be deemed to be single allottee;

15. no partly paid-up Equity Shares shall be issued/allotted;

16. no allotment shall be made, either directly or indirectly, to any QIB who is a promoter or any person related to promoter in terms of the SEBI ICDR Regulations; and

17. the Company shall not undertake any subsequent QIP until the expiry of two weeks or such other time as may be prescribed in the SEBI ICDR Regulations, from the date of prior QIP made pursuant to one or more special resolutions."

"**RESOLVED FURTHER THAT** in accordance with Regulation 171 of the SEBI ICDR Regulations, the 'Relevant Date' for determination of the floor price of the Equity Shares to be issued pursuant to QIP shall be the date of meeting in which the Board or the committee of Directors authorised by the Board decides to open the QIP."

"**RESOLVED FURTHER THAT** in case the issue is made pursuant to QIP, it shall be made at such price that is not less than the price determined in accordance with the pricing formula provided under Regulation 176(1) of the SEBI ICDR Regulations ("Floor Price"), and the price determined for the QIP shall be subject to appropriate adjustments as per the provisions of the SEBI ICDR Regulations, as may be applicable. However, pursuant to the proviso under Regulation 176(1) of SEBI ICDR Regulations, the Board, at its absolute discretion, may offer a discount, of not more than 5% or such other percentage as may be permitted under applicable law on the Floor Price"

"**RESOLVED FURTHER THAT** in accordance with Regulation 179 of the SEBI ICDR Regulations, a minimum of 10% of the Securities shall be allotted to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion may be allotted to other QIBs and that no allotment shall be made directly or indirectly to any QIB who is a promoter or any person related to promoters of the Company."

"**RESOLVED FURTHER THAT** without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and the Board or a committee thereof subject to applicable laws, regulations and guidelines be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to creation, offer, issue, allotment or listing of the Securities pursuant to the offering, the Board be and is hereby authorized, to take all actions and do all such acts, deeds, actions and sign such documents as may be required in furtherance of, or in relation to, or ancillary to, the offering, including but not limited to the negotiation, finalization and approval of the draft as well as final offer document(s), placement document, and any addenda or corrigenda thereto with the Regulatory Authorities, as may be required, placement agreement, escrow agreement, monitoring agency agreement, agreement with the depositories and other necessary agreements, memorandum of understanding, deeds, general undertaking/indemnity, certificates, consents, communications, affidavits, applications (including those to be filed with regulatory authorities, if any) (the "Transaction Documents") (whether before or after execution of the Transaction documents) together with all other documents, agreements, instruments, letters and writings required in connection with, or ancillary to, the Transaction Documents (the "Ancillary Documents") as may be required or necessary for the aforesaid purpose, including to sign and/or dispatch all forms, filings, documents and notices to be signed, submitted and/or dispatched by it under or in connection with the documents to which it is a party as well as to execute any amendments to the Transaction Documents and the Ancillary Documents, and to determine the form and manner of the offering, identification and class of the Investors to whom the Securities are to be offered, utilization of the issue proceeds and if the issue size exceeds ₹ 100 crore, the Board must make arrangements for the use of proceeds of the issue to be monitored by a credit rating agency registered with SEBI, in accordance with SEBI."

"**RESOLVED FURTHER THAT** in pursuance of the aforesaid resolution, the Securities to be created, offered, issued, and allotted shall be subject to the provisions of the memorandum of associations and articles of association of the Company and any Equity Shares that may be created, offered, issued and allotted under the Issue shall rank pari-passu in all respects including dividend with the existing Equity Shares of the Company."

"**RESOLVED FURTHER THAT** the issue and allotment of securities, if any, made to NRIs, FPIs and/or other eligible foreign investors pursuant to this resolution shall be subject to the approval of the RBI under the Foreign Exchange Management Act, 1999 as may be applicable but within the overall limits as set forth thereunder."

"**RESOLVED FURTHER THAT** the approval of the Members of the Company be and is hereby accorded to the Board and the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted under the Issue or as may be necessary in accordance with the terms of the Issue."

"**RESOLVED FURTHER THAT** the approval of the Members of the Company be and is hereby accorded to the Board to open one or more bank accounts in the name of the Company, as may be required, subject to requisite approvals, if any, and to give such instructions including closure thereof as may be required and deemed appropriate by the Board."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of the powers herein conferred by this resolution to any Committee of the Board, or any such persons as it may deem fit in its absolute discretion, with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the offering and settle any questions or difficulties that may arise in this regard to the offering".

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, approval of the Members of the Company be and is hereby accorded to the Board and the Board be and is hereby authorized on behalf of the Company to do such acts, deeds, matters and take all steps as may be necessary including without limitation, for determining the terms and conditions of the Issue including among other things, the date of opening and closing of the Issue, the class of investors to whom the Securities are to be issued, determination of the number of Securities, tranches, issue price, finalisation and approval of offer document, placement document, preliminary or final, listing, premium/discount, permitted under applicable law (now or hereafter), allotment of Securities, listing of securities at Stock Exchanges and to sign and execute all deeds, documents, undertakings, agreements, papers, declarations and writings as may be required in this regard including without limitation, information memorandum, disclosure documents, the placement document or the offer document, placement agreement, escrow agreement and any other documents as may be required, approve and finalise the bid cum application form and confirmation of allocation notes, seek any consents and approvals as may be required, provide such declarations, affidavits, certificates, consents and/ or authorities as required from time to time, finalize utilisation of the proceeds of the Issue, give instructions or directions and/or settle all questions, difficulties or doubts that may arise at any stage from time to time, and give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by the SEBI, the MCA, the book running lead manager(s), or other authorities or intermediaries involved in or concerned with the Issue and as the Board may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the shareholders or otherwise, and that all or any of the powers conferred on the Company and the Board pursuant to this resolution may exercise to that end and intend that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and all actions taken by the Board or any committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers pertaining to the QIP in such manner as they may deem fit to any Committee of the Board, with powers to further delegate any of such powers to any of the Director(s) and/or Official(s) of the Company or any other person(s), with or without such condition(s) or stipulation(s) or in any manner, as such Committee may deem fit in its absolute discretion."

"**RESOLVED FURTHER THAT** the approval of the Members of the Company be and is hereby accorded to the Board and the Board be and is hereby authorized to approve, finalise, execute, ratify, and/or amend/ modify agreements and documents, including any power of attorney, agreements, contracts, memoranda, documents, etc. in connection with the appointment of any intermediaries and/or advisors (including for marketing, obtaining in-principle approvals, listing, trading and appointment of book running lead managers, underwriters, guarantors, depositories, custodians, legal counsel, monitoring agency, bankers, trustees, stabilizing agents, advisors, registrars and all such agencies as may be involved or concerned with the Issue) and to remunerate them by way of commission, brokerage, fees, costs, charges and other expenses in connection therewith."

6. **APPROVAL OF MATERIAL RELATED PARTY TRANSACTIONS WITH KITEX APPAREL PARKS LIMITED**

To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution: -

"**RESOLVED THAT** pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Meeting of Board and its Powers) Rules, 2014 including any modifications or amendments or clarifications thereon, if any, and pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time and Company's policy on materiality of and dealing with Related Party Transactions and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, approval of the shareholders be and is hereby accorded to the Board of Directors of the Company to enter into Contract(s)/ Transaction(s)/ Arrangement(s) with Kitex Apparel Parks Limited, a related party within the meaning of Section 2(76) of the Act and Reg 2(1)(zb) of Listing Regulations or with third party including lenders as against transactions including term loan availed of from the lender, and for such transactions as given in the explanatory statement on such terms and conditions as Board may deem fit, for an aggregate value of up to ₹ 1,992 Crores (Rupees One Thousand Nine Hundred and Ninety Two Crores only) for a period commencing from the 34th (Thirty Forth) Annual General Meeting up to the date of 35th (Thirty Fifth) Annual General Meeting of the Company to be held in the year 2027.

RESOLVED FURTHER THAT the Board of Directors of the company and/or the Audit Committee as may be applicable from time to time be authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution, sign and execute necessary documents and papers on an ongoing basis and to do and perform all such acts, deeds and things as may be necessary or in its absolute discretion deem necessary, proper, desirable and to finalize any documents and writings in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to Audit Committee of the Company to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to this resolution."

7. **APPROVAL OF MATERIAL RELATED PARTY TRANSACTIONS WITH KITEX CHILDRENSWEAR LIMITED**

To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution: -

"**RESOLVED THAT** pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Meeting of Board and its Powers) Rules, 2014 including any modifications or amendments or clarifications thereon, if any, and pursuant to Regulations 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time and Company's policy on materiality of and dealing with Related Party Transactions and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, approval of the shareholders be and is hereby accorded to the Board of Directors of the Company to enter into Contract(s)/ Transaction(s)/ Arrangement(s) with Kitex Childrenswear Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of Listing Regulations, for such transactions as given in the explanatory statement on such terms and conditions as Board may deem fit, for an aggregate value of up to ₹ 248 Crores (Rupees Two Hundred and Forty Eight Crores only) for a period commencing from the 34th (Thirty Forth) Annual General Meeting up to the date of 35th (Thirty Fifth) Annual General Meeting of the Company to be held in the year 2027.

RESOLVED FURTHER THAT the Board of Directors of the company and/or the Audit Committee as may be applicable from time to time be authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above Resolution, sign and execute necessary documents and papers on an ongoing basis and to do and perform all such acts, deeds and things as may be necessary or in its absolute discretion deem necessary, proper, desirable and to finalize any documents and writings in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to Audit Committee of the Company to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to this resolution."

8. APPROVAL OF MATERIAL RELATED PARTY TRANSACTIONS WITH KITEX USA LLC

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution: -

"**RESOLVED THAT** pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Meeting of Board and its Powers) Rules, 2014 including any modifications or amendments or clarifications thereon, if any, and pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time and Company's policy on materiality of and dealing with Related Party Transactions and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, approval of the shareholders be and is hereby accorded to the Board of Directors of the Company to enter into Contract(s)/ Transaction(s)/ Arrangement(s) with Kitex USA LLC, a related party within the meaning of Section 2(76) of the Act and Reg 2(1)(zb) of Listing Regulations or with third party including lenders as against transactions including term loan availed of from the lender, and for such transactions as given in the explanatory statement on such terms and conditions as Board may deem fit, for an aggregate value of up to ₹ 331 Crores (Rupees Three Hundred and Thirty One Crores only) for a period commencing from the 34th (Thirty Forth) Annual General Meeting up to the date of 35th (Thirty Fifth) Annual General Meeting of the Company to be held in the year 2027.

RESOLVED FURTHER THAT the Board of Directors of the company and/or the Audit Committee as may be applicable from time to time authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above Resolution, sign and execute necessary documents and papers on an ongoing basis and to do and perform all such acts, deeds and things as may be necessary or in its absolute discretion deem necessary, proper, desirable and to finalize any documents and writings in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to Audit Committee of the Company to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to this resolution."

9. APPROVAL OF MATERIAL RELATED PARTY TRANSACTIONS OF IDENTIFIED SUBSIDIARY OF THE COMPANY, VIZ, KITEX APPAREL PARKS LIMITED WITH KITEX BUILDING SYSTEMS L.L.C-FZ, RELATED PARTIES OF THE COMPANY

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution: -

"**RESOLVED THAT** pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], other applicable laws/ statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee and the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded to the Material Related Party Transaction(s)/ Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the identified subsidiary of the Company, viz., Kitex Apparel Parks Limited (KAPL) with Kitex Building Systems L.L.C-FZ, related parties of the Company, on such terms and conditions as may be mutually agreed between these identified subsidiary of the Company and Kitex Building Systems L.L.C-FZ, for an aggregate value of up to ₹ 76 Crores (Rupees Seventy Six Crores only) for a period commencing from the 34th (Thirty Forth) Annual General Meeting upto the date of 35th (Thirty Fifth) Annual General Meeting of the Company to be held in the year 2027."

10. APPROVAL OF MATERIAL RELATED PARTY TRANSACTIONS OF IDENTIFIED SUBSIDIARY OF THE COMPANY, VIZ, KITEX APPAREL PARKS LIMITED WITH KITEX CHILDRENSWEAR LIMITED, RELATED PARTIES OF THE COMPANY

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

"**RESOLVED THA**T pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], other applicable laws/ statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee and the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded to the Material Related Party Transaction(s)/ Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the identified subsidiary of the Company, viz., Kitex Apparel Parks Limited (KAPL) with Kitex Childrenswear Limited (KCL), related parties of the Company, on such terms and conditions as may be mutually agreed between these identified subsidiary of the Company and KCL, for an aggregate value of up to ₹ 1,472 Crores (Rupees One Thousand Four Hundred and Seventy Two Crores only) for a period commencing from the 34^{th} (Thirty Forth) Annual General Meeting upto the date of 35^{th} (Thirty Fifth) Annual General Meeting of the Company to be held in the year 2027."

By Order of the Board of Directors
For **Kitex Garments Limited**

Dayana Joseph
Company Secretary
Mem No: ACS 61808

Kizhakkambalam
August 14, 2026

Notes:

1. **AGM through VC/OAVM**

   The Ministry of Corporate Affairs ("MCA") vide its Circular dated September 22, 2025 in continuation of its earlier circulars on the subject ("MCA Circulars") has permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") without the physical presence of the members at a common venue. Accordingly, the 34th AGM of the Company will be held through VC/OAVM and members can attend and participate in the AGM through VC/OAVM only. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act. The registered office of the Company shall be deemed to be the venue for the AGM.

2. **Proxy**

   Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice

3. **Electronic dispatch of Notice and Annual Report**

   In accordance with Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), read with Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 and such other circulars as applicable, issued by the Securities and Exchange Board of India ("SEBI"), Notice of the AGM and Annual Report are being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/Depositories based on benpos date, i.e, August 28, 2026.

   Members may note that the Notice and Annual Report for the financial year 2025-26 will also be available on the Company's website www.kitexgarments.com, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

   In compliance with Regulation 36(1)(b) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations"), a letter providing the web-link, including the path, where complete details of the Annual Report is available is being sent to those members whose e-mail addresses are not registered with the Company/RTA/Depositories.

4. **Explanatory Statement/Special Business**

   The Explanatory Statement pursuant to Section 102(1) of the Act, in respect of the special business under Items No. 4, 5, 6, 7, 8, 9 and 10 as set out in the notice is annexed herewith.

5. **Particulars of Directors**

   The relevant details, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/re-appointment as set out at Items No.3 and 4 at this AGM are also annexed to this Notice.

6. **Closure of Register of Members and Share Transfer Books**

   The Register of Members and Share Transfer Books of the Company will remain closed from September 18, 2026 to September 25, 2026 (both days inclusive).

7. **Inspection of documents**

   The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act along with all documents referred to in the Notice will be available for inspection by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 25, 2026. Members seeking to inspect such documents can send an email to sect@kitexgarments.com.

8. **Dividend**

   If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source (TDS) will be made on or before October 24, 2026 as under:

   i. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of end of day on September 18, 2026;

   ii. To all Members whose names appear in the Registrar of Members of the Company after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on September 18, 2026;

   Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders with effect from April 01, 2020, and the Company is required to deduct tax at source from dividends paid to the members at the prescribed rates. For the prescribed rates for various categories, the members are requested to refer to the Finance act, 2020 and the amendments thereof.

9. **Dematerialisation of Shares**

   SEBI vide its Master Circular HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026 and SEBI (LODR) Regulations, 2015, has mandated that, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository. In light of the same, shareholders are requested to kindly convert their physical shares into dematerialised form to avoid the hassle in the transfer of shares. The request for transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent, M/s. Cameo Corporate Services Limited ("Cameo") at Subramanian Building, No. 1, Club House Road, Chennai - 600002, Tamil Nadu, Tel: 044-40020741, Online Investor Portal: https://wisdom.cameoindia.com/, Email Id: investor@cameoindia.com for assistance in this regard. Members may also refer to Frequently Asked Questions ("FAQs") on Company's website http://www.kitexgarments.com/faq/

10. Issuance of securities in dematerialised form in case of investor service requests

Members may please note that SEBI vide its Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026, has mandated the listed companies to issue securities in dematerialised form only while processing service requests viz. issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. Accordingly, Members are requested to submit duly filled and signed Form ISR–4, the format of which is available on the Company's website at http://www.kitexgarments.com/wp-content/uploads/2024/03/ISR-4.pdf. It may be noted that any service request can be processed only after the folio is KYC compliant.

11. PAN, KYC, Nomination and Bank details

SEBI vide its Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026 has mandated all listed entities to ensure that members holding shares in physical form shall update their PAN, KYC, Nomination and Bank account details (if not updated or provided earlier) through the respective RTA. Accordingly, members are requested to update the requisite details and the forms for updating the same are available at https://www.kitexgarments.com/.

Service requests or investor complaints from any member, cannot be processed by RTA until registration/updation of PAN, KYC, Nomination and Bank account details in the records of the Company's RTA. Members holding shares in electronic form are requested to submit their PAN, KYC, Bank and Nomination details to their depository participants.

12. Intimating Changes

Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:

a. **For shares held in electronic form:** to their Depository Participants (DPs)

b. **For shares held in physical form:** register/update the details in prescribed Form ISR-1 and other relevant forms with RTA of the Company by writing to them at M/s. Cameo Corporate Services Limited ("Cameo") at Subramanian Building, No. 1, Club House Road, Chennai - 600002, Tamil Nadu. Shareholders may download the prescribed forms from the Company's website at https://www.kitexgarments.com/

To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

13. Unclaimed Dividend

i. Members are requested to note that dividends if not encashed for a consecutive period of seven years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the Demat account of the IEPF Authority. Accordingly, the dividend declared for all the financial years ended upto March 31, 2018 had been transferred to Investor Education and Protection Fund (IEPF). Details of dividends so far transferred to the IEPF Authority are available on the website of IEPF Authority and the same can be accessed through the link www.iepf.gov.in.

ii. The details of unpaid and unclaimed dividends up to March 31, 2026 are uploaded on the website of the IEPF Authority and can be accessed through the link: www.iepf.gov.in. Details of unpaid and unclaimed dividends lying with the Company as on March 31, 2026 are also uploaded on the website of the Company under the main head "investors relations" and can be accessed through the link www.kitexgarments.com.

iii. Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company will transfer to the IEPF Authority, during financial year 2026-27, all shares in respect of which dividend had remained unpaid or unclaimed for seven (7) consecutive years or more as on the due date of transfer, i.e., October 01, 2026. Details of shares so far transferred to the IEPF Authority are available on the website of the Company under main head "investor's relation" and the same can be accessed through the link: https://www.

kitexgarments.com/. The said details have also been uploaded on the website of the IEPF Authority and can be accessed through the link: www.iepf.gov.in.

iv. Members may note that shares as well as unclaimed dividends transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on https://www.iepf.gov.in/.

v. Details of dividend declared for the financial years from 2018-19 onwards are given below:

Financial Year	Declared on	Dividend yield	Amount paid per equity share (₹)	Due date for transfer to IEPF
2018-19 (Final)	28.08.2019	150%	1.50	02.10.2026
2019-20 (Interim)	11.02.2020	150%	1.50	18.03.2027
2020-21 (Final)	07.09.2021	150%	1.50	12.10.2028
2021-22 (Final)	29.08.2022	150%	1.50	03.10.2029
2022-23 (Final)	30.09.2023	150%	1.50	04.11.2030
2023-24 (Final)	28.09.2024	150%	1.50	02.11.2031
2024-25 (Final)	17.09.2025	50%	0.50	22.10.2032

vi. The Company had released an Advertisement dated June 30, 2026 in National Daily viz., The Hindu Business Line and Regional language daily viz., Chandrika for transferring unpaid/ unclaimed dividend and unclaimed shares of the Company to Investor Education and Protection Fund (IEPF) Account as per Section 124(6) of the Companies Act, 2013. The Company had also sent individual communication to the shareholders concerned whose dividend remains unpaid or unclaimed for a period of seven (7) consecutive years since 2019, at their registered address and shares are liable to be transferred to IEPF account under the aforesaid Rules, for taking appropriate action(s) by the shareholder concerned. The complete details of unpaid or unclaimed dividends and shares due for transfer are available on the website of the Company ie., www.kitexgarments.com.

vii. For any communication, the shareholders may also send requests to the Company's investor e-mail IDs: investor@kitexgarments.com or sect@kitexgarments.com

14. Voting through electronic means:

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and relevant MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

2. The remote e-voting period commences on Tuesday, September 22, 2026 (9:00 a.m. I.S.T.) and ends on Thursday, September 24, 2026 (5:00 p.m. I.S.T.). During this period, members holding shares either in physical form or in dematerialised form, as on Friday, September 18, 2026, i.e. 'cut-off date', may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Those members who will be present in the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

3. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.

4. The members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

5. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

6. In the case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.

7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will

not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

9. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

10. Mr. Vincent P D, Partner of M/s. SVJS & Associates, Company Secretaries, Kochi have been appointed as the Scrutiniser to scrutinise the voting during the AGM and remote e-voting process in a fair and transparent manner.

11. The result of the e-voting (votes cast during the AGM and votes cast through remote e-voting) will be announced within two working days after the conclusion of the AGM on the Company's website at www.kitexgarments.com and will also be communicated to the stock exchanges.

12. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate Members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the board resolution/ authorization letter to the Company's email id: sect@kitexgarments.com

13. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.kitexgarments.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.

The instructions for remote e-voting/ e-voting and attending AGM through VC/ OVAM are as under:

THE INSTRUCTIONS TO SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

i. The remote e-voting period commences on Tuesday, September 22, 2026 (9:00 a.m. I.S.T.) and ends on Thursday, September 24, 2026 (5:00 p.m. I.S.T.). During this period, members holding shares either in physical form or in dematerialised form, as on Friday, September 18, 2026, i.e. 'cut-off date', may cast their vote electronically. The e-voting module shall be disabled for voting thereafter.

ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

ii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders /retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 :Access through Depositories CDSL/NSDL e-voting system in case of individual shareholders holding shares in demat mode

iv. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-voting facility.

Pursuant to above said SEBI Circular, Login method for e-voting and joining virtual meetings for individual shareholders holding securities in demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client ID, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

v. Login method for e-voting and joining virtual meetings for physical shareholders and shareholders other than individual holding in demat form.

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

vi. After entering these details appropriately, click on "SUBMIT" tab.

vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

ix. Click on the EVSN for the relevant Kitex Garments Limited on which you choose to vote.

x. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xii. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xiv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvi. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

xvii. **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only**.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; sect@kitexgarments.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at sect@kitexgarments.com. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
8. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
9. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility

of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), Aadhar (self attested scanned copy of Aadhar Card) by email to Company/RTA to investor@cameoindia.com with cc to sect@kitexgarments.com.

2. For demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For individual demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

PARTICULARS OF DIRECTORS WHO ARE PROPOSED TO BE RE-APPOINTED/ APPOINTED AT THE MEETING ARE GIVEN BELOW:

A. MR. K L V NARAYANAN

Name of Director	Mr. K. L. V. Narayanan
Date of Birth and Age	02.04.1957; 69 years of age
Qualification	Bachelor of Arts
Experience and expertise in specific functional areas	Expertise in export management, excellent knowledge of all export related matters with an industry experience of over 50 years in textile industry.
Directorship held in other Companies	• Scoobee Day Garments (India) Limited as Managing Director • Kitex Garments Limited as Director • Kitex Childrenswear Limited as Director • Kitex Building Systems Limited as Director
Listed entities other than Kitex Garments Limited in which the person holds Directorships and Committee Membership	Scoobee Day Garments (India) Limited
Listed entities from which the person has resigned in the past three years	None
Details of terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn	Refer the Directors Report.
Date of first appointment on the Board	04.04.2013
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Not related to the any Director, Manager or Key Managerial Personnel.
Number of Meetings of the Board attended during the year and other Directorships	Refer the Directors Report
Chairman/Member of the Committee of the Board of Directors of this Company	Refer the Directors Report
Committee Membership in other Companies	Kitex Childrenswear Limited: • Nomination and Remuneration Committee as the Member Scoobee Day Garments (India) Limited: • CSR Committee as the Chairman
Shareholdings in the Company	Nil

B. MR. BIJOY PHILIPOSE

Name of Director	Mr. Bijoy Philipose
Date of Birth and Age	07.01.1977; 49 years of age
Qualification	Master of Computer Applications (MCA)
Experience and expertise in specific functional areas	Mr. Bijoy Philipose is the promoter of Sevana Electrical Appliances Private Limited which is an entity engaged in manufacturing packaging machines, instrumentation and control panels, domestic appliances and tools etc. He is having 20 years of corporate-governance/business experience and multiple directorships.
Directorship held in other Companies	• Sevana Electrical Appliances Private Limited as Managing Director
Listed entities other than Kitex Garments Limited in which the person holds Directorships and Committee Membership	None
Listed entities from which the person has resigned in the past three years	None
Details of terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn	Refer the Directors Report. Please also refer to Item No. 4 of explanatory statement.
Date of first appointment on the Board	30.06.2026
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Not related to the any Director, Manager or Key Managerial Personnel.
Number of Meetings of the Board attended during the year and other Directorships	Refer the Directors Report
Chairman/Member of the Committee of the Board of Directors of this Company	Refer the Directors Report
Committee Membership in other Companies	Nil
Shareholdings in the Company	Nil
Skills and capabilities required for the role	The Nomination and Remuneration Committee ("NRC"), in finalizing Mr. Bijoy Philipose's appointment considered his extensive expertise in business management, manufacturing and technology. His ability to develop and execute long-term strategies aligned with organizational goals highlights his strategic vision and planning capabilities. In addition to his vast experience, he also had well experience being an entrepreneur and business professional.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

In accordance with the provisions of Section 149 read with Schedule IV to the Act, the appointment of an Independent Director requires the approval of members. Based on the recommendation of the Nomination and Remuneration Committee, Mr. Bijoy Philipose (DIN: 00516331), was appointed as Additional Director being Independent Director on June 30, 2026.

Pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Bijoy Philipose shall hold office up to the date of this Annual General Meeting ("AGM") and is eligible to be appointed as a Director of the Company. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member(s), proposing his candidature for the office of Director.

The appointment of Mr. Bijoy Philipose shall be effective upon approval by the members in the Meeting.

Mr. Bijoy Philipose is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Mr. Bijoy Philipose that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the SEBI Listing Regulations. In the opinion of the Board, Mr. Bijoy Philipose is independent of the management and possesses the appropriate skills, experience and knowledge to hold such a position on the Board of the Company and in the opinion of the Board, he fulfils the conditions specified in this Act and the Rules made thereunder for such an appointment.

Mr. Bijoy Philipose is an entrepreneur and business professional with extensive experience in the manufacturing and packaging industry. He is one among the promoter and Managing Director of Sevana Electrical Appliances Private Limited, a company engaged in the manufacture of packaging machines, instrumentation and control panels, domestic appliances and tools. He is having around two decades of business or corporate experience, particularly through his leadership role in the aforesaid Company.

Mr. Bijoy Philipose holds a B.Sc. in Computer Science and a Master of Computer Applications (MCA). He has been associated with Sevana since 2006 and has experience in business management, manufacturing, technology and entrepreneurship. He has also served as a Director of Sevana Foundation and has been involved in mentoring and entrepreneurship-development initiatives.

The NRC and Board of Directors views that the appointment of Mr. Bijoy Philipose as an Independent Director would be in the interest of the Company as his professional experience and expertise in business management, technology and manufacturing are expected to contribute meaningfully to the deliberations of the Board.

Pursuant to Regulation 17(1C) of the SEBI Listing Regulations, the Company is required to obtain approval of the members at the next general meeting or within a time period of three months from the date of appointment of Director, whichever is earlier. In compliance with the provisions of Sections 149, 152 and 161 and other applicable provisions of the Act read with Schedule IV to the Act and the rules framed thereunder and in terms of Regulations 17, 25 and other applicable provisions of the SEBI Listing Regulations, appointment of Mr. Bijoy Philipose as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years from June 30, 2026 up to June 29, 2031 is being placed before the members for their approval by means of a Special Resolution.

A copy of the draft letter of appointment of Mr. Bijoy Philipose setting out the terms and conditions of appointment is available for inspection by the members at the Registered Office of the Company and electronically between 11.00 a.m and 3.00 p.m from Monday to Friday up to the date of the AGM.

None of the Directors and / or Key Managerial Personnel of the Company and / or their respective relatives, except Mr. Bijoy Philipose and his relatives are concerned or interested, in the resolution.

The Board recommends the Special Resolution set out in Item No. 4 of the Notice for approval of the members.

Item No. 5

Kitex Garments Limited was established in 1992 and evolved into one of the world's largest manufacturers of infant wear, serving global giants like Walmart, Carters, Gerber, and Amazon. By the early 2000s, Kitex had built state-of-the-art vertically integrated manufacturing facilities in Kerala, allowing complete control over spinning, knitting, dyeing, and finishing, ensuring consistent quality and efficiency. The company is expanding its operations into the state of Telangana to strengthen its business presence. Further the Company anticipates growth opportunities in its existing operations and continues to evaluate various avenues for organic and inorganic expansion. Accordingly, the Company intends to shore up adequate resources to meet its funding requirements.

Hence, our Company intends to undertake a capital raise by way of one or more qualified institutions placement to eligible investors through an issuance of equity shares, non-convertible debentures along with warrants, any other eligible securities convertible into Equity Shares of the Company, or any combination (hereinafter collectively referred to as "Securities") and use the proceeds from the Issue, towards the capital expenditure, repayment of existing borrowings, long term working capital requirements of the Company and its subsidiaries and general corporate purposes, provided that the amount to be utilised for general corporate purposes alone shall not exceed 25% of the gross proceeds of the Issue and such other objects as may be permitted under the applicable laws and disclosed in the offering materials.

While the amounts proposed to be utilised against each of the objects have been specified, there may be a deviation of +/- 10% depending upon future circumstances, in terms of NSE notice No. NSE/ CML/2022/56 and BSE notice No. 20221213-47 each dated December 13, 2022, as the objects are based on management estimates and other commercial and technical factors. Accordingly, the same is dependent on a variety of factors such as financial, market conditions, business performance and strategy, competition and other external factors, which may not be within the control of the Company and may result in modifications to the proposed schedule for utilisation of the Net Proceeds at the discretion of the Board and/or such Committee, subject to compliance with applicable laws.

Accordingly, as approved by the board of directors of the Company ("Board") at their meeting held on August 14, 2026 and in order to fulfill the aforesaid objects of the Company, it is hereby proposed to have an enabling approval for raising funds by way of issuance of securities in one or more tranches, in terms of the applicable regulations and as permitted under the applicable laws, in such manner in consultation with the BRLMs and/or other advisor(s) or otherwise, for an aggregate amount up to Rs. 3,000 Crores (Rupees Three Thousand Crores Only) or an equivalent amount thereof (inclusive of such premium as may be fixed on such Securities) at such price or prices as may be permissible under applicable law by way of one or more qualified institutions placement ('QIP') in accordance with the provisions of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any amendment, modification, variation or re-enactment thereof) ('SEBI ICDR Regulations'). The issue of Securities may be at such price as may be permitted under applicable law and to such classes of investors as the Board (including any duly authorized committee thereof) may in its absolute discretion decide, having due regard to the prevailing market conditions and any other relevant factors and wherever necessary, in consultation with the BRLMs and other agencies that may be appointed by the Company, subject to the SEBI ICDR Regulations, Companies Act, 2013 and other applicable guidelines, notifications, rules and regulations.

The Board (including any committee of the Board constituted for the aforesaid purpose thereof) may at their discretion adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the members of the Company. The proposed issue of capital is subject to, inter alia, the applicable statutes, rules, regulations, guidelines, notifications, circulars and clarifications, as amended from time to time, issued by the Securities and Exchange Board of India, the BSE and National Stock Exchange ("Stock Exchanges"), Reserve Bank of India, Ministry of Corporate Affairs, Government of India, Registrar of Companies , Kerala at Ernakulam to the extent applicable, and any other approvals, permits, consents and sanctions of any regulatory/ statutory authorities and guidelines and clarifications issued thereon from time to time. The proposed issue of capital is subject to completion of ongoing scheme of arrangement between Kitex Garments Limited and Kitex Childrenswear Limited and their respective shareholders and creditors.

In case of issuance of convertible securities (including warrants), the number and/or price of the equity shares to be issued on conversion of Securities convertible into or exchangeable with Equity Shares shall be as determined by the Board and appropriately adjusted for corporate actions such as bonus issue, rights issue, stock consolidation, merger, demerger, amalgamation, transfer of undertaking, sale of division, reclassification of equity shares into other securities, issue of equity shares by way of capitalization of profits or reserves or any such capital or corporate reorganisation or restructuring undertaken by the Company

The issue is made through a qualified institutions placement which shall be undertaken in terms of the SEBI ICDR Regulations as follows:

1. the allotment of Securities shall only be made to qualified institutional buyers ("QIBs") as defined under SEBI ICDR Regulations;

2. the allotment of the Securities shall be completed within 365 days from the date of passing of the special resolution in accordance with the SEBI ICDR Regulations and applicable laws;

3. a minimum of 10% of the Securities shall be allotted to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion may be allotted to other QIBs;

4. the "relevant date" for the purposes of pricing of the Securities to be issued and allotted in the proposed QIP shall be the date of the meeting in which the Board or any committee of Board constituted for the aforesaid purpose decides to open the proposed QIP of equity shares as provided under the SEBI ICDR Regulations;

5. the equity shares of the same class, which are proposed to be allotted through qualified institutions placement, have been listed on a stock exchange for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the special resolution;

6. An issuer shall be eligible to make a qualified institutions placement if any of its promoters or directors is not a fugitive economic offender.

7. no single allottee shall be allotted more than 50% of the QIP size and the minimum number of allottees shall be in accordance with the SEBI ICDR Regulations. It is clarified that qualified institutional buyers belonging to the same group or who are under same control shall be deemed to be a single allottee;

8. the Securities to be offered and allotted shall be in dematerialized form and shall be allotted on fully paid up basis;

9. issue of Equity Shares to be made by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations (the "QIP Floor Price"), with the authority to the Board or such Committee to offer a discount of not more than 5% as permitted under SEBI ICDR Regulations on the QIP Floor Price;

10. the Securities allotted shall not be eligible for sale by the allottee for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time; and

11. The Company shall not undertake any subsequent QIP until the expiry of two weeks from the date of the QIP to be undertaken pursuant to the special resolution passed at this meeting.

Further, Section 62(1)(c) of the Companies Act, 2013 provides that when it is proposed to increase the issued capital of a company by allotment of further equity shares, such further equity shares shall be offered to the existing members of such company and to any persons other than the existing members of the company by way of a special resolution. Since the special resolution proposed in the business of the notice may result in the issuance of Equity Shares of the Company to the existing members of the Company and to persons other than existing members of the Company, approval of the members of the Company is being sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Act as well as applicable rules notified by the Ministry of Corporate Affairs and in terms of the provisions of SEBI ICDR Regulations.

In terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company can make a private placement of its securities under the Companies Act, 2013 only after receipt of prior approval of its members by way of a Special Resolution. Consent of the members would therefore be necessary pursuant to the aforementioned provisions of the Companies Act, 2013 read with applicable provisions of the SEBI ICDR Regulations and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended for issuance of Securities. The Equity Shares allotted pursuant to the issue shall rank in all respects pari passu with the existing Equity Shares of the Company.

The Equity Shares to be allotted would be listed on the Stock Exchanges. The offer/issue/allotment would be subject to the availability of the regulatory approvals, if any. As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the Stock Exchanges as may be required under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Further, the Company is yet to identify the investor(s) and decide the quantum of Securities to be issued to them and hence the details of the proposed allottees, the percentage of their shareholding in the Company post such issuance, the shareholding pattern of the Company and other relevant details are not provided. The proposal, therefore, seeks to confer upon the Board/ Committee, the absolute discretion and adequate flexibility to determine the terms of such issuance, including but not limited to the identification of the proposed investors and the quantum of Securities to be issued and allotted to each such investor, price, etc, in accordance with the provisions of the applicable laws.

None of the Directors/Key Managerial Personnel of the Company or any of their relatives are concerned or interested in the above proposed resolution, except to their equity holdings and Directorships in the Company, if any.

Relevant documents in respect of the said items would be made available, for inspection by the members at the Registered Office of the Company and electronically between 11.00 a.m and 3.00 p.m from Monday to Friday up to the date of the AGM.

The Board recommends the Special Resolution set out at Item No. 5 of the notice for approval by the members.

Item Nos. 6 to 10

Pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder ("the Act") and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended, material related party transactions shall require prior approval of the members by way of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length pricing basis. As per the SEBI Listing Regulations, a transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds the limits prescribed under Schedule XII of the SEBI Listing Regulations, as reproduced hereunder:

Consolidated Turnover of Listed Entity	**Threshold**
(I) Up to ₹20,000 Crore	10% of the annual consolidated turnover of the listed entity
(II) More than ₹20,000 Crore to upto ₹40,000 Crore	₹2,000 Crore + 5% of the annual consolidated turnover of the listed entity above ₹20,000 Crore
(III) More than ₹40,000 Crore	₹3,000 Crore + 2.5% of the annual consolidated turnover of the listed entity above ₹40,000 Crore or ₹5,000 Crore, whichever is lower

Further, SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, SEBI Circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated June 26, 2025 and SEBI Master Circular No. HO/49/14/14(7)2025-CFDPOD2/I/3762/2026 dated January 30, 2026 ("SEBI Circulars") prescribes the minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions (collectively referred to as 'RPT Industry

Standards') formulated by the Industry Standards Forum Additionally, Regulation 2(1)(zb) of the SEBI Listing Regulations defines a related party and Regulation 2(1)(zc) of the SEBI Listing Regulations defines a related party transaction which includes a transaction involving a transfer of resources, services or obligations between (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or (ii) a listed entity or any of its subsidiaries on one hand and any other person or entity on the other hand, the purpose and effect of which is to benefit any related party of the listed entity or any of its subsidiaries, regardless of whether a price is charged or not.

The Company proposes to enter into related party transaction(s) as mentioned in the respective explanatory statements below, on mutually agreed terms and conditions, and the aggregate of such transaction(s), are expected to cross the applicable materiality thresholds as mentioned above. Based on the recommendation of the Audit Committee and the Board of Directors of the Company ("the Board"), at their respective meetings held on 13th February, 2026 and 29th May, 2026, the Board has recommended for the approval of the Members of the Company, the Related Party Transactions ("RPTs") to be entered into by Kitex Garments Limited ("the Company") with its related parties, as well as the material related party transactions to be entered into by the subsidiaries of the Company with their respective related parties, within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1) (zb) of the SEBI Listing Regulations. All related parties shall not vote to approve on these resolutions.

It is pertinent to note that the Management has provided the Audit Committee, comprising of all Independent Directors of the Company, with relevant details of the proposed RPTs, including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted its approval for entering into the below mentioned RPTs, subject to approval by the Members at the ensuing Annual General Meeting. The Audit Committee has noted that the said transaction(s) will be at an arm's length pricing basis and will be in the ordinary course of business. The Audit Committee has reviewed the certificate provided by Managing Director and Chief Financial Officer of the Company, as required under the RPT Industry Standards.

Item No. 6

Details of the proposed RPTs between the Company and Kitex Apparel Parks Limited (KAPL) including the information required to be disclosed in the Explanatory Statement pursuant to the above referenced regulatory provisions are reproduced herein below for the Members of the Company to approve.

Minimum information to be provided to the Audit Committee and shareholder for approval of Related Party Transactions as per RPT Industry Standards:

Sr. No	Description	Information provided by the management
Part A: Minimum information of the proposed RPT		
A(1). Basic details of the related party		
1.	Name of the related party	Kitex Apparel Parks Limited ("KAPL")
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	KAPL is engaged in establishment and carrying on the business of textile items, such as yarn, fabrics, garments, wearing apparels made from natural or synthetic fibres or from blends of both including children's garments, babywear, infantswear, menswear, ladies wear irrespective of age limit and the like and also to procure all raw material and other auxiliary materials/ services required for the above and registered in the State of Telangana.
A(2). Relationship and ownership of the related party		
1.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party including nature of its concern (financial or otherwise) and the following:	
	• Shareholding of the listed entity/subsidiary, whether direct or indirect, in the related party.	70%
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Not Applicable
	• Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Nil

<table>
<tr><th>Sr. No</th><th>Description</th><th>Information provided by the management</th></tr>
<tr><td colspan="3">A(3). Details of previous transactions with the related party</td></tr>
<tr><td>1.</td><td>Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.</td><td>
<table>
<tr><th>Sr No</th><th>Nature of transaction for FY 2025-26</th><th>Amount (₹ in lakhs)</th></tr>
<tr><td>1</td><td>Investment</td><td>11,986.26</td></tr>
<tr><td>2</td><td>Revenue from sales of goods and services (including exp recovered)</td><td>272.85</td></tr>
<tr><td>3</td><td>Support Service Income</td><td>30.00</td></tr>
<tr><td>4</td><td>Rent received</td><td>1.20</td></tr>
<tr><td>5</td><td>Purchases of goods and services (including reimbursements)</td><td>5,383.02</td></tr>
<tr><td>6</td><td>Income for Bank Guarantee</td><td>679.04</td></tr>
<tr><td>7</td><td>Loan given</td><td>9,000.00</td></tr>
<tr><td>8</td><td>Other dues Paid</td><td>8,379.48</td></tr>
</table>
</td></tr>
<tr><td>2.</td><td>Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.</td><td>The immediately preceding quarter in which the approval is sought is January to March 2026. Accordingly, the required details are provided in the aforesaid point i.e. A(3)(1).</td></tr>
<tr><td>3.</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity during the last financial year.</td><td>Nil</td></tr>
<tr><td colspan="3">A(4). Amount of the proposed transaction(s)</td></tr>
<tr><td>1.</td><td>Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.</td><td>
<table>
<tr><th>Sr No</th><th>Nature of transaction</th><th>Amount (₹ in lakhs)</th></tr>
<tr><td>1</td><td>Purchase of goods and materials</td><td>30,000</td></tr>
<tr><td>2</td><td>Sale of goods and materials</td><td>10,000</td></tr>
<tr><td>3</td><td>Availing of services including technical, professional, administrative and support services</td><td>1,050</td></tr>
<tr><td>4</td><td>Rendering of services including technical, professional, administrative and support services</td><td>1,000</td></tr>
<tr><td>5</td><td>Rental Income</td><td>50</td></tr>
<tr><td>6</td><td>Loans and Advances</td><td>5,000</td></tr>
<tr><td>7</td><td>Investments</td><td>10,000</td></tr>
<tr><td>8</td><td>Providing/Giving of Guarantees, Securities etc</td><td>1,40,000</td></tr>
<tr><td>9</td><td>Guarantee Commission/Fees</td><td>2,000</td></tr>
<tr><td>10</td><td>Any other transaction, if any</td><td>100</td></tr>
</table>
</td></tr>
<tr><td>2.</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3.</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year</td><td>276.94%</td></tr>
<tr><td>4.</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>Not Applicable</td></tr>
</table>

Sr. No	Description	Information provided by the management
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	1485.98%
6.	Financial performance of the related party for the immediately preceding financial year:	see table below

Particulars	For FY 2025-26 Amount (₹ in lakhs)
Turnover	13,405.28
Profit After Tax	(6,046.50)
Net Worth	70,020.34

A(5). Basic details of the proposed transaction

1. Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/ services, giving loan, borrowing etc.)

Sr No	Nature of transaction	Amount (₹ in lakhs)
1	Purchase of goods and materials	30,000
2	Sale of goods and materials	10,000
3	Availing of services including technical, professional, administrative and support services	1,050
4	Rendering of services including technical, professional, administrative and support services	1,000
5	Rental Income	50
6	Loans and Advances	5,000
7	Investments	10,000
8	Providing/Giving of Guarantees, Securities etc	1,40,000
9	Guarantee Commission/Fees	2,000
10	Any other transaction, if any	100

Sr. No	Description	Information provided by the management
2.	Details of each type of the proposed transaction	The proposed Related Party Transactions to be entered into between the Company and KAPL shall comprise transactions undertaken in the ordinary course of business and on an arm's length basis. These include: (i) purchase and sale of goods and materials including yarn, fabric, garments etc; (ii) availing and rendering of various services such as technical, professional, administrative and support services; (iii) rental income on lease of property; (iv) financial transactions including loans, advances, along with payment/receipt of interest thereon; and (v) providing of guarantees, securities or indemnities, and payment or receipt of guarantee commission or fees, as applicable. (vi) All such transactions shall be executed in compliance with applicable laws and the Company's policy on related party transactions.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	Till the Annual General Meeting of the Company to be held in the year 2027
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise	₹ 1,992 Crores
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The proposed transactions are as a part of new expansion project in the state of Telangana.

Sr. No	Description	Information provided by the management
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	
	a) Name of the director / KMP	Mr. Sabu M. Jacob is the Chairman & Managing Director of Kitex Garments Limited (KGL) also holds position as Managing Director of KAPL. He is the promoter for both the companies. Mrs. Sindhu Chandrasekharan, Whole Time Director of Kitex Garments Limited, is also a Director of KAPL.
	b) Shareholding of the director / KMP, whether direct or indirect, in the related party	54%
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	Nil
Part B: Additional Information		
B(1). Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances		
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	No bidding or any other process has been applied for choosing a party for sale, purchase or supply of goods or services.
2.	Basis of determination of price.	The price / consideration for the transactions is determined based on prevailing market price, scope and nature of goods or services, volume, quality specifications, delivery timelines, and other relevant commercial terms, ensuring that the transactions are undertaken in the ordinary course of business and on an arm's length basis.
3.	In case of Trade advance (of up to 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following: a. Amount of Trade advance b. Tenure c. Whether same is self-liquidating?	Not Applicable
B(2). Disclosure only in case of transactions relating to loans and advances (other than trade advances) or inter-corporate deposits given by the listed entity or its subsidiary		
1.	Source of funds in connection with the proposed transaction.	Internal Funds
2.	Where any financial indebtedness is incurred to give loan, intercorporate deposit or advance, specify the following: a. Nature of indebtedness b. Total cost of borrowing c. Tenure d. Other details	Nil
3.	Rate of interest at which the listed entity or its subsidiary is borrowing from its bankers/ other lenders.	Interest rate of borrowing is in the range of 6.43% to 7.00% per annum as on 31st March, 2026
4.	Proposed interest rate to be charged by listed entity or its subsidiary from the related party	The proposed rate of interest to be charged is in the range of 9.15% to 10.00% per annum
5.	Maturity / due date	The due date is as per the agreement mutually agreed between parties
6.	Repayment schedule & terms	Repayable at the end of maturity period

Sr. No	Description	Information provided by the management
7.	Whether secured or unsecured?	Unsecured
8.	If secured, the nature of security & security coverage ratio	Not Applicable
9.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.	The funds will be utilized for general business and operational requirements.
B(3). Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary		
1.	Source of funds in connection with the proposed transaction.	Internal Funds
2.	Where any financial indebtedness is incurred to make investment, specify the following: a. Nature of indebtedness b. Total cost of borrowing c. Tenure d. Other details	Nil
3.	Purpose for which funds shall be utilized by the investee company.	To meet working capital requirements of KAPL
4.	Material terms of the proposed transaction	These transactions would be in the ordinary course of the company's business and at the arm's length basis.
B(4). Disclosure only in case of guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary		
1.	a) Rationale for giving guarantee, surety, indemnity or comfort letter	The guarantee/ security/ indemnity is proposed to be provided or provided to support the financial and operational requirements of the subsidiary, enabling it to avail credit/financial facilities on commercially viable terms and ensure smooth conduct of its business operations.
	b) Whether it will create a legally binding obligation on listed entity?	Yes, the proposed guarantee/ security/ indemnity will create a legally binding obligation on the Company to the extent of the terms agreed.
2.	Material covenants of the proposed transaction including:	
	(i) commission, if any to be received by the listed entity or its subsidiary;	The company receives commission of 1% on the average outstanding amount.
	(ii) contractual provisions on how the listed entity or its subsidiary will recover the monies in case such guarantee, surety, indemnity or comfort letter is invoked.	In the event that the guarantee, surety, indemnity or comfort letter is invoked, the Company (as guarantor) shall be subrogated to the rights of the lender and shall step into the position of the beneficiary/ creditor to the extent of the amounts discharged. The Company shall consequently be entitled to exercise all rights, remedies, and claims against the principal obligor, including the right to recover the amounts paid, in accordance with applicable laws and contractual arrangements.
3.	The value of obligations undertaken by the listed entity or any of its subsidiary, for which a guarantee, surety, indemnity or comfort letter has been provided by the listed entity or its subsidiary. Additionally, any provisions required to be made in the books of account of the listed entity or any of its subsidiary shall also be specified.	The value of obligations undertaken pursuant to the proposed guarantee, surety, indemnity, or comfort letter has been provided is ₹2023 Crore as on March 31, 2026. At present, no provision is required to be made in the books of account of the Company or its subsidiary in respect of the said obligation, as the same represents as a contingent liability.
B(6). Disclosure only in case of transactions relating to transactions relating to sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate		

Sr. No	Description	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity.	No bidding or any other process has been applied for choosing a party for sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the Company. Transactions within the Group provides better economies of scale, ensures cost optimization, reduces administrative burden and associated costs, making the process more efficient.
2.	Basis of determination of price.	The price / consideration for the transactions is determined based on prevailing market prices and other relevant commercial terms, ensuring that the transactions are undertaken in the ordinary course of business and on an arm's length basis.
3.	Reasons for sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate	The proposed lease of assets is intended to optimize the asset utilization, improving operational efficiency and also unlocking value and strengthening the financial position.
4.	Financial track record of the subsidiary / undertaking that is being sold (in case of sale of undertaking, segment level data to be provided) during the last three financial years: • Turnover • Networth • Net Profit	Not Applicable as the proposed transaction does not relate to sale of subsidiary / undertaking.
5.	Expected financial impact on the consolidated turnover, net worth and net profits of the listed entity or its subsidiary due to sale of the subsidiary / undertaking	Not Applicable as the proposed transaction does not relate to sale of subsidiary / undertaking.
Part C: Information to be provided only if a specific type of RPT mentioned below proposed to be undertaken is a *material RPT* and is in addition to Part A and B		
C(1). Transactions relating to any loans and advances (other than trade advance) or inter-corporate deposits given by the listed entity or its subsidiary		
1.	Latest credit rating of the related party	IND A-/Negative/IND A2+ as on March 31, 2026
2.	Default on borrowings, ***if any***, over the last three financial years, by the related party from the listed entity or any other person and value of subsisting default.	No
	In addition, state the following: a) Whether the account of the related party has been classified as a non performing asset (NPA) by any of its bankers and whether such status is currently subsisting;	No
	b) Whether the related party has been declared a "willful defaulter" by any of its bankers and whether such status is currently subsisting;	No
	c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation;	No
	d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016.	No
	FY 2024-2025 FY 2023-2024 FY 2022-2023	No
C(2). Disclosure *only* in case of transactions relating to any investment made by the listed entity or its subsidiary		
1.	Latest credit rating of the related party	IND A-/Negative/IND A2+ as on March 31, 2026
2.	Whether any regulatory approval is required. If yes, whether the same has been obtained.	No

Sr. No	Description	Information provided by the management
C(3). Disclosure *only* in case of transactions relating to any guarantee (including performance guarantee in nature of security/ contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary		
1.	If guarantee, performance guarantee (in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter is given in connection with the borrowing by a related party, provide latest credit rating of the related party	IND A-/Negative/IND A2+ as on March 31, 2026
2.	Details of solvency status and going concern status of the related party during the last three financial years: FY 2024-2025 FY 2023-2024 FY 2022-2023	KAPL has not filed for insolvency. It operates as a going concern, with no intention to liquidate the entity.
3.	The value of obligations undertaken by the listed entity or any of its subsidiary, for which a guarantee, performance guarantee (in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee) surety, indemnity or comfort letter has been provided by the listed entity or its subsidiary.	The value of obligations undertaken pursuant to the proposed guarantee, surety, indemnity, or comfort letter has been provided is ₹2023 Crore as on March 31, 2026.
	Additionally, any provisions required to be made in the books of account of the listed entity or any of its subsidiary shall also be specified.	At present, no provision is required to be made in the books of account of the Company or its subsidiary in respect of the said obligation, as the same represents as a contingent liability
4.	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person and value of subsisting default.In addition, state the following:	No
	a) Whether the account of the related party has been classified as a non performing asset (NPA) by any of its bankers and whether such status is currently subsisting;	No
	b) Whether the related party has been declared a "willful defaulter" by any of its bankers and whether such status is currently subsisting;	No
	c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation;	No
	d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016. FY 2024-2025 FY 2023-2024 FY 2022-2023	No
C(5). Disclosure only in case of transactions relating to sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate		
1.	Details of earlier sale, lease or disposal of assets of the same subsidiary or of the unit, division or undertaking of the listed entity or disposal of shares of the same subsidiary or associate to any related party during the preceding twelve months	Lease of assets for official purposes
2.	Whether the transaction would result in issue of securities or consideration in kind to a related party? If yes, please share the relevant details.	No

Sr. No	Description	Information provided by the management
3.	Would the transaction result in eliminating a segment reporting by the listed entity or any of its subsidiary?	No
4.	Does it involve transfer of key intangible assets or key customers which are critical for continued business of the listed entity or any of its subsidiary?	No
5.	Are there any other major non-financial reasons for going ahead with the proposed transaction?	No

Apart from above, the other requisite information required to be disclosed in the Explanatory Statement pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time is also given as follows:

1.	Name of the related party	Kitex Apparel Parks Limited (KAPL)
2.	Name of the Director or KMP who is related, if any	Mr. Sabu M Jacob Mrs. Sindhu Chandrasekharan
3.	Nature of relationship	Mr. Sabu M. Jacob is the Chairman & Managing Director of Kitex Garments Limited (KGL) also holds position as Managing Director of KAPL. He is the promoter for both the companies. Mrs. Sindhu Chandrasekharan, Whole Time Director of Kitex Garments Limited is also a Director of KAPL.
4.	Nature, material terms, monetary value and particulars of the contract or arrangement	Investments, loans, security, sales of goods and materials, purchase of goods and materials, rendering and/or availing of services and such other transactions including corporate guarantee against consortium to the extent of ₹2023 Crores availed of by KAPL. These transactions would be in the ordinary course of the company's business and at the arm's length basis. The estimated aggregate transaction value for the matters proposed in the resolution shall not exceed ₹1,992 Crores for KAPL
5.	Any other information relevant or important for the members to take a decision on the proposed resolution	Nil

As on 31.03.2026, the Company together with Kitex Childrenswear Limited being promoters of the Company are holding 758883795 shares in KAPL.

None of the Directors/Key Managerial Personnel of the Company or any of their relatives are concerned or interested in the above proposed resolution, except to their equity holdings and Directorships in the Company, if any.

Relevant documents in respect of the said items would be made available, for inspection by the members at the Registered Office of the Company and electronically between 11.00 a.m and 3.00 p.m from Monday to Friday up to the date of the AGM.

The Board recommends the Ordinary Resolution set out at Item No.6 of the notice for approval by the members.

Item No. 7

Details of the proposed RPTs between the Company and Kitex Childrenswear Limited (KCL) including the information required to be disclosed in the Explanatory Statement pursuant to the above referenced regulatory provisions are reproduced herein below for the Members of the Company to approve.

Minimum information to be provided to the Audit Committee and shareholder for approval of Related Party Transactions as per RPT Industry Standards:

Sr. No	Description	Information provided by the management
Part A: Minimum information of the proposed RPT		
A(1). Basic details of the related party		
1.	Name of the related party	Kitex Childrenswear Limited ("KCL")
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	KCL is engaged in 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 fibers or from blends of both and registered in the State of Kerala.
A(2). Relationship and ownership of the related party		
1.	Relationship between the listed entity/ subsidiary (in case of transaction involving the subsidiary) and the related party including nature of its concern (financial or otherwise) and the following:	
	• Shareholding of the listed entity/ subsidiary, whether direct or indirect, in the related party.	99.99%
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Not Applicable
	• Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).	15.92%
A(3). Details of previous transactions with the related party		
1.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.	Details of transactions by KGL with KCL: (see table below)
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	The immediately preceding quarter in which the approval is sought is January to March 2026. Accordingly, the required details are provided in the aforesaid point i.e. A(3)(1).

Details of transactions by KGL with KCL:

Sr No.	Nature of transaction for FY 2025-26	Amount (₹ in lakhs)
1	Revenue from sales of goods and services (including exp recovered)	2,607.13
2	Rent paid	2.47
3	Rent received	31.81
4	Purchases of goods and services (including reimbursements)	3,715.58

<table>
<tr><th>Sr. No</th><th>Description</th><th>Information provided by the management</th></tr>
<tr><td>3.</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity during the last financial year.</td><td>Nil</td></tr>
<tr><td colspan="3">A(4). Amount of the proposed transaction(s)</td></tr>
<tr><td></td><td>Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.</td><td>
<table>
<tr><th>Sr No.</th><th>Nature of transaction</th><th>Amount (₹ in lakhs)</th></tr>
<tr><td>1</td><td>Purchase of goods and materials</td><td>6,000</td></tr>
<tr><td>2</td><td>Sale of goods and materials</td><td>12,500</td></tr>
<tr><td>3</td><td>Availing of services including technical, professional, administrative and support services</td><td>4,000</td></tr>
<tr><td>4</td><td>Rendering of services including technical, professional, administrative and support services</td><td>2,000</td></tr>
<tr><td>5</td><td>Rental Income</td><td>100</td></tr>
<tr><td>6</td><td>Rental Expense</td><td>100</td></tr>
<tr><td>7</td><td>Any other transaction, if any</td><td>100</td></tr>
</table>
</td></tr>
<tr><td>2.</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3.</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year</td><td>34.48%</td></tr>
<tr><td>4.</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>Not Applicable</td></tr>
<tr><td>5.</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.</td><td>104.10% on standalone turnover of related party</td></tr>
<tr><td>6.</td><td>Financial performance of the related party for the immediately preceding financial year:</td><td>
<table>
<tr><th>Particulars</th><th>For FY 2025-26 Amount (₹ in lakhs)</th></tr>
<tr><td>Turnover</td><td>23,822.81</td></tr>
<tr><td>Profit After Tax</td><td>(3,058.11)</td></tr>
<tr><td>Net Worth</td><td>72,669.18</td></tr>
</table>
</td></tr>
<tr><td colspan="3">A(5). Basic details of the proposed transaction</td></tr>
<tr><td>1</td><td>Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)</td><td>
<table>
<tr><th>Sr No.</th><th>Nature of transaction</th><th>Amount (₹ in lakhs)</th></tr>
<tr><td>1</td><td>Purchase of goods and materials</td><td>6,000</td></tr>
<tr><td>2</td><td>Sale of goods and materials</td><td>12,500</td></tr>
<tr><td>3</td><td>Availing of services including technical, professional, administrative and support services</td><td>4,000</td></tr>
<tr><td>4</td><td>Rendering of services including technical, professional, administrative and support services</td><td>2,000</td></tr>
<tr><td>5</td><td>Rental Income</td><td>100</td></tr>
<tr><td>6</td><td>Rental Expense</td><td>100</td></tr>
<tr><td>7</td><td>Any other transaction, if any</td><td>100</td></tr>
</table>
</td></tr>
</table>

Sr. No	Description	Information provided by the management
2.	Details of each type of the proposed transaction	The proposed Related Party Transactions to be entered into between the Company and KCL shall comprise transactions undertaken in the ordinary course of business and on an arm's length basis. These include: (i) purchase and sale of goods and materials including yarn, fabric, garments etc; (ii) availing and rendering of various services such as technical, professional, administrative and support services; (iii) rental income and expense on lease of property; (iv) All such transactions shall be executed in compliance with applicable laws and the Company's policy on related party transactions.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	Till the Annual General Meeting of the Company to be held in the year 2027
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise	₹ 248 Crores
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The company provides fabric sale and also job work to KCL which is an integral part of RPTs.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. a) Name of the director / KMP b) Shareholding of the director / KMP, whether direct or indirect, in the related party	 Mr. Sabu M. Jacob is the Chairman & Managing Director of Kitex Garments Limited (KGL) and is also the Director of KCL. He is the promoter for both the companies. KCL is the promoter of KGL as well. 99.99%
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	Nil
Part B: Additional Information		
B(1). Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances		
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	No bidding or any other process has been applied for choosing a party for sale, purchase or supply of goods or services.
2.	Basis of determination of price.	The price / consideration for the transactions is determined based on prevailing market price, scope and nature of goods or services, volume, quality specifications, delivery timelines, and other relevant commercial terms, ensuring that the transactions are undertaken in the ordinary course of business and on an arm's length basis.
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice) , if any,proposed to be extended to the related party in relation to the transaction, specify the following: a. Amount of Trade advance b. Tenure c. Whether same is self-liquidating?	Not Applicable

Sr. No	Description	Information provided by the management
B(6). Disclosure only in case of transactions relating to transactions relating to sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate		
1.	Bidding or other process, if any, applied for choosing a party for sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity.	No bidding or any other process has been applied for choosing a party for sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the Company. Transactions within the Group provides better economies of scale, ensures cost optimization, reduces administrative burden and associated costs, making the process more efficient.
2.	Basis of determination of price.	The price / consideration for the transactions is determined based on prevailing market prices and other relevant commercial terms, ensuring that the transactions are undertaken in the ordinary course of business and on an arm's length basis.
3.	Reasons for sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate	The proposed lease of assets is intended to optimize the asset utilization, improving operational efficiency and also unlocking value and strengthening the financial position.
4.	Financial track record of the subsidiary / undertaking that is being sold (in case of sale of undertaking, segment level data to be provided) during the last three financial years: • Turnover • Networth • Net Profit	Not Applicable as the proposed transaction does not relate to sale of subsidiary / undertaking.
5.	Expected financial impact on the consolidated turnover, net worth and net profits of the listed entity or its subsidiary due to sale of the subsidiary / undertaking	Not Applicable as the proposed transaction does not relate to sale of subsidiary / undertaking.
Part C: Information to be provided only if a specific type of RPT mentioned below proposed to be undertaken is a material RPT and is in addition to Part A and B		
C(5). Disclosure only in case of transactions relating to sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity or disposal of shares of subsidiary or associate		
1.	Details of earlier sale, lease or disposal of assets of the same subsidiary or of the unit, division or undertaking of the listed entity or disposal of shares of the same subsidiary or associate to any related party during the preceding twelve months	Lease of assets for official purposes
2.	Whether the transaction would result in issue of securities or consideration in kind to a related party? If yes, please share the relevant details.	No
3.	Would the transaction result in eliminating a segment reporting by the listed entity or any of its subsidiary?	No
4.	Does it involve transfer of key intangible assets or key customers which are critical for continued business of the listed entity or any of its subsidiary?	No
5.	Are there any other major non-financial reasons for going ahead with the proposed transaction?	No

Sr. No	Description	Information provided by the management

Apart from above, the other requisite information required to be disclosed in the Explanatory Statement pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time is also given as follows:

1.	Name of the related party	Kitex Childrenswear Limited (KCL)
2.	Name of the Director or KMP who is related	Mr. Sabu M Jacob
3.	Nature of relationship	Mr. Sabu M. Jacob is the Chairman & Managing Director of Kitex Garments Limited (KGL) and is also the Director of KCL. He is the promoter for both the companies. He is holding 99.99% shares in KCL along with his wife. KCL is the promoter of KGL as well.
4.	Nature, material terms, monetary value and particulars of the contract or arrangement	Purchase and sale of goods and materials, job work contracts, also takes on rent and rent out some portion of the factory premises to KCL by the company as these are dependent on the requirement of both companies for its products from time to time and the ability to supply of specified material by these companies. However such transactions would be in the ordinary course of the company's business and at the arm's length basis. The estimated aggregate contract value for the matters proposed in the resolution shall not exceed ₹ 248 Crores for KCL.
5.	Any other information relevant or important for the members to take a decision on the proposed resolution	Nil

Mr. Sabu M. Jacob together with his relatives and directors of the company who directly hold in aggregate of 9,49,901 equity shares (99.99%) of the Kitex Childrenswear Ltd (Mr. Sabu M. Jacob: 947050 shares, Mrs. Renjitha Joseph: 2850 shares, Mrs. Sindhu Chandrasekharan: 1 share) are concerned or interested in the ordinary resolution under Agenda Item No. 7.

None of the Directors/Key Managerial Personnel of the Company or any of their relatives are concerned or interested in the above proposed resolution, except to their equity holdings and Directorships in the Company, if any.

Relevant documents in respect of the said items would be made available, for inspection by the members at the Registered Office and electronically of the Company between 11.00 a.m and 3.00 p.m from Monday to Friday up to the date of the AGM.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the members.

Item No. 8

Details of the proposed RPTs between the Company and Kitex USA LLC (KUL) including the information required to be disclosed in the Explanatory Statement pursuant to the above referenced regulatory provisions are reproduced herein below for the Members of the Company to approve.

Minimum information to be provided to the Audit Committee and shareholder for approval of Related Party Transactions as per RPT Industry Standards:

Sr. No	Description	Information provided by the management
Part A: Minimum information of the proposed RPT		
A(1). Basic details of the related party		
1.	Name of the related party	Kitex USA LLC ("KUL")
2.	Country of incorporation of the related party	USA
3.	Nature of business of the related party	KUL is into purchase and sale of garments. KUL is in the business of providing value added services & selling the Company's products to its buyers as an agent of the Company. However, such transactions would be in the ordinary course of the company's business and at the arm's length basis.

<table>
<tr><th>Sr. No</th><th>Description</th><th>Information provided by the management</th></tr>
<tr><td colspan="3">A(2). Relationship and ownership of the related party</td></tr>
<tr><td>1.</td><td>Relationship between the listed entity/ subsidiary (in case of transaction involving the subsidiary) and the related party including nature of its concern (financial or otherwise) and the following:</td><td></td></tr>
<tr><td></td><td>• Shareholding of the listed entity, whether direct or indirect, in the related party</td><td>50%</td></tr>
<tr><td></td><td>• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).</td><td>Not Applicable</td></tr>
<tr><td></td><td>• Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).</td><td>Nil</td></tr>
<tr><td colspan="3">A(3). Details of previous transactions with the related party</td></tr>
<tr><td>1.</td><td>Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.</td><td>Details of transactions by KGL with KUL:
<table><tr><th>Sr No.</th><th>Nature of transaction for FY 2025-26</th><th>Amount (₹ in lakhs)</th></tr><tr><td>1</td><td>Sale of readymade garments</td><td>462.81</td></tr><tr><td>2</td><td>Additional ECL Provision created</td><td>300.00</td></tr><tr><td>3</td><td>Reversal of Provision no longer required</td><td>(1,750.00)</td></tr><tr><td>4</td><td>Sales commission paid</td><td>1,295.74</td></tr></table></td></tr>
<tr><td>2.</td><td>Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.</td><td>The immediately preceding quarter in which the approval is sought is January to March 2026. Accordingly, the required details are provided in the aforesaid point i.e. A(3)(1).</td></tr>
<tr><td>3.</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity during the last financial year.</td><td>Nil</td></tr>
<tr><td colspan="3">A(4). Amount of the proposed transaction(s)</td></tr>
<tr><td>1.</td><td>Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders</td><td><table><tr><th>Sr No.</th><th>Nature of transaction</th><th>Amount (₹ in lakhs)</th></tr><tr><td>1</td><td>Sale of goods and materials</td><td>30,000</td></tr><tr><td>2</td><td>Availing of services including technical, professional, administrative and support services</td><td>3,000</td></tr><tr><td>3</td><td>Any other transaction, if any</td><td>100</td></tr></table></td></tr>
<tr><td>2.</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3.</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year</td><td>46.02%</td></tr>
</table>

Sr. No	Description	Information provided by the management
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	Not Applicable
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	1130%
6.	Financial performance of the related party for the immediately preceding financial year:	see table below

Particulars	For FY 2025-26 Amount ((₹ in lakhs)
Turnover	2,928
Profit After Tax	537
Net Worth	(4,916)

A(5). Basic details of the proposed transaction

Sr. No	Description	Information provided by the management
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	see table below

Sr No.	Nature of transaction	Amount (₹ in lakhs)
1	Sale of goods and materials	30,000
2	Availing of services including technical, professional, administrative and support services	3,000
3	Any other transaction, if any	100

Sr. No	Description	Information provided by the management
2.	Details of each type of the proposed transaction	The proposed Related Party Transactions to be entered into between the Company and KUL shall comprise transactions undertaken in the ordinary course of business and on an arm's length basis. These include: (i) purchase and sale of goods and materials including garments etc; (ii) providing value added services & selling the Company's products to its buyers as an agent; (iii) All such transactions shall be executed in compliance with applicable laws and the Company's policy on related party transactions.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	Till the Annual General Meeting of the Company to be held in the year 2027
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise	₹ 331 Crores
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The company executes RPT with KUL by selling products/ availing services/ investments which in turn sells to its client is an integral part of RPTs.

Sr. No	Description	Information provided by the management
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	
	a) Name of the director / KMP	Mr. Sabu M. Jacob is the Chairman & Managing Director of the Kitex Garments Limited (KGL) and the Director of Kitex Childrenswear Limited (KCL). He is the promoter for all these companies. KGL and KCL jointly invested in KUL in the proportion of 50:50.
	b) Shareholding of the director / KMP, whether direct or indirect, in the related party	Nil
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	Nil
Part B: Additional Information		
B(1). Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances		
1.	Bidding or other process, if any, applied for choosing a party for sale,purchase or supply of goods or services.	No bidding or any other process has been applied for choosing a party for sale, purchase or supply of goods or services.
2.	Basis of determination of price.	The price / consideration for the transactions is determined based on prevailing market price, scope and nature of goods or services, volume, quality specifications, delivery timelines, and other relevant commercial terms, ensuring that the transactions are undertaken in the ordinary course of business and on an arm's length basis.
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice) , if any, proposed to be extended to the related party in relation to the transaction, specify the following: a. Amount of Trade advance b. Tenure c. Whether same is self-liquidating?	Not Applicable

Apart from above, the other requisite information required to be disclosed in the Explanatory Statement pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time is also given as follows:

1.	Name of the related party	Kitex USA LLC (KUL)
2.	Name of the Director or KMP who is related	Mr. Sabu M Jacob
3.	Nature of relationship	Mr. Sabu M. Jacob is the Chairman & Managing Director of the Kitex Garments Limited (KGL) and the Director of Kitex Childrenswear Limited (KCL). He is the promoter for all these companies. KGL and KCL jointly invested in KUL in the proportion of 50:50.

4.	Nature, material terms, monetary value and particulars of the contract or arrangement	Purchase and sale of garments by the company as these are dependent on the requirement of both companies for its products from time to time and the ability to supply of specified material by these companies. However, such transactions would be in the ordinary course of the company's business and at the arm's length basis. The estimated aggregate contract value for the matters proposed in the resolution shall not exceed Rs. 331 Crores for KUL.
5.	Any other information relevant or important for the members to take a decision on the proposed resolution	Nil

As on March 31, 2026, Kitex Childrenswear Limited is holding 4250210.09 fully paid-up membership units of USD 1 in Kitex USA LLC.

None of the Directors/Key Managerial Personnel of the Company or any of their relatives are concerned or interested in the above proposed resolution, except to their equity holdings and Directorships in the Company, if any.

Relevant documents in respect of the said items would be made available, for inspection by the members at the Registered Office and electronically of the Company between 11.00 a.m and 3.00 p.m from Monday to Friday up to the date of AGM.

The Board recommends the Ordinary Resolution set out at Item No.8 of the Notice for approval by the members.

Item No. 9

Details of the proposed RPTs between Kitex Apparel Parks Limited (KAPL), subsidiary of the Company and KBSL-FZ, including the information required to be disclosed in the Explanatory Statement pursuant to the above referenced regulatory provisions are reproduced herein below for the Members of the Company to approve.

Minimum information to be provided to the Audit Committee and shareholder for approval of Related Party Transactions as per RPT Industry Standards:

Sr. No	Description	Information provided by the management
Part A: Minimum information of the proposed RPT		
A(1). Basic details of the related party		
1.	Name of the related party	Kitex Building Systems LLC-FZ ("KBSL-FZ")
2.	Country of incorporation of the related party	Dubai
3.	Nature of business of the related party	KBSL-FZ is engaged in the business of supply of prefabricated building materials to indian as well as global customers
A(2). Relationship and ownership of the related party		
1.	Relationship between the listed entity/ subsidiary (in case of transaction involving the subsidiary) and the related party including nature of its concern (financial or otherwise) and the following:	
	• Shareholding of the listed entity/ subsidiary, whether direct or indirect, in the related party.	Nil
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Not Applicable
	• Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Nil

Sr. No	Description	Information provided by the management
A(3). Details of previous transactions with the related party		
1.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.	Details of transactions by KAPL with KBSL-FZ: **Sr No.** / **Nature of transaction for FY 2025-26** / **Amount (₹ in lakhs)** 1 / Purchase of material/services/reimbursement / 1,094.80
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	The immediately preceding quarter in which the approval is sought is January to March 2026. Accordingly, the required details are provided in the aforesaid point i.e. A(3)(1).
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity during the last financial year.	Nil
A(4). Amount of the proposed transaction(s)		
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	Details of transactions by KAPL with KBSL-FZ: **Sr No.** / **Nature of transaction** / **Amount (₹ in lakhs)** 1 / Purchase of goods and materials / 7,500 2 / Any other transaction, if any / 100
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	10.57%
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	Not Applicable
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	830.60%
6.	Financial performance of the related party for the immediately preceding financial year:	**Particulars** / **For FY 2025-26 Amount (₹ in lakhs)** Turnover / 915 Profit After Tax / (232.56) Net Worth / 378
A(5). Basic details of the proposed transaction		
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	**Sr No.** / **Nature of transaction** / **Amount (₹ in lakhs)** 1 / Purchase of goods and materials / 7,500 2 / Any other transaction, if any / 100

Sr. No	Description	Information provided by the management
2.	Details of each type of the proposed transaction	The proposed Related Party Transactions to be entered into between KAPL and KBSL-FZ shall comprise transactions undertaken in the ordinary course of business and on an arm's length basis. These include: (i) purchase of goods and materials; (ii) All such transactions shall be executed in compliance with applicable laws and the Company's policy on related party transactions.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	Till the Annual General Meeting of the Company to be held in the year 2027
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up inancial year-wise	₹ 76 Crores
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	KAPL executes RPT with KBS LLC-FZ by purchasing products which in turn purchases from its client is an integral part of RPTs.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	
	a) Name of the director / KMP	Mr. Sabu M. Jacob is the Chairman & Managing Director of the Kitex Garments Limited (KGL) and the Director of Kitex Childrenswear Limited (KCL). He is the promoter for all these companies. He is also the Director and Manager of KBS LLC-FZ.
	b) Shareholding of the director / KMP, whether direct or indirect, in the related party	Nil
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	Nil
Part B: Additional Information		
B(1). Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances		
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	No bidding or any other process has been applied for choosing a party for sale, purchase or supply of goods or services.
2.	Basis of determination of price.	The price / consideration for the transactions is determined based on prevailing market price, scope and nature of goods or services, volume, quality specifications, delivery timelines, and other relevant commercial terms, ensuring that the transactions are undertaken in the ordinary course of business and on an arm's length basis.
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice) , if any, proposed to be extended to the related party in relation to the transaction, specify the following: a. Amount of Trade advance b. Tenure c. Whether same is self-liquidating?	Not Applicable

As on March 31, 2026, Kitex Childrenswear Limited is holding 100 shares of 500 AED in Kitex Building Systems L.L.C-FZ

None of the Directors/Key Managerial Personnel of the Company or any of their relatives are concerned or interested in the above proposed resolution, except to their equity holdings and Directorships in the Company, if any.

Relevant documents in respect of the said items would be made available, for inspection by the members at the Registered Office and electronically of the Company between 11.00 a.m and 3.00 p.m from Monday to Friday up to the date of AGM.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 9 of the Notice for approval by the Members.

Item No. 10

Details of the proposed RPTs between Kitex Apparel Parks Limited (KAPL), subsidiary of the Company and Kitex Childrenswear Limited (KCL), including the information required to be disclosed in the Explanatory Statement pursuant to the above referenced regulatory provisions are reproduced herein below for the Members of the Company to approve.

Minimum information to be provided to the Audit Committee and shareholder for approval of Related Party Transactions as per RPT Industry Standards:

Sr. No	Description	Information provided by the management
Part A: Minimum information of the proposed RPT		
A(1). Basic details of the related party		
1.	Name of the related party	Kitex Childrenswear Limited ("KCL")
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	KCL is engaged in 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 fibers or from blends of both and registered in the State of Kerala.
A(2). Relationship and ownership of the related party		
1.	Relationship between the listed entity/ subsidiary (in case of transaction involving the subsidiary) and the related party including nature of its concern (financial or otherwise) and the following:	
	• Shareholding of the listed entity/ subsidiary, whether direct or indirect, in the related party.	KGL directly holds 70% paid- up share capital of KAPL, being the subsidiary company. KCL directly holds 30% paid- up share capital of KAPL, being the associate company
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Not Applicable
	• Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).	KCL holds 15.92% of paid up capital of the Company. KCL also holds 30% of the paid-up capital of KAPL
A(3). Details of previous transactions with the related party		
1.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.	Details of transactions by KAPL with KCL:

Sr No.	Nature of transaction for FY 2025-26	Amount (₹ in lakhs)
1	Equity shares issued	5,136.97
2	Purchase of material/service/reimbursement	291.02
3	Sales of Duty script	30.96
4	Other dues Received (net)	814.35

Sr. No	Description	Information provided by the management
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	The immediately preceding quarter in which the approval is sought is January to March 2026. Accordingly, the required details are provided in the aforesaid point i.e. A(3)(1).
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity during the last financial year.	Nil
A(4). Amount of the proposed transaction(s)		
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	See table below
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	204.65%
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	1,098.07%
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	617.90% of standalone turnover of related party

Sr No.	Nature of transaction	Amount (₹ in lakhs)
1	Purchase of goods and materials	50
2	Sale of goods and materials	50
3	Equity shares proposed to be issued	5,000
4	Guarantees	1,40,000
5	Guarantee Commission/Fees	2,000
6	Any other transaction, if any	100

Sr. No	Description	Information provided by the management
6.	Financial performance of the related party for the immediately preceding financial year:	**Particulars** / **For FY 2025-26 Amount (₹ in lakhs)** Turnover: 23,822.81 Profit After Tax: (3,058.11) Net Worth: 72,669.18
A(5). Basic details of the proposed transaction		
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/ services, giving loan, borrowing etc.)	**Sr No.** / **Nature of transaction** / **Amount (₹ in lakhs)** 1 Purchase of goods and materials: 50 2 Sale of goods and materials: 50 3 Equity shares proposed to be issued: 5,000 4 Guarantees: 1,40,000 5 Guarantee Commission/Fees: 2,000 6 Any other transaction, if any: 100
2.	Details of each type of the proposed transaction	The proposed Related Party Transactions to be entered into between KAPL and KCL shall comprise transactions undertaken in the ordinary course of business and on an arm's length basis. These include: (i) purchase and sale of goods and materials including yarn, fabric, garments etc; (ii) Issuance and allotment of securities; (iii) payment or receipt of guarantee commission or fees, as applicable. (iv) All such transactions shall be executed in compliance with applicable laws and the Company's policy on related party transactions.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	Till the Annual General Meeting of the Company to be held in the year 2027
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise	₹ 1,472 Crores
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The proposed transactions are as a part of new expansion project in the state of Telangana.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	
	a. Name of the director / KMP	Mr. Sabu M. Jacob is the Chairman & Managing Director of Kitex Garments Limited (KGL) also holds position as Managing Director of KAPL and Director of KCL. He is the promoter for all the three companies. Mrs. Sindhu Chandrasekharan, Whole Time Director of KGL, is also a Director of KAPL.
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	99.99%
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	Nil

Part B: Additional Information

B(1). Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances

Sr. No	Description	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	No bidding or any other process has been applied for choosing a party for sale, purchase or supply of goods or services.
2.	Basis of determination of price.	The price / consideration for the transactions is determined based on prevailing market price, scope and nature of goods or services, volume, quality specifications, delivery timelines, and other relevant commercial terms, ensuring that the transactions are undertaken in the ordinary course of business and on an arm's length basis.
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice) if any, proposed to be extended to the related party in relation to the transaction, specify the following: a. Amount of Trade advance b. Tenure c. Whether same is self-liquidating?	Not Applicable

Mr. Sabu M. Jacob together with his relatives and directors of the company who directly hold in aggregate of 9,49,901 equity shares (99.99%) of the Kitex Childrenswear Ltd (Mr. Sabu M. Jacob: 947050 shares, Mrs. Renjitha Joseph: 2850 shares, Mrs. Sindhu Chandrasekharan: 1 share) are concerned or interested in the ordinary resolution under Agenda Item No. 10. As on 31.03.2026, the Company together with Kitex Childrenswear Limited being promoters of the Company are holding 758883795 shares in KAPL.

None of the Directors/Key Managerial Personnel of the Company or any of their relatives are concerned or interested in the above proposed resolution, except to their equity holdings and Directorships in the Company, if any.

Relevant documents in respect of the said items would be made available, for inspection by the members at the Registered Office and electronically of the Company between 11.00 a.m and 3.00 p.m from Monday to Friday up to the date of AGM.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 10 of the Notice for approval by the Members.

By Order of the Board of Directors
For **Kitex Garments Limited**

Dayana Joseph
Company Secretary
Mem No: ACS 61808

Kizhakkambalam
August 14, 2026

Directors' Report

Dear Members,

In compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), this Board's Report is prepared based on the standalone financial statements of the Company (except to the extent where it is specifically mentioned) for the year under review and also presents the key highlights of performance of subsidiaries and associate companies and their contribution to the overall performance of the Company for the year under review.

The Directors are pleased to present the 34th Annual Report of the Company together with the Audited Financial Statements for the financial year ended March 31, 2026.

1. CORPORATE OVERVIEW

Your company is primarily into exports of cotton garments especially Infants wear and Kids wear. The Company exports its products to United States and European Markets.

2. FINANCIAL HIGHLIGHTS

As mandated by the Ministry of Corporate Affairs, your company has prepared the financial statements (both standalone and consolidated) for the year ended March 31, 2026 as per Indian Accounting Standard ('IND AS') notified under Sec 133 of the Companies Act, 2013 read with notification no. G.S.R. 111(E) dated 16.02.2015 as amended from time to time.

The Standalone and Consolidated financial performance of the Company for the financial year ended March 31, 2026 is summarized below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025
Sales and other Income				
Revenue from operations	59,169.06	98,280.46	66,694.89	98,280.46
Other Income	4,491.87	3,660.96	5,233.26	1,854.11
Total Revenue	**63,660.93**	**101,941.42**	**71,928.15**	**100,134.57**
Profit Before Interest, Depreciation and Tax	8,933.73	23,648.33	8,070.86	21,930.44
Less: Finance Charges	1,604.97	1,401.72	4,522.66	1,401.72
Depreciation	1,228.04	1,571.67	4,458.04	1,574.50
Net Profit Before Tax	**6,100.72**	**20,674.94**	**(909.84)**	**18,954.22**
Less: Provision for Tax	2,160.74	5,379.61	2,160.75	5,379.62
Net Profit After Tax	**5,689.98**	**15,295.33**	**(1,320.59)**	**13,574.60**
Share of Profit/ (Loss) of Associates	-	-	-	-
Net Profit after share of profit of Associates	**5,689.98**	**15,295.33**	**(1,320.59)**	**13,574.60**
Balance of Profit brought forward	73,956.06	62,896.45	68,632.28	57,383.72
Balance available for appropriation	79,646.04	78,191.78	67,311.69	70,958.32
Dividend paid on Equity Shares	997.50	997.50	997.50	997.50
Transfer to General Reserve	2,000.00	2,000.00	2,000.00	2,000
Issue of Bonus Shares	-	1,330.00	-	1,330.00
Surplus carried to Balance Sheet	76,648.54	73,864.28	64,314.19	66,630.82

3. FINANCIAL PERFORMANCE

The Company continues to maintain its market leadership in Infants wear across US markets during the year under review. In addition, with a view to risk mitigation we have added European buyers also during the year. We are also planning to penetrate UK market too in the coming years. As everybody are aware Company had to take back foot both on turnover and Profit sides due to the Tariff war created globally. Our turnover dipped by app: 38% and EBIDTA by app: 62%.

However the Tariff war has moderated and duty rates have come down to normal levels and the Company expects to achieve a record turnover for 2026-27 although the major performance will be skewed towards the 2nd half year. Again the Trade agreement signed with UK and Europe will open up huge market for Indian Textiles Industry. Kitex Groups vision to expand capacity has given it an edge as the capacity available in India is limited and the lead time to add capacity it longer. We expect to capture the huge opportunities available and will continue our record growth in the coming years.

STANDALONE PERFORMANCE

On standalone basis, your company reported a turnover of ₹ 63,660.93 lakhs ie., a 38% dip over last year. Cost of goods sold as a percentage to revenue from operations increased to 47% as against 43% basically due to reduction in margin due to tariff issues. Employee cost as a percentage to Turnover increased to 20% as against 15.50% in the previous year. The operating profit stood at ₹ 8,933 lakhs compared with ₹ 23,648 lakhs in the previous year, a dip of 62% over previous year.

However the company expects to reverse this trend in FY 26-27 towards achieving a record turnover .

CONSOLIDATED PERFORMANCE

On consolidated basis, total revenue for the financial year under review was ₹71,928.15 lakhs as against ₹ 100,134.57 lakhs for the previous financial year, a dip of 28% .Operating profit was ₹ 8,070 lakhs and net profit after tax was (910) lakhs .

The major reason for loss is due to the operating losses of Kitex Apparel Parks Ltd , the new subsidiary which started Commercial production whose operating expenses are very huge while sales was negligible and had only domestic yarn and fabric sales mostly.

PERFORMANCE HIGHLIGHTS OF SUBSIDIARY & ASSOCIATE COMPANY

- **ASSOCIATE COMPANY**

  As on March 31, 2026, the Company has an Associate Company, Kitex USA LLC being an Associate Company with joint investment between the Company and Kitex Childrenswear Limited to support and facilitate design and supply for US Market customers. The Associate Company markets through own Brand "Little Star" Infants wear in US and Canada.

  Your company has also sold products worth ₹462.81 Lakhs to its Associate during the reporting period.

- **SUBSIDIARIES**

  During the year under review, the company had 6 wholly owned subsidiaries viz. Kitex Babywear Limited, Kitex Littlewear Limited, Kitex Kidswear Limited, Kitex Knits Limited, Kitex Socks Limited and Kitex Packs Limited. Company has one more subsidiary named Kitex Apparel Parks Limited formed as joint venture to take care of the expansion at Telangana along with Kitex Childrenswear Limited in the ratio 70:30 investment ratio.

Further, pursuant to the provisions of Section 136 of the Act, Audited Financial Statements in respect of subsidiaries are available on the website of the Company www.kitexgarments.com.

A report on the salient features of the financial statements of Subsidiaries/ Associate Companies/ Joint Ventures prepared in form AOC-1 is provided as **Annexure - A**.

There are no companies which have ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the year under review.

The Company has adopted the policy for determining material subsidiaries in terms of Reg 16(1)(c) of Listing Regulations as amended from time to time and may be accessed on the company's website www.kitexgarments.com.

The Consolidated Financial Statements of the Company along with its Subsidiaries and Associate prepared for the year 2025-26 in accordance with relevant Ind AS issued by ICAI forms part of this Annual Report.

4. DIVIDEND AND DIVIDEND DISTRIBUTION POLICY

Your Directors recommend for your approval, final dividend of ₹0.50 paise per share (50%), subject to deduction of income tax at source for the year ended March 31, 2026 on equity shares of Re. 1/- each fully paid-up. The total outgo on account of dividend inclusive of taxes for FY 2025-26 is ₹997.50 lakhs (PY ₹997.50 lakhs) which represents a payout of 17.53% of the Company's standalone profit after taxes.

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top one thousand listed entities based on market capitalization are required to formulate a Dividend Distribution Policy. Accordingly, the Board approved and adopted Dividend Distribution Policy which is available on the Company's website: viz., www.kitexgarments.com

5. TRANSFER TO RESERVES

During the year under review, your company transferred a sum of ₹2,000 lakhs to the General Reserve on account of future expansions.

6. SHARE CAPITAL

The paid-up equity share capital as on 31st March, 2026, was ₹1995.00 lakhs consisting of 19,95,00,000 equity shares of Re. 1/- each fully paid-up.

The Company at its last AGM increased its Authorized Share Capital to ₹50,00,00,000 (Rupees Fifty Crores only) divided into 50,00,00,000 (Fifty Crores) Equity Shares of Re.1/- (Rupee One only) each and consequently, Clause V of the Memorandum of Association of the Company stands altered.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this report.

8. CORPORATE DEVELOPMENT

Scheme of Arrangement – Kitex Childrenswear Limited

Your Directors approved a Scheme of Arrangement ("the Scheme") between Kitex Childrenswear Limited ("KCL"), your Company and their respective shareholders and creditors during FY 2024-25. The Scheme provides for demerger of the Textile Business Division of KCL into your Company.

KCL is primarily engaged in apparel business specialized in premium infants wear and Childrenswear. Under the Scheme, your Company will issue 9706 shares of face value of ₹1/- each for every 100 equity shares of KCL of face value ₹1/- each to the shareholders of KCL as on the record date as defined in the Scheme, resulting in the issuance of 9,21,97,779 new equity shares of your Company. The transaction will enable your company to optimize business operations, achieve economies of scale, create operational efficiency, common pool of production and better utilization of resources.

The above said merger has approved by requisite majority of members of the Company and creditors of both the companies at their respective meetings held on July 24, 2026 pursuant to the order of the Hon'ble National Company Law Tribunal, Kochi Bench. It is in the advanced stage of obtaining approval from regulatory authorities.

The proposed scheme of arrangement will bring greater agility, enabling a more focused approach to execution and value creation, delivering superior experiences for customers, rewarding careers for employees, and long-term returns for shareholders.

9. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (5) of the Act, the Board of Directors of the Company hereby state and confirm that:

(i) in the preparation of the Annual accounts for the year ended March 31, 2026, the applicable accounting standards had been followed along with proper explanation relating to the material departures, if any;

(ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for the year ended on that date;

(iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the annual accounts had been prepared on a going concern basis;

(v) that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. TRANSFER TO INVESTORS EDUCATION AND PROTECTION FUND

a. Transfer of Unpaid Dividend

Pursuant to the provisions of Sec 124(5) of the Companies Act, 2013, your Company has transferred ₹6,52,741.00 for the financial year 2017-18 to Investors Education Protection Fund (IEPF) on September 18, 2025. This amount was lying unclaimed/ unpaid with the Company for a period of 7 (seven) years after declaration of final dividend for the said financial year.

b. Transfer of shares underlying unpaid dividend

The Board of Directors at its meeting held on May 29, 2025, resolved to transmit 14,945 equity shares of the Company into the demat account of the IEPF Authority held with CDSL (DPID/ Client ID: 12047200 – 13676780) in terms of the provisions of Sec 124(6) of the Companies Act, 2013 read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time.

The equity shares were the shares of 35 shareholders whose unclaimed/ unpaid dividend pertaining to FY 2017-18 had been transferred into IEPF and who had not encashed their dividends for 7 (seven) subsequent financial years. The Company has taken various steps by sending reminders requesting them to encash their dividend so as to reduce the limit of unclaimed dividend before transferring the dues to IEPF. The complete list of such shareholders whose shares were due for transfer to IEPF was also placed in investor's relations section on the website of the Company www.kitexgarments.com.

Further, dividend which has become unclaimed for the last 7 years since 2018-19 will be transferred to IEPF account on or before November 02, 2026 for which Company had sent the reminder letter to shareholders concerned. The details are provided in the shareholder information section of this Annual Report and are also available on our website www.kitexgarments.com.

11. CAPITAL EXPENDITURE

As on 31st March, 2026, the Gross Fixed Assets stood at ₹29,512.94 Lakhs and net fixed assets of ₹9,164.58 Lakhs. Additions during the year amount to ₹237.47 Lakhs.

12. FUTURE PROSPECTS

Our major future prospects is planned through our expansion in the state of Telangana through our subsidiary Kitex Apparel Parks Ltd. The total project cost planned is approximately ₹3500 Crores which is funded through Debt/Equity in the ratio of 70:30. The equity is shared in a proportion of 70:30 by KGL and KCL. The term loan is funded by a Consortium of Six Banks headed by Axis Bank. There are two Projects, one at Kakatiya Mega Textiles Park and second one at Sitarampur Industrial Park near Hyderabad.

Warangal Project is coming to a closure and ₹1800 Crores already spent against ₹2000 Crores planned and production commenced in August 2025. In Sitarampur consideration towards land has already been fully paid and land documentation expected in October 2026. ₹92 Crores has been totally spent against this Project. Commercial production for this project is planned in September 2028.

Since the US Tarff has came to normal levels and the USA FTA is on the anvil along with UK and EU FTA already signed we expect major prospects for the Company. Your Company is at a major advantage due to advanced stage of Implementation of Telangana Project.

13. CREDIT RATING

During the year under review, India Ratings, the Credit Rating Agency assigned the rating of the Company as “IND A with negative outlook” for the company’s long term borrowings and assigned the rating of IND A1 for the Company’s short term borrowings.

14. QUALITY AND ACCOLADES

Your Company continues to win awards year by year, thus reiterating its credible market position.

15. CHANGE IN THE NATURE OF BUSINESS

During the year under review, there was no change in the nature of the business.

16. LISTING

The Equity Shares of the Company continue to remain listed on BSE Limited and the National Stock Exchange of India Limited.

17. DEPOSIT FROM THE PUBLIC

The Company has not accepted any deposit within the meaning of Chapter V of the Companies Act, 2013 and the Rules framed thereunder.

18. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134 (3) (a) of the Act, the Annual Return as on March 31, 2026 is available on the website of the Company at www.kitexgarments.com.

19. SECRETARIAL STANDARD

The Company complies with all applicable secretarial standards.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

The Company had continued to give a Corporate Guarantee of ₹ 2023 Crores during the financial year 25-26 pursuant to the provisions of Section 185 and 186 of the Act and SEBI (LODR) Regulations, 2015. Loan amount of ₹19,945.01 Lakhs and Investments of ₹57,434.42 Lakhs have been made in its Subsidiary Companies, the details that are covered under the provision of the said section are given in the respective notes to financial statements under Note No. 2.03 and 2.02.

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review and between the end of the financial year and date of this report, the following are the changes in Directors and Key Managerial Personnel of the Company:

(i) Mr. C P Philipose ceased to be the Independent Director of the Company upon resignation on May 06, 2026. The Board places on record its appreciation towards valuable contribution made by him during his tenure as member of the Board and the Chairman of the Audit Committee and Nomination and Remuneration Committee of the Board.

(ii) Based on the recommendation of the Nomination and Remuneration Committee (NRC) of Board and subject to the approval of Members, the Board appointed Mr. Bijoy Philipose as an Additional Director, designated as a Non-Executive Independent Director, with effect from June 30, 2026, subject to the approval of the shareholders.

(iii) In accordance with the provisions of the Act and in terms of the Memorandum and Articles of Association of the Company, Mr. K L V Narayanan, Non-Executive Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for reappointment. Item seeking his reappointment along with his detailed profile has been included in the notice convening the AGM.

There is no change in the Board of Directors & Key Managerial Personnel of your company during the financial year 2025-26 except as mentioned above.

All Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Reg 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. Based on the confirmation/ disclosure received from the directors, the Non-Executive Directors namely Mr. C. P. Philipose, Mr. A. K. Mathew and Mrs. Sumi Francis are treated as independent as on March 31, 2026.

The Company recognizes the importance of a diverse board and believes that it brings new ways of thinking, insights and different perspective on consumer wants and needs. This will help company to retain competitive position in the corporate world.

In the opinion of the Board, the Independent Directors are persons with integrity, expertise and experience in the relevant functional areas. Requirements of online proficiency self-assessment test in terms of Rule 6(4) of The Companies (Appointment and Qualifications of Directors) Rules, 2014 will be complied within a period of two years from the date of inclusion of the name in the data bank of independent directors, if the same is applicable.

During the year under review, meetings of the Board of Directors and its Committees were held, details of which are set out in the Corporate Governance Report which forms part of this Report.

22. BOARD EVALUATION & FAMILIARISATION PROGRAMME

Having a formalized Board evaluation gives Board Members an opportunity of assessing their own performance and brings out the importance of the contributions of individual directors. It is a mechanism by which Board members candidly reflect on how well the Board is meeting its responsibilities.

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Companies Act, 2013 as well as SEBI (LODR) Regulations, 2015.

With the objective of evaluating the performance of Directors, Nomination and Remuneration Committee has formulated a structured questionnaire after taking into consideration the various aspects viz., composition of the Board and its committees, Board's function, its culture, quality and timely flow of information, frequency of meetings, execution and performance of specific duties, obligations and governance.

Board has carried out an annual performance evaluation of its own performance, the performance of various committees of the Board, Individual Directors and the Chairman based on adopted questionnaire. A note on the familiarizing programme adopted by the Company for the orientation and training of the Directors and the manner in which the Board evaluation process undertaken in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in the Corporate Governance Report which forms part of this Report.

Further, the Independent Directors of the Company met on February 02, 2026 to review the performance of the Non-Executive Directors, Chairman of the Company and the access of the quality, quantity and timelines of flow of information between the Company management and the Board to effectively perform their duties. The details of familiarization program conducted for Independent Directors of your Company are available on your Company's website www.kitexgarments.com.

23. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided in Section 178(3) of the Act is available on our website www.kitexgarments.com. We affirm that remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

Some of the salient features of which are as follows:

1. To regulate the appointment and remuneration of directors, key managerial personnel and the senior management personnel;
2. To identify persons who are qualified to become directors as per the criteria/ Board skill matrix identified by the Board;
3. To ensure proper composition of Board of Directors and Board diversity;
4. To ensure that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors, key managerial personnel and senior management and their remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to Company's working and its goals.
5. To provide succession planning to maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management.

24. BOARD COMMITTEES

Detailed composition of the mandatory Board committees namely Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Stakeholders Relationship Committee, CSR Committee, its number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms part of this Report. There have been no situations where the Board has not accepted any recommendation of the Audit Committee.

25. EMPLOYEES' STOCK OPTION SCHEME

The Company has not granted any Employee Stock Option within the meaning of section 62 (1) (b) of the Companies Act, 2013 read with its Rules framed thereunder and respective SEBI regulations.

26. CORPORATE SOCIAL RESPONSIBILITY

Your Company believes in touching some of the important aspects of human life. Even before commencement of Companies Act, 2013, it has embarked on the journey of social change through inclusive growth, dedicated to the cause of future and future generations. The Company implements CSR directly to the society of Kizhakkambalam Panchayat and four neighboring Panchayats in which it operates and efforts are revolved around several projects relating to Social Empowerment and Welfare, Infrastructure Development, Sustainable Livelihood and Health Care during the year under review. These projects are in accordance with Schedule VII of the Act and its CSR policy.

The brief report of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure - B** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company are available on your Company's website www.kitexgarments.com.

27. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report on the operations of the Company, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, forms an integral part of this Report.

28. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

As required under Regulation 34 of the Listing Regulations, the Business Responsibility and Sustainability Report is provided in a separate section and forms part of the Annual Report describing the initiatives undertaken by the Company from an environmental, social and governance perspective during the year under review.

29. CORPORATE GOVERNANCE

A separate section on parameters of statutory compliance evidencing the standards expected from a listed entity have been duly observed and a report on Corporate Governance as well as certificate from Practicing Company Secretary confirming compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Report.

30. VIGIL MECHANISM

The Company has adopted a Vigil Mechanism to report concern about unethical behavior, actual or suspected fraud or violation of Company's code of conduct by the Directors and employees. The policy provides for direct access to the Chairman of the Audit Committee and safeguarding the employees and Directors who raises grievances against victimization. The details of establishment of such mechanism have been disclosed in the corporate governance report for the year under review. The vigil mechanism is disclosed in the website of the company viz., www.kitexgarments.com.

31. RELATED PARTY TRANSACTIONS

All transactions or arrangement entered into with the related parties for the year under review were on arm's length basis and in the ordinary course of business. Hence the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is enclosed as **Annexure - C**.

The company has developed a framework through Standard Operating Procedures for the purpose of identification and monitoring of such Related Party Transactions. All Related Party Transactions were placed before the Audit Committee as also to the Board for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are audited by the Risk Assurance Department and a statement showing the details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company. The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company viz., www.kitexgarments.com.

32. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/ revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted with M/s. K Venkatachalam Aiyer & Co, a leading firm of Chartered Accountants. The main thrust of Internal Audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal financial control systems w.r.t. the financial statements and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Independent Auditors and the Core Committee Heads have periodically been appraised the significant internal audit observations and the corrective actions have been taken. The Audit Committee places a key role in providing assurance to the Board of Directors. In order to maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

33. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchanges earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 as amended from time to time is annexed as **Annexure - D** and forms an integral part of this Report.

34. BUSINESS RISK MANAGEMENT

Your Company continues to strengthen its robust Risk Management Framework and the same was reviewed by the Audit Committee periodically. As per the listing regulations, top 1000 listed entities based on market capitalization has to constitute Risk Management Committee. Accordingly, Board of Directors at its meeting held on May 28, 2021 has constituted the Committee, the details of which have been covered in the Corporate Governance Report forming part of the report. The Committee meets for focused interaction with business, identifying and prioritizing strategic, operational risk and formulating appropriate mitigation strategies and conducting frequent review of the progress on the management of the identified risk. The Committee also constituted the Risk Management policy for assessing the risks connected to the company and also minimization procedures. Your company believes that managing risk helps in maximizing return. The company's approach in addressing business risks includes periodical review of such risks and thereby mitigating it effectively. The risk management framework is reviewed periodically by the Board and the Audit Committee. Some of the risks that the company is exposed to are:

- **FINANCIAL RISKS:**

  The Company's policy is to actively manage its foreign exchange risks within the framework laid down by the Company's forex policy approved by the Board. Given the interest rate fluctuations, your Company has adopted a prudent and conservative risk mitigation strategy to minimize financial and interest cost risks.

- **COMMODITY PRICE RISKS**

  The Company is exposed to the risk of price fluctuations of raw materials as well as finished goods. The company proactively manages these risks through forward booking, inventory management and proactive vendor development practices. Your company's reputation for quality, product differentiation coupled with the existence of a powerful brand image with a robust design and marketing network in US mitigates the impact of price risk on finished goods.

- **REGULATORY RISKS**

  The Company recognized its risks attached to various statutes, laws and regulations. The company is mitigating these risks through regular review of legal compliances carried out through our internal as well as external compliance audits by our customers.

- **HUMAN RESOURCE RISKS**

  Retaining the existing talent pool and attracting new talent are the major risks affecting the company. We have initiated various measures including rolling out of strategic talent management systems, training and integration of learning and development activities. Our company has collaborated with various agencies like Integrated Skill Development Scheme (ISDS), Kudumbashree which helps to identify, nurture and groom labour talents within all states of India to prepare them for future business leadership.

- **STRATEGIC RISKS**

  Emerging businesses, capital expenditure for capacity expansion etc are normal strategic risks face by your company. However, your Company has well-defined processes and procedures for obtaining approval for investments in new businesses and capacity expansions.

- **CYBER SECURITY RISKS**

  Understanding the threat landscape is essential for your company to make informed decisions about where to focus the security efforts and resources. Another major concern is the over-reliance on AI tools may lead to a gradual erosion of foundational technical skills. However, your Company thinks on how to approach technical training and professional development in light of AI's influence and periodical internal cyber security audit to ensure the minimal cyber security risks.

35. AUDITORS

35.1 INDEPENDENT AUDITORS

As per the provisions of Section 139 of Companies Act, 2013, M/s. MSKA & Associates, Chartered Accountants, (FRN: 105047W) have been re-appointed as Independent Auditors of the company for the second term of five years from the conclusion of the 31st AGM of the Company held on September 30, 2023. Further the report of the Independent Auditors along with notes to financial statements is enclosed to this Annual Report.

The Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

The Audit Committee reviews the independence and objectivity of the Auditors and the effectiveness of the Audit process.

The Auditors' Report on the Company's Standalone Financial Statements contain qualification and the Company's Consolidated Financial Statements do not contain any qualification, reservation, disclaimer or adverse remarks.

35.2. BOARD'S COMMENT ON AUDITOR'S QUALIFICATIONS

The explanations on the qualifications/observations given by the Statutory Auditors in their Audit Reports have been provided in Note 2.02.1 to the Standalone Financial Statements.

35.3. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. SVJS & Associates, Practicing Company Secretaries, Kochi as Secretarial Auditor of the Company for a term of five (5) consecutive years, commencing from financial year 2025-26 till financial year 2029-30 to undertake the Secretarial Audit of the Company for a period of five years and the same was approved by the Shareholders at the AGM held in 2025. The Audit Report issued by the Secretarial Auditors for the FY 2025-26 form part of this Report and is set out in **Annexure - E** which is self-explanatory.

The explanations on the observations given by the Secretarial Auditors in their Audit Report are as follows: The Company will report the violation of the Code of Conduct under the SEBI (Prohibition of Insider Trading) Regulations, 2015 to the stock exchange(s) and will strengthen its monitoring and compliance mechanisms.

The Company's unlisted subsidiary, Kitex Apparel Parks Limited (KAPL) had also undergone Secretarial Audit in terms of Regulation 24A of the Listing Regulations and Circulars/Guidelines issued thereunder. The Secretarial Audit Report of KAPL for the financial year ended March 31, 2026 is annexed herewith as **Annexure - E1**. The Secretarial Audit Report of KAPL does not contain any qualification, reservation, and adverse remark.

35.4. INTERNAL AUDITORS

M/s. K. Venkatachalam Aiyer & Co, Chartered Accountants continue to be the Internal Auditors of your company for the financial year 2025-26.

36. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There were no significant and material orders passed by the Regulators/ courts except as mentioned in corporate governance report which forms part of this report, which would impact the going concern status of your company and its future operations during the period under review.

37. ENVIRONMENT AND SAFETY

The Company is conscious of the importance to environmental friendly and safe operations. The company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliance of environmental regulations and preservation of natural resources.

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition and redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at the workplace with a mechanism of lodging complaints. The following is a summary of sexual harassment complaints received and disposed off during the reporting period:

- No. of complaints received in the year: Nil
- No. of complaints disposed off during the year: Nil
- No. of cases pending for more than ninety days: Nil

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Act. The Company has filed Annual Report for the year ended December 31, 2025 under the Act with District officer.

38. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Your Company believes that its manpower is an asset for the company and enjoys strong brand image as a preferred and caring employer. The ongoing focus is on attracting, retaining and engaging talent with the objective of creating a robust talent pipeline at all levels. Value-based HR programmes have enabled your Company's HR team to become strategic partners for the business. Your company laid stress to build a women-friendly workplace by introducing various initiatives for the development of women employees in the organization. Your Company has focused on internal talents and nurtures them through the culture of continuous learning and development, thereby building capabilities for creating future leaders. Your company's initiatives like hiring freeze at some levels, robust talent review, career development conservations and best-in-class development opportunities, which will help to enhance the employees experience at your Company. The Company's Human Resources plays a critical role in your Company's talent management process.

The disclosure as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure - F** and forms part of this report.

Information relating to remuneration of Directors under Section 197 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been given in **Annexure - G** to the Director's Report.

39. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- There were no frauds reported by the auditors under provisions of the Companies Act, 2013;
- Issue of equity shares with differential rights as to dividend, voting or otherwise;
- There were no revisions in the financial statements;
- Issue of share (including sweat equity shares) to employees of the Company under any scheme as permitted under any provision of Companies Act, 2013.
- Company is not required to maintain cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013.
- The Company has complied with the applicable provisions of Maternity Benefit Act, 1961.
- No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year is not applicable; and
- The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

40. ACKNOWLEDGEMENTS

Your Directors thank various Central and State Government Departments, Organizations and Agencies for the continued help and cooperation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board of
Kitex Garments Limited

Sabu M Jacob
Chairman & Managing Director
(DIN: 00046016)

Kizhakkambalam
August 14, 2026

ANNEXURE – A TO THE DIRECTOR'S REPORT

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

(Form AOC-1)

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in lakhs)

Block I	1	2	3	4	5	6	7
CIN/ any other registration number of subsidiary company	U18100TG2021PLC157154	U18204KL2018PLC055316	U18109KL2018PLC055151	U18209KL2018PLC055318	U18109KL2018PLC054849	U25209KL2018PLC055321	U18109KL2018PLC055319
Name of the subsidiary	**Kitex Apparel Parks Limited**	**Kitex Babywear Limited**	**Kitex Kidswear Limited**	**Kitex Knits Limited**	**Kitex Littlewear Limited**	**Kitex Packs Limited**	**Kitex Socks Limited**
The date since when subsidiary was acquired	18.11.2021	29.10.2018	17.10.2018	29.10.2018	25.09.2018	29.10.2018	29.10.2018
Provisions pursuant to which the company has become a subsidiary (Section 2(87)(i)/ Section 2(87)(ii))	2(87)(ii)	2(87)(ii)	2(87)(ii)	2(87)(ii)	2(87)(ii)	2(87)(ii)	2(87)(ii)
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2025 to 31.03.2026	01.04.2025 to 31.03.2026	01.04.2025 to 31.03.2026	01.04.2025 to 31.03.2026	01.04.2025 to 31.03.2026	01.04.2025 to 31.03.2026	01.04.2025 to 31.03.2026
Reporting currency	INR	INR	INR	INR	INR	INR	INR
Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA	NA	NA	NA	NA	NA	NA
Share Capital	75,888.38	10.00	100.00	10.00	100.00	10.00	10.00
Reserves & Surplus	(5,868.04)	(204.01)	(784.34)	(808.82)	(1,647.81)	(283.91)	(323.24)
Total Assets	23,8327.38	386.40	1,897.04	2,316.20	3557.95	675.45	640.98
Total Liabilities	1,68,307.04	580.41	2,581.38	3,115.02	5,105.76	949.36	954.22
Investments	-	-	-	-	-	-	-
Turnover	13,405.28	-	3.98	-	0.73	-	-
Profit before taxation	(6,046.50)	(40.46)	(172.26)	(208.19)	(341.06)	(65.00)	(65.50)
Provision for taxation	-	-	-	-	-	-	-
Profit after taxation	(6,046.50)	(40.46)	(172.26)	(208.19)	(341.06)	(65.00)	(65.50)
Proposed Dividend	-	-	-	-	-	-	-
Extent of shareholding (in %)	70%	100%	100%	100%	100%	100%	100%

2. Number of subsidiaries which are yet to commence operations: Nil
3. Number of subsidiaries which have been liquidated or have ceased to be a subsidiary during the year: Nil

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Amount in Lakhs)

Sl. No.	Name of Associates/Joint Ventures	KITEX USA LLC
1	Latest audited Balance Sheet Date	31.03.2026
2	Date on which the Associate or Joint Venture was associated or acquired	04.04.2015
3	Shares of Associate/Joint Ventures held by the company on the year end	
	i. No.	4250210.09 shares
	ii. Amount of Investment in Associates/Joint Venture	2776.24
	iii. Extend of Holding %	50%
4	Description of how there is significant influence	More than 20% of total share capital held by the Company
5	Reason why the associate/ joint venture is not consolidated	Not applicable
6	Net-worth attributable to Shareholding as per latest audited Balance Sheet	(4915.89)
7	Profit / Loss for the year	
	i. Considered in Consolidation	No
	ii. Not Considered in Consolidation	NA

1. Names of associates or joint ventures which are yet to commence operations: Nil
2. Names of associates or joint ventures which have been liquidated or have ceased to be associate or joint venture during the year: Nil

For and on behalf of the Board of Directors of
Kitex Garments Limited

Sabu M Jacob
Chairman & Managing Director
(DIN: 00046016)

Sindhu Chandrasekharan
Whole-Time Director
(DIN: 06434415)

Boby Michael
Chief Financial Officer

Dayana Joseph
Company Secretary
(Mem No: A61808)

August 14, 2026
Kizhakkambalam

ANNEXURE - B - TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES – 2025-26

(As per Rule 8 (1) of Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. Brief outline of the company's CSR policy

The Company, since its inception believed in the guiding principle "Caring the Community" and as a responsible corporate, it always believes in improving the quality of life of communities interfacing with the Company. We have served disadvantaged communities in and around our factory premises directly or through Twenty20 Kizhakkambalam Association through its focus on Eradicating Hunger and Poverty, Education and Skill Development, ensuring good Health & Wellness, Environment Sustainability, Infrastructure Development and making available Safe Drinking Water and contributed towards national causes. We have also been successful in inspiring stakeholders in participating in our CSR journey. The Projects undertaken has been a hall mark and much appreciated by the community and was within the broad framework of Schedule VII of the Companies Act, 2013.

Our vision is – "to effectively contribute to the social and economic development of the communities in which we operate. In doing so we intend to build a better, sustainable way of life for the weaker sections of society and raise the country's human development index".

Our CSR policy includes:

- To pursue a corporate strategy that enables realization of the twin goals of shareholders' value enhancement and societal value creation in a mutually reinforcing and synergistic manner.
- To implement Social Investments/ CSR programmes primarily in the economic vicinity of your Company's operations with a view to ensuring the long term sustainability of such interventions.
- To contribute to sustainable development in areas of strategic interest through initiatives designed in a manner that addresses the challenges faced by the Indian society especially in rural India.
- To collaborate with communities and groups to contribute to the national mission of eradicating poverty and hunger, especially in rural areas, through superior farm and agri-extension practices, soil and moisture conservation and watershed management, conservation and development of forest resources, empowering women economically, supplementing primary education and participating in rural capacity building programmes and such other initiatives.
- To sustain and continuously improve standards of Environment, Health and Safety through the collective endeavour of your Company and its employees at all levels towards attaining world class standards and support other programmes and initiatives, internal or external, for the prevention of illness and combating of diseases as may be considered appropriate from time to time.
- To encourage the development of human capital by expanding human capabilities through skills development, vocational training etc. and by promoting excellence in identified cultural fields.

Details of Company's CSR policy is available in www.kitexgarments.com

2. Composition of the CSR Committee

Kitex Garments Limited has set up Corporate Social Responsibility Committee (CSR Committee) as per the requirement of the Companies Act, 2013. During the year, the Committee met 2 times viz., June 23, 2025 and November 12, 2025. The members of the CSR Committee as on March 31, 2026 is as under:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sabu M Jacob	Chairman – Non Independent, Executive	2	2
2	Mr. K L V Narayanan	Member - Non-Independent, Non - Executive	2	1
3	Mr. C P Philipose	Member- Independent, Non-Executive	2	2
4	Mr. A K Mathew	Member- Independent, Non-Executive	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: http://www.kitexgarments.com/wp-content/uploads/2024/03/Board-Committees.pdf & http://www.kitexgarments.com/wp-content/uploads/2021/07/CSR-policy_final_290621.pdf

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135 : ₹ 13,526.83 Lakhs

   (b) 2% of average net profit of the company as per section 135(5) : ₹ 270.53 Lakhs

   (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

   (d) Amount required to be set off for the financial year, if any : Nil

   (e) Total CSR obligation for the financial year [(b)+(c)-(d)] : ₹ 270.53 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : ₹ 294.11 Lakhs

   (b) Amount spent in Administrative Overheads : Nil

   (c) Amount spent on Impact Assessment, if applicable : Nil

   (d) Total amount spent for the Financial Year [(a)+(b)+(c)] : ₹ 294.11 Lakhs

   (e) CSR amount spent or unspent for the Financial Year :

Total Amount Spent for the Financial Year (₹ in lakhs)	Amount Unspent (₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
294.11	Nil	NA	NA	Nil	NA

   (f) Excess amount for set off, if any

Sl. No	Particulars	Amount (₹ in Lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per section 135(5)	270.53
(ii)	Total amount spent for the Financial Year	294.11
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	23.58
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under section 135(6) (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
NIL								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year : No

If Yes, enter the number of capital assets created/acquired : Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Address
Not Applicable							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135 : Not Applicable.

	Sabu M Jacob	**C P Philipose**
	Chairman & Managing Director	Member
August 14, 2026	& Chairman of CSR Committee	CSR Committee
Kizhakkambalam	(DIN: 00046016)	(DIN: 01125157)

ANNEXURE – C TO THE DIRECTOR'S REPORT

PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES

(Form No. AOC-2)

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 –Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto]

1. Details of contracts or arrangements or transactions not at arm's length basis

There are no contracts or arrangements, or transactions entered into by the Company during the year ended March 31, 2026, which are not at arm's length basis.

2. Details of material contracts or arrangements or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Kitex Childrenswear Limited	Kitex Apparel Parks Limited	Kitex USA LLC
CIN or FCRN or LLPIN or FLLPIN or PAN/Passport for individuals or any other registration number	U18101KL1991PLC006048	U18100TG2021PLC157154	0450005261
Nature of relationship	Enterprises owned or significantly influenced by key management personnel or their relatives	Subsidiary Company	Associate Company
Nature of contracts/ arrangements/ transactions	Sale or purchase of goods or materials, leasing of property, availing or rendering of services including expenses recovered etc	Sale or purchase of goods or materials, leasing of property, availing or rendering of services including expenses recovered etc	Sale or purchase of goods or materials, availing or rendering of services etc
Duration of the contracts / arrangements/ transactions	On ongoing basis	On ongoing basis	On ongoing basis
Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	In tune with market parameters. Annual amount of ₹ 63.57 Crores	In tune with market parameters. Annual amount of ₹ 63.66 Crores	Based on Transfer Pricing Guidelines. Annual amount of ₹ 17.59 Crores
Date of approval by the Board	June 23, 2025	June 23, 2025	June 23, 2025
Amount paid as advances, if any	Nil	Nil	Nil

Note:

Appropriate approvals have been taken for related party transaction. Advances paid if any have been adjusted against billing wherever applicable.

For and on behalf of the Board of Directors of
Kitex Garments Limited

Sabu M Jacob
Chairman & Managing Director
(DIN: 00046016)

August 14, 2026
Kizhakkambalam

ANNEXURE D - TO DIRECTORS' REPORT

PARTICULARS OF ENERGY CONSERVATION, RESEARCH AND DEVELOPMENT TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Particulars pursuant to the Rule 8(3) Companies (Accounts) Rules, 2014)

A. Conservation of Energy

i. Steps taken for conservation of energy:

Your Company continually took necessary steps to absorb and adopt the latest technologies and innovations in the Garment Industry. Some of the steps undertaken are:

a) All Yard Lighting Luminaire of the Premises have been changed from 400W Metal Halide to 100W LED.

b) Motors of AHUs and Chiller Unit are now controlled and operated with VFD, thus achieving ample saving in energy cost.

c) Replacing of all Motors which are re-wound more than 3 times with new one.

d) Keeping the Slogan "Energy saved is Energy generated" in mind, necessary training is given to the Electrical Technicians of our Plant and other related premises on a continual basis to monitor and switch off unwanted/not in use appliances/Lighting fixtures so as to avoid misuse valuable energy.

e) All 13W PL Lamps of Toilet Blocks were replaced with 5W LED Lamps. Similarly 14W CFL of Gents Hostel were replaced with 7W LED.

f) For Pneumatic Lines of compressed air system, "Floor wise Valve" control has been introduced so as to control air supply and to achieve reduced usage of compressor.

g) Conducting periodical "Thermal imaging" on Switch Gears, Bus Bars and Cable termination to understand loose connection, if any, and thereby avoiding chances overheating and insulation failures.

h) Solar Energy is being utilized for heating up Water for Drinking purpose in both Plant and accommodation areas. The Water for bathing purpose also is heated up using Solar Energy in accommodation areas. Part of the Hot Water requirement is thus met with.

i) Approximate equivalent of 4 Nos. of Normal LPG Cylinders of 19.5 Kg each worth "Biogas" is being produced on a daily basis from the treatment of waste.

j) Decision is taken to procure only energy efficient Motors whenever requirement for new Motors or replacing existing Motors are coming.

k) Steps were initiated to switch off Electric Lamps on areas where adequate natural light is available during day time.

l) Usage of water is restricted/regulated by closing respective valves at different intervals. This is being carried-out without creating any difficulty for the end user.

m) Variable frequency drive in major utility equipment to reduce power consumption.

n) Using Building management system wherein AC is functioning under software control. With this technology, substantial reduction of electricity usage can be achieved.

o) A new D.G Set of capacity 1010 kVA using HSD as the fuel for standby application during failure of Grid Supply.

p) Use of Thermic Fluid circulation for Drying application in Processing Unit.

These measures have also led to better pollution control, reduced the impact on environment, reduced maintenance time and cost, improved hygienic condition and consistency in quality and improved productivity.

ii. The steps taken by the Company for utilizing alternative source of energy.

Your company has taken steps for up-gradation and modernization of various machines in phased manner. The Company also replaces old plant and machinery in the processing unit and steps are taken to modernization of various operations including installation of robotic machines for handling very specialized work/activities.

Your Company have conducted the possibility of generating and using "Renewable sources of Energy" on a large scale for our 3 Units, particularly for "Processing Division". But as per feasibility study of outside agency, the roof structure of the Processing Unit is not capable of withstanding "Dead Load" of Solar Panels, unless and until it is reinforced/modified properly. According to the observation of the professional agencies, who had conducted study on the suitability of "Roof" for the generation of solar power, the available area on the building is equivalent to that of 2500 kWP worth power.

Since modification of the roof structure requires "Plant Shut Down" for weeks together and it is practically not possible to think on it due to extremely tight production schedules, the idea for generating alternative source of energy is dropped for the time being. The only option left out is to take necessary precautionary measures to make the roof structurally strong to accommodate "Dead Load" of Solar Panels when we construct new building/ factory sheds.

iii. Capital investment on energy conservation equipment: Nil

iv. Total Energy consumption and energy consumption per unit of production

Power & Fuel Consumption	Year Ended 31.03.2026	Year Ended 31.03.2025
Electricity		
Purchased		
Units (KWH)	17539327	21981555
Total Amount (₹)	12,42,80,285	16,53,59,902
Cost/Unit (₹/KWH)	7.09	7.52
Own generation		
Through Diesel Generator		
Units (KWH)	47161	44251
Total Amount (₹)	23,05,432	21,17,209
Cost/Unit (₹/KWH)	48.88	47.85
Fuel		
a) Furnace Oil		
Quantity (KL)	1515	2272
Total Amount(₹)	7,33,64,317	12,00,45,670
Cost/Unit (₹/KL)	48,429	52,839
b) Firewood		
Quantity (MT)	15999	25576
Total Amount(₹)	6,93,82,407	10,35,48,610
Cost/Unit (₹/MT)	4,337	4,049
c) Diesel		
Quantity (KL)	44	49
Total Amount(₹)	41,34,026	45,69,642
Cost/Unit (₹/KL)	93,955	93,258

B. Technology Absorption

i. The efforts made towards technology absorption

In addition to product and raw material development which continues to be strengthened, Research and Development activities on fashion designing are carried out on an on-going basis. Absorbing technologies with state of art machineries like automated cutting machine, automated fabric inspection machines, etc., the quality of the products and efficiency of the systems have been substantially improved. By applying those technologies, the cost of production was under control. During the last three financial years, the Company has not imported any technology. The nature of activities of the Company does not warrant any exclusive R&D department.

The Company has been using Austrian imported machinery "Loop Steamer" from few years back for reactive printed fabric finishing. The Machinery is designed to facilitate the dyes fixation on a continuous process on to the printed fabric with tension less loop formation, in single web or double strand operation methods. Its thermo-cure technology enables to obtain excellent quality of finishing results of printed farics in brilliant colours while saving a lot of energy. Multiple applications like saturated steam, super-heated steam and hot air polymerizing are some added advantages of the machine.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution

The benefits derived from automation has increased the production and capacity utilization. By delivering better and quality products, repeat orders have been placed by customers due to consistency in quality.

Loop steamer machinery's thermo-cure technology enables to obtain excellent quality of finishing results of printed farics in brilliant colours while saving a lot of energy. Multiple applications like saturated steam, super-heated steam and hot air polymerizing are some added advantages of the machine. PLC touch screen control enables easy and quick adjustments on machine with low noise. With value addition in fabrics, the machinery is highly efficient in steam consumption and easy maintenance.

iii. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)

The details of technology imported	The year of import	Whether the technology has been fully absorbed	If not fully absorbed, areas where absorption has not taken place and reasons
Nil			

iv. Expenditure incurred on research and development

No specific expenditure of recurring or capital nature is involved in technology absorption, adoption and innovation directly.

C. Foreign exchange Earnings and Outgo:

(₹ in Lakhs)

Sl. No.	Particulars	2025-26	2024-25
1	Earnings on account of Exports	51,438.15	77,327.27
2	Outgo on account of Imports & Expenditure	4,622.88	7,044.13

For and on behalf of the Board of Directors
Kitex Garments Limited

Sabu M Jacob
Chairman & Managing Director
(DIN: 00046016)

August 14, 2026
Kizhakkambalam

ANNEXURE – E TO THE DIRECTOR'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Kitex Garments Limited
Building No. VI/496, Kizhakkambalam
Vilangu P.O., Aluva, Kunnathunad,
Kochi – 683561

We, SVJS & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KITEX GARMENTS LIMITED [CIN: L18101KL1992PLC006528]** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2026 according to the provisions of:

i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, as applicable;

v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

   (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   (f) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, to the extent applicable.

vi) The Management has identified and confirmed the following law as specifically applicable to the Company:

   1. The Textiles (Development and Regulation) Order, 2001

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observations:

Mr. Saji Kurian, Designated Person, disposed of 8,400 equity shares between 17/12/2025 and 29/12/2025 (Q3: October–December 2025). Traded values — Rs. 1,90,028.20 (1,000 shares), Rs. 8,41,218.75 (4,500 shares) and Rs. 5,26,216.60 (2,900 shares). On aggregation of the first two transactions (Rs. 10,31,246.95), the threshold of Rs. 10 Lakhs under Regulation 7(2)(a) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 was crossed. Disclosure was required within two trading days from the date the threshold was crossed. Disclosure was, however, received by the Company only on 05/01/2026 — beyond the prescribed period.

Further, no evidence was found of the Company having reported this violation to the stock exchange(s) as required under Clause 13 of Schedule B read with Regulation 9 of the Regulations.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

There were no dissenting views on any decisions of the Board, as recorded in the Minutes of Board meetings.

We further report that, as represented by the Management and relied upon by us, there are adequate systems and processes in the Company commensurate with size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no instances of:

i. Public/Right/Preferential issue of shares / debentures/sweat equity;

ii. Redemption / buy-back of securities;

iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013

iv. Merger / amalgamation / reconstruction (other than as mentioned below);

v. Foreign technical collaborations.

The Board of Directors approved a Scheme of Arrangement between Kitex Childrenswear Limited and Kitex Garments Limited and their respective shareholders and creditors on 14.02.2025, transferring Kitex Childrenswear's Textile Business Division to Kitex Garments Limited. As per the order dated 22.01.2026 passed by the Hon'ble National Company Law Tribunal, Kochi Bench, a meeting of the Equity Shareholders and Unsecured Creditors of Kitex Garments Limited ("the Company") was held on 24.07.2026 for approving the Scheme of Arrangement in the nature of demerger of Kitex Childrenswear Limited (Demerged Company) and Kitex Garments Limited (Resulting Company) and their respective Shareholders and Creditors under Section 230 to 232 of the Companies Act, 2013.

Further, the Company has, among other things, passed the following resolutions at its Annual General Meeting held on 17.09.2025:

- Increase in authorized share capital of the Company from Rs. 25,00,00,000/- divided into 25,00,00,000 equity shares of Re. 1/- each to Rs. 50,00,00,000/- divided into 50,00,00,000 equity shares of Re.1/- each and consequent alteration to the capital clause of the Memorandum of Association.
- Approval for Capital Raising by way of issuance of equity shares by way of Qualified Institutions Placement ("QIP") for an aggregate amount of up to Rs. 3,000 Crores (Rupees Three Thousand Crores Only).
- Approval of material related party transactions with Kitex Apparel Parks Limited upto a maximum aggregate amount of Rs.3,600 Crores for a period not exceeding fifteen months from the 33rd Annual General Meeting.
- Approval of material related party transactions with Kitex Childrenswear Limited upto a maximum aggregate amount of Rs.400 Crores for a period not exceeding fifteen months from the 33rd Annual General Meeting.
- Approval of material related party transactions with Kitex USA LLC upto a maximum aggregate amount of Rs.300 Crores for a period not exceeding fifteen months from the 33rd Annual General Meeting.
- Approval of material related party transactions of identified Subsidiary of the Company, Viz, Kitex Apparel Parks Limited (KAPL) with Kitex Building Systems L.L.C-FZ, related parties of the company upto a maximum aggregate amount of Rs.400 Crores for a period not exceeding fifteen months from the 33rd Annual General Meeting.
- Approval of material related party transactions of identified Subsidiary of the Company, Viz, Kitex Apparel Parks Limited (KAPL) with Kitex Childrenswear Limited, related parties of the company upto a maximum aggregate amount of Rs.2,800 Crores for a period not exceeding fifteen months from the 33rd Annual General Meeting.

This report is to be read with our letter of even date which is annexed as **Annexure** A and forms an integral part of this report.

Peer Review Certificate No.6215/2024
UDIN: F003067H001110063
For **SVJS & Associates**
Company Secretaries

CS.Vincent P. D.
Managing Partner
FCS: 3067,CP No: 7940

Kochi
14.08.2026

Annexure A

ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF EVEN DATE

To
The Members
Kitex Garments Limited
Building no. VI/496, Kizhakkambalam
Vilangu P.O., Aluva
Kunnathunad
Kochi – 683561

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of the secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.

2. During the audit, we have followed the audit practices and processes as were appropriate, to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.

6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2026 but before the issue of the Report.

7. We have considered actions carried out by the Company based on independent legal/professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

8. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Peer Review Certificate No.6215/2024
UDIN: F003067H001110063
For **SVJS & Associates**
Company Secretaries

CS.Vincent P. D.
Managing Partner
FCS: 3067, CP No: 7940

Kochi
14.08.2026

ANNEXURE – E1 TO THE DIRECTOR'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Kitex Apparel Parks Limited
Plot No. B1, B2, B3, B4, B5 & B6,
Kakatiya Mega Textile Park, Shayampet,
Dharmaram (Warangal), Warangal,
Geesugonda, Telangana- 506330

We, SVJS & Associates, Company Secretaries, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KITEX APPAREL PARKS LIMITED [CIN: U18100TG2021PLC157154]** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2026 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder

(iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, as applicable.

(iv) The Management has identified and confirmed the following law as specifically applicable to the Company:

1. The Textiles (Development and Regulation) Order, 2001

We have also examined the compliance with the applicable clauses of the following:

(i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

There were no dissenting views on any decisions of the Board, as recorded in the Minutes of Board meetings.

We further report that as represented by the Management and relied upon by us, there are adequate systems and processes in the Company commensurate with size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no instances of:

(i) Public/right issue of shares/ debentures / sweat equity

(ii) Redemption/ buy-back of securities.

(iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013

(iv) Merger / amalgamation / reconstruction.

(v) Foreign technical collaborations.

We further report that during the period:

1. The Company has at its extra ordinary general meeting held on 11.02.2026, pursuant to Section 62(3) of the Companies Act, 2013, approved conferring a right to Axis Bank Limited to convert the outstanding amount of the working capital facility of up to Rs. 199.08 crore, or any part thereof, into equity share capital of the Company upon the occurrence or continuation of an Event of Default, or pursuant to the RBI's Prudential Framework or any other applicable law, including as part of a resolution plan or debt restructuring, where the Event of Default remains not corrected for 90 days.

2. The Company has at its extra ordinary general meeting held on 24.03.2026, pursuant to Sections 42 and 62(1)(c) of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions and Secretarial Standards-2 (SS-2), accorded its approval to issue, offer and allot 157093800 fully paid-up equity shares of the Company of face value Rs.10/- each on a preferential basis by way of private placement to Kitex Garments Limited and Kitex Childrenswear Limited at an issue price of Rs.10.90/- per equity share (comprising face value of Rs.10/- and securities premium of Rs.0.90/- per share) aggregating to Rs.17123,22,420.00, for consideration other than cash, upon conversion of a portion of the aggregate advance amount of Rs.17123,22,420.00 due to Kitex Garments Limited and Kitex Childrenswear Limited. The Board of Directors allotted 157093800 fully paid-up equity shares of the Company of face value Rs.10/- on 31.03.2026 at an issue price of Rs.10.90/- per equity share (comprising face value of Rs.10/- and securities premium of Rs.0.90/- per share) aggregating to Rs.171,23,22,420.00, for consideration other than cash, upon conversion of a portion of the aggregate advance amount of Rs.171,23,22,420.00 due to Kitex Garments Limited and Kitex Childrenswear Limited.

3. The Company at its Extra Ordinary General Meeting held on 14/03/2026 in accordance with the provisions of Section 61 and 64 of the Companies Act, 2013, passed a resolution to increase the authorized share capital of the Company from Rs. 750,00,00,000 divided into 75,00,00,000 equity shares of Rs.10/- each to Rs. 1500,00,00,000 divided into 150,00,00,000 equity shares of Rs.10/- each ranking pari-passu in all respect with the existing equity shares of the Company and for consequent alteration of the Memorandum of Association in respect of share capital thereof.

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Peer Review Certificate No. 6215/2024
UDIN: F003067H001110118
For **SVJS & Associates**
Company Secretaries

CS. Vincent P. D.
Managing Partner
FCS: 3067
CP No: 7940

Kochi
14.08.2026

Annexure A

ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF EVEN DATE

To
The Members
Kitex Apparel Parks Limited
Plot No. B1, B2, B3, B4, B5 & B6,
Kakatiya Mega Textile Park, Shayampet,
Dharmaram (Warangal), Warangal,
Geesugonda, Telangana, India, 506330

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of the secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.

2. During the audit, we have followed the audit practices and processes as were appropriate, to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.

6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2026 but before the issue of the Report.

7. We have considered actions carried out by the Company based on independent legal/professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

8. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Peer Review Certificate No. 6215/2024
UDIN: F003067H001110118
For **SVJS & Associates**
Company Secretaries

CS. Vincent P. D.
Managing Partner

Kochi
14.08.2026

FCS: 3067
CP No: 7940

ANNEXURE – F TO THE DIRECTOR'S REPORT

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AS AMENDED

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year under review:

Sr No.	Name	Designation	Ratio of remuneration of each Director to the median remuneration of the employees of the Company
1	Mr. Sabu M Jacob#	Chairman & Managing Director	65.96
2	Mrs. Sindhu Chandrasekharan	Executive Director	18.74

Excluding commission

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year under review:

Sr No.	Name	Designation	% increase/(decrease) in the remuneration
1	Mr. Sabu M Jacob*	Chairman & Managing Director	Nil
2	Mrs. Sindhu Chandrasekharan	Executive Director	10%
3	Mr. Boby Michael	Chief Financial Officer	Nil
4	Ms. Dayana Joseph	Company Secretary	10%

*Excluding commission

Note for points 1 and 2:

The Independent Directors/Non-Executive Non-Independent Director(s) of the Company are entitled to sitting fees as per the statutory provisions and the limits approved by the Nomination and Remuneration Committee/Board Members. The details of sitting fees of Non-Executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase of remuneration for Non-Executive Directors are therefore not considered for the purpose above.

3. The percentage increase in the median remuneration of employees in the financial year: 6.56%

4. The number of permanent employees on the roll of the Company: 4512

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

Average percentile increase in salaries of non - managerial personnel: -1.56%

Average percentile increase in salaries of managerial personnel: -59.63%

6. Affirmation that the remuneration is as per the remuneration policy of the Company

The remuneration paid during the financial year ended March 31, 2026 is as per the Remuneration policy of the Company.

For and on behalf of the Board of Directors of
Kitex Garments Limited

Sabu M Jacob
Chairman & Managing Director
(DIN: 00046016)

August 14, 2026
Kizhakkambalam

ANNEXURE – G TO THE DIRECTOR'S REPORT

PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AS AMENDED

Sl. No.	Name	Age	Qualification	Nature of employment	Designation	Date of commencement of employment	Experience (Years)	Gross Remuneration (Amount in ₹)	Previous Employment/ Designation	The percentage of equity shares held in the Company	Whether any such employee is a relative of any director or manager of the company
1	Mr. Sabu M. Jacob	64	Graduate	Employee	Managing Director	16.08.1993	41	378,51,879.00	Executive Director – Kitex Limited	34.18%	No

The particulars of top ten employees in terms of remuneration drawn as required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 shall be provided to the shareholders on request.

For and on behalf of the Board of Directors of
Kitex Garments Limited

Kizhakkambalam
August 14, 2026

Sabu M Jacob
Chairman & Managing Director
(DIN: 00046016)

Corporate Governance Report

Your Directors present the Company's Report on Corporate Governance for the year ended March 31, 2026 in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations") as amended from time to time. This report on corporate governance forms part of the Annual Report. Corporate Governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices that ensure that a Company meet its obligations to optimize shareholders' value and fulfill its responsibilities to the community, customers, employees, Government and other segments of society.

1. COMPANY'S PHILOSOPHY

Kitex Garments' governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company's Code of Conduct to Regulate, Monitor and Report trading by Designated Persons and Immediate Relatives of Designated Persons & Code of Practices and Procedures for Fair Disclosure of UPSI are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliance.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board with each member bringing in expertise in their respective domains;
- Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material operation and financial information to the stakeholders;
- Systems and processes are in place for internal control;
- Communicate externally, in a truthful manner, about how the Company runs internally;
- Have a simple and transparent corporate structure driven solely by business needs; and
- The Management is the trustee of the shareholders' capital and not the owner.

The Board of Directors is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interest of all stakeholders. The Company continues to focus its resource, strengths and strategies to achieve the vision of becoming Global Leader in Infantswear Garments while uplifting the core values of Quality, Trust, Leadership and Excellence.

A Report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of the Listing Regulations is given below:

2. GOVERNANCE STRUCTURE

The Corporate Governance structure of your company is as follows:

BOARD OF DIRECTORS: The Board is entrusted with ultimate responsibility of the Management, Directors and performance of the Company. The Board also provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

BOARD COMMITTEES: The Board has constituted the following committees viz., Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, Risk Management Committee and Share Transfer Committee. Each of the said committees has been mandated to operate within a given framework.

2. A. THE BOARD OF DIRECTORS

2. A. 1. COMPOSITION AND CATEGORY OF DIRECTORS

The Board of Directors consists of eminent individuals from Industrial, Managerial, Technical and Financial background. The company is managed by the Board of Directors in co-ordination with the Senior Management Team. The strength and composition of the Board is reviewed from time to time so that it remains aligned with statutory as well as business requirements.

As on March 31, 2026 the Company has a judicious combination of Executive and Non-Executive Directors with one Independent Woman Director on the Board. Of the total 6 Directors, 2 are Executive Directors, 3 are Independent Directors and 1 is Non-Executive Director. The Chairman of the Board is an Executive Director.

Details of each member of the Board along with number of Directorship/ Membership as on March 31, 2026 are given below:

Sl. No.	Name	Date of Appointment	Category of Director	Directorship in other Indian Public Ltd Companies (excluding KGL)	No. of Board Committees in which Chairman/ Member (Excluding (KGL)		Directorship in other listed entity (Category of Directorship)	No of shares or convertible Instruments
					Chairman	Member		
Executive and Promoter Directors								
1	Mr. Sabu M Jacob (DIN: 00046016)	16.08.1993	Promoter/ Executive Chairman & MD	9	-	2	-	6,81,92,703
2	Mrs. Sindhu Chandrasekharan (DIN: 06434415)	16.03.2015	Executive Director (Woman Director)	9	1	3	-	-
Non-Executive Independent Directors								
3	Mr. C P Philipose (DIN: 01125157)	20.07.2015	Non-Executive Independent Director	2	2	2	-	-
4	Mr. A K Mathew (DIN: 02437778)	14.08.2024	Non-Executive Independent Director	1	-	2	-	-
5	Mrs. Sumi Francis (DIN: 08950675)	13.11.2020	Non-Executive Independent Director	-	-	-	-	-
Non-Executive Non Independent Director								
6	Mr. K.L.V. Narayanan (DIN: 01273573)	04.04.2013	Non-Executive Director	3	-	1	Scoobee Day Garments (India) Limited (Executive Director)	-

Notes:

1) Directorship exclude Private Limited Companies, Foreign Companies and Section 8 Companies

2) Chairmanship/ Membership in Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee in Indian Public Limited Companies other than M/s. Kitex Garments Limited are considered for this purpose. Members of the Board of the Company do not have membership of more than ten Board level Committees or Chairman of more than five such Committees.

3) Details of Director(s) retiring or being re-appointed are given in Notice to Annual General Meeting.

4) There are no inter-se relationship between our Board Members

5) Mr. C P Philipose who was a member in the Board of Directors of the Company from the beginning of the financial year 2026-2027 resigned as Independent Director w.e.f. June 06, 2026 due to personal reasons. He also confirmed that that there are no material reasons for his resignation other than those provided.

6) Mr. Bijoy Philipose appointed as Independent Director subject to the approval of shareholders w.e.f. June 30, 2026.

2. A. 2. INDEPENDENT DIRECTORS

The Independent Directors fulfill the conditions of Independence specified in Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. Formal letters of appointment issued to Independent Directors as provided in Companies Act, 2013 are disclosed in the website of the company viz., www.kitexgarments.com. Based on confirmations/ disclosures received from the directors, the Board confirms that the Independent Directors fulfill the conditions specified under Schedule IV of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and are independent of the management.

2. A. 3. BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business strategies/ policies and review the financial performance of the Company. The Board meetings are pre-scheduled and are circulated to the Directors well in advance to facilitate the Directors to plan their schedules accordingly. In case of business exigencies, the Board's approval is taken through circular resolutions. The Circular resolutions are noted at the subsequent Board Meeting.

The Notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets.

In the financial year 2025-26, the Board met 8 times. The meetings were held on April 09, 2025, May 29, 2025, June 23, 2025, August 04, 2025, November 12, 2025, February 02, 2026, February 13, 2026 and March 24, 2026. The interval between two Meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and Regulations 17(2) of the Listing Regulations.

ATTENDANCE OF DIRECTORS AT THE BOARD MEETINGS AND AT THE LAST ANNUAL GENERAL MEETING

Name of the Director	Category	Meetings held during the year	No of board meetings attended	Attendance at the AGM held on September 17, 2025
Mr. Sabu M Jacob	Chairman & MD	8	7	Yes
Mrs. Sindhu Chandrasekharan	ED	8	8	No
Mr. K L V Narayanan	NED	8	7	Yes
Mr. C P Philipose	ID	8	7	Yes
Mr. A K Mathew	ID	8	8	Yes
Mrs. Sumi Francis	ID	8	8	Yes

2. A. 4. FLOW OF INFORMATION TO THE BOARD

The Company provides the information as set out in Regulation 17 read with Part - A of Schedule II of the Listing Regulations, to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as a part of the agenda papers in advance of the respective meetings by way of presentation and discussions during the Meetings. With the unanimous consent of the Board, all Unpublished Price Sensitive Information (UPSI) is circulated to the Board at a shorter notice before the commencement of the meeting securely

2. A. 5. POST MEETING MECHANISM

The important decisions taken at the Board/ Board Committee meetings are communicated to the concerned departments. The draft minutes of the Board and its Committees are sent to the members for their comments in accordance with the Secretarial Standards. Thereafter, minutes are entered in the minutes book within thirty days of conclusion of the Meeting after incorporating the comments received from the directors if any.

2. A. 6. BOARD SUPPORT

The Company Secretary attends the Board and Board's Committee Meetings and advises the Board & Board's committee on Compliances with the applicable laws and governance. The management makes sincere efforts to update the information available to the board for decision making by providing all important development related to the Company.

2. A. 7. FAMILIARISATION PROGRAMME FOR DIRECTORS

At the time of appointing a Director, a formal letter of appointment is given to him/ her, which inter alia explains the role, function, duties and responsibilities expected from him/ her as a Director of the Company. The Director is also explained in detail the Compliance required from him/ her under Companies Act, 2013, the Listing Regulations and other various statutes and an affirmation is obtained in this regard. The Chairman and Managing Director also have a one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further, on an ongoing basis as a part of agenda of Board/ Committee meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and associates businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. Plant visits are conducted at regular intervals to familiarize about the production process. The details of the familiarization programme for directors are available on the Company's weblink viz., http://www.kitexgarments.com/wp-content/uploads/2026/04/KGL_NED_Training_FY2026.pdf

2. A. 8. GOVERNANCE CODES

- **CODE OF CONDUCT**

  The Company has adopted a Code of Conduct which is applicable to the Board of Directors and Senior Management of the Company. The board members and members of the senior management personnel of the Company are required to affirm annual compliance of this code. The code required directors and senior management team members to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code of conduct is displayed on the Company's Website www.kitexgarments.com

- **CONFLICT OF INTERESTS**

  Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. The members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of Board restrict themselves from any discussion and voting in transactions in which they have concern or interest.

- **INSIDER TRADING CODE**

  The Company had adopted a "Code of Conduct for insider trading" in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended. The code is applicable to designated person (as defined in the code) and immediate relative of designated person who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said regulation.

  The Company has also formulated 'The code of Practices and procedures for fair disclosure of Unpublished Price Sensitive Information' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 and this code is displayed on the Company's website viz., www.kitexgarments.com

2. A. 9. CHART SETTING OUT THE SKILLS/ EXPERTISE/ COMPETENCE OF BOARD OF DIRECTORS

The Board of Directors along with Nomination & Remuneration Committee (NRC), identifies the right candidate with right qualities, skills and practical expertise/ competencies required for the effective functioning of individual member to possess and also the Board as a whole. The Committee focuses on the qualification and expertise of the person, the positive attributes, standard of integrity, ethical behavior, independent judgement of the person in selecting a new Board member. In addition to the above, in case of independent directors, the Committee shall satisfy itself with regard to the independence of the directors to enable the Board to discharge its functions and duties effectively. The same are in line with the relevant provisions of the Listing Regulations. The NRC has identified the following core skills, expertise and competencies for the effective functioning of the Company which is currently available with the Board:

a. Finance & Accounting Competence

   (Exposure in handling financial management of a large organization along with understanding financial statements)

b. Leadership quality in running large enterprise

   (Expertise in leading well-governed large organization with an understanding of organizational structure and its environment, risk management and emerging local & global trends)

c. Understanding use of latest technology in textile sector:

   (Understanding the use of latest technology across textile sector and ability to anticipate technology driven changes and disruption impacting the business)

d. Expertise in understanding of changing regulatory framework

   (Expertise in handling large public companies with high governance standard and understanding of changing regulatory framework)

e. Exposure in setting the Business Strategies

   (Ability to build up long term business strategies to bring growth in business consistently, profitability, competitively and in a sustainable manner in a diverse business environments and changing economic conditions)

The following are the list of directors who have skills as identified by the Board.

Core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)	**Names of Directors who have such skills/ expertise / competence**
Finance, Law, Management, Administration, Corporate Governance related to the Company's business	Mr. Sabu M. Jacob, Mr. K. L. V. Narayanan, Mr. C. P. Philipose, Mr. A. K. Mathew, Mrs. Sindhu Chandrasekharan and Mrs. Sumi Francis
Technical Operations and knowledge on Production, Processing, Quality and Marketing of Infants apparel	Mr. Sabu M. Jacob, Mr. K. L. V. Narayanan and Mr. C. P. Philipose.

Core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)	Names of Directors who have such skills/ expertise / competence
Management, Strategy, Sales, Marketing, Administration Technical Operations related to the Company's business	Mr. Sabu M. Jacob, Mr. K. L. V. Narayanan, Mr. C. P. Philipose, Mr. A. K. Mathew, Mrs. Sindhu Chandrasekharan and Mrs. Sumi Francis

2. B. BOARD COMMITTEES

The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and that requires the detailed discussion. The Board Committees are formed with approval of the Board and function under their respective charters. These committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The minutes of the Committee meetings are placed before the Board for noting.

The Board currently has the following committees:

2. B. 1. AUDIT COMMITTEE

- **COMPOSITION**

  Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's Internal Controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International finance. It functions in accordance with its terms of reference that defines its authority, responsibility and report function. Audit Committee has comprised of three independent directors as on March 31, 2026 viz., Mr. C P Philipose as the Chairman, Mr. A K Mathew and Mrs. Sumi Francis as members of the Committee.

- **MEETINGS AND ATTENDANCE**

  The Audit Committee met 5 times during the financial year 2025-26. The maximum gap between two meetings was not more than 120 days. The Committee met on May 29, 2025, June 23, 2025, August 04, 2025, November 12, 2025 and February 13, 2026. The requisite quorum was present at all the meetings. The Audit Committee Chairman was present at the 33rd Annual General Meeting of the Company.

Details of attendance of Audit Committee members are as follows:

Name	Status	No of meetings held during the year	No of meetings attended
Mr. C P Philipose	Chairman	5	4
Mr. A K Mathew	Member	5	5
Mrs. Sumi Francis	Member	5	5

Mr. Boby Michael, Chief Financial Officer is the permanent invitee to the Audit Committee Meetings. The Independent Auditor's of the Company are also invited to the Audit Committee meeting. The Company Secretary is the Secretary to the Committee.

- **TERMS OF REFERENCE**
  - The recommendation of appointment, remuneration and terms of appointment of auditors of the Company.
  - Review and monitor the auditors' independence and performance and effectiveness of audit process.
  - Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity including any other services rendered by them.
  - Reviewing with the management, the annual financial statements and auditor's Report thereon before submission to the Board for approval, with particular reference to:

    i. Matters required to be included in the Directors Responsibility Statement to be included in the Board Report in terms of Section 134 of the Act.

    ii. Changes, if any, in accounting policies and practices and reason for the same.

iii. Major accounting entries involving estimates based on the exercise of judgment by management.

iv. Significant adjustments made in the financial statements arising out of audit findings.

v. Compliance with listing and other legal requirements relating to financial statements.

vi. Disclosure of any related party transactions.

vii. Modified opinion in the draft audit report.

- Reviewing with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing and monitoring the auditors independence and effectiveness of audit process
- Approval or subsequent modification of transactions of the listed entity with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the listed entity wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with Independent auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the whistle blower mechanism.
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Reviewing the utilization of loan and/ or advances from/ investment by the holding company in the subsidiary exceeding Rs. 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of these provisions.

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions (as defined by the audit committee), submitted by the management.
- Management letters/ letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- the appointment, removal and terms of remuneration of the chief internal auditor and
- statement of deviations:
    - quarterly statement of deviation(s), including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Listing Regulations;

- Annual statement of funds utilized for the purposes other than those stated in the offer document/ prospectus/ notice in terms of Listing Regulations.

Composition of the Committee is available on Company's website: http://www.kitexgarments.com

2. B. 2. NOMINATION AND REMUNERATION COMMITTEE

- **COMPOSITION**

The Nomination and Remuneration Committee comprised of 3 non-executive directors as on March 31, 2026. Mr. C P Philipose as the Chairman, Mr. K L V Narayanan and Mrs. Sumi Francis as members of the Committee. The Composition of Nomination and Remuneration Committee is in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The Company Secretary acts as Secretary to the Committee.

- **MEETING AND ATTENDANCE**

The Nomination and Remuneration Committee met 2 times during the year on June 23, 2025 and March 24, 2026. The requisite quorum was present at the meeting. The table below provides the attendance of the Committee members:

Name	Status	No of meetings held during the year	No of meetings attended
Mr. C P Philipose	Chairman	2	2
Mr. K L V Narayanan	Member	2	2
Mrs. Sumi Francis	Member	2	2

- **TERMS OF REFERENCE**

Terms of reference of the Committee inter alia consists of

- Formulate criteria for determining qualifications, positive attributes and independence of director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Identify persons qualified to become directors or hold senior management positions and advise the Board for such appointments/ removals where necessary;
- Evaluate the performance of every director;
- Devise a policy on Board diversity;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and senior management of the quality required to run the Company successfully;
- Ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Review and implement succession plans for Managing Director, Executive Directors and Senior Management; and
- Recommend to the Board, all the remuneration, in whatever form, payable to Senior Management.

- **REMUNERATION POLICY**

The Board has approved Nomination & Remuneration Policy as recommended by the Nomination and Remuneration Committee and is available on the Company's website at www.kitexgarments.com

A. DETAILS OF PECUNIARY RELATIONSHIP OR TRANSACTION OF NON-EXECUTIVE DIRECTOR(S) WITH THE COMPANY

There were no other pecuniary relationships or transactions between any other Non-Executive Director and the Company except sitting fees paid for attending the meetings of Board and committee meetings of Board during the year under review.

B. CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS

The Company has adopted Nomination, Remuneration and Evaluation Policy, which describes the criteria of making payments to Non-Executive Directors. The Policy is available on the website of the Company www.kitexgarments.com under head 'investor's relations'

The Non-Executive Directors are paid sitting fees for attending meetings of Board and Committees of Board, which is duly approved by the Board of Directors of the Company and the present fee payable to the Directors for attending the meetings is within the limits specified in Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. They are paid remuneration based on their contribution and current trends. The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee decides the remuneration of the Non-Executive Directors.

C. DETAILS OF REMUNERATION PAID TO THE DIRECTORS

The following are the details of remuneration and sitting fees paid to the Directors of the Company during the Financial Year under review:

Name of the Director	Term of appointment	Salary	Retirement Benefits	Perquisites	Commission/ Variable Pay	Others: contribution to PF	Sitting fees	Total
Mr. Sabu M Jacob	16.08.2020 to 15.08.2025 and re-appointed for another term from 16.08.2025 to 15.08.2028 (3 years)	1,08,00,000	-	-	2,70,51,879	-	-	3,78,51,879
Mrs Sindhu Chandrasekharan	16.03.2025 to 15.03.2030 (5 years)	23,97,116	-	-	6,49,036	21,600	-	30,67,752
Mr. C P Philipose	10.06.2021 to 09.06.2026 (5 years)	-	-	-	-	-	3,90,000	3,90,000
Mr. A K Mathew	14.08.2024 to 13.08.2029 (5 years)						4,40,000	4,40,000
Mrs. Sumi Francis	13.11.2020 to 12.11.2025 and re-appointed for another term from 13.11.2025 to 12.11.2030 (5 years)	-	-	-	-	-	3,80,000	3,80,000
Mr. K.L.V. Narayanan	Director liable to retire by rotation	-	-	-	-	-	3,10,000	3,10,000

The appointment and remuneration including annual increments if any, of Executive Directors including Chairman & Managing Director and Whole-Time Director is governed by the recommendation of the Nomination & Remuneration Committee followed by the approval of Board of Directors and Shareholders of the Company. The remuneration package of Chairman & Managing Director and Whole-Time Director comprises of salary, performance bonus, perquisites and allowances and contributions to Provident Fund.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talents. Presently, the Company does not have a stock option schemes for its Directors. The Nomination and Remuneration Policy of the Company is displayed on the Company's website www.kitexgarments.com

- **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance of the Board was evaluated on the basis of various criteria such as composition of the Board, information flow to the board and its dynamism, strategic issues, roles and functions of the Board, relationship with the management, engagement with the Board and external stakeholders and other development areas.

The performance of the Committees was evaluated after seeking the inputs of committee members on the criteria such as understanding the terms of reference, Committee composition, Independence, contributions to Board decisions, etc.

The performance of the individual Directors was evaluated after seeking inputs from all the Directors other than the one who is being evaluated. The evaluation was based on the criteria such as Director's knowledge and understanding of their role, Company's vision and mission, market potential, Director's Commitment, qualification, skill and experience, openness in communication, fulfillment of the independence criteria as specified in these regulations and their independence from the management, independence of judgement, quality and substance of contribution to deliberations (in case of Independent Directors) etc subject to the Schedule IV of the Companies Act, 2013.

The performance of the Board Chairman was evaluated after seeking the inputs from all the Directors other than the Board Chairman, on the basis of the criteria such as Chairman's role, accountability and responsibilities, promotion of effective relationship and open communication, positive and appropriate working relationship with other executive directors, commitment, etc.

The Board evaluation report was submitted to the Board Chairman and the Chairman of Nomination and Remuneration Committee. The Board Chairman discussed the outcome of evaluation of the individual Directors separately with them in detail.

The evaluation report contains an executive summary of findings and several key recommendations from the evaluation process. The report of the Board evaluation was adopted at the NRC and the Board meetings.

2. B. 3. STAKEHOLDERS RELATIONSHIP COMMITTEE

- **COMPOSITION**

The Committee comprised of 4 Directors as on March 31, 2026 viz., Mr. K. L. V. Narayanan as the Chairman, Mr. Sabu M. Jacob, Mr. A K Mathew and Mrs. Sindhu Chandrasekharan as the members. Company Secretary acts as Secretary to the Committee. Ms. Dayana Joseph, Company Secretary, is the Compliance Officer in accordance with Regulation 6 of Listing Regulations.

- **MEETING AND ATTENDANCE**

The Stakeholders Relationship Committee met 2 times during the year on June 23, 2025 and February 13, 2026. The requisite quorum was present at the meeting. The table below provides the attendance of the Committee members:

Name	Status	No of meetings held during the year	No of meetings attended
Mr. K L V Narayanan	Chairman	2	2
Mr. Sabu M Jacob	Member	2	2
Mrs. Sindhu Chandrasekharan	Member	2	2
Mr. A K Mathew	Member	2	2

- **TERMS OF REFERENCE**

The Stakeholders Relationship Committee oversees the following:

a. redressal of security holder's complaints relating to share transfers/ transmission, non-receipt of annual reports, non-receipt of declared dividend, issue of new/ duplicate share certificates, general meeting etc.

b. Review of measure taken for effective exercise of voting rights of shareholders.

c. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar.

d. Review of various measures and initiative taken by the listed entity for reducing quantum of unclaimed dividend and ensuring timely receipt of dividend warrants/ annual Report/ statutory notices to the shareholders by the Company.

Your Company's shares are compulsorily traded in the de-materialized form. To expedite transfers in the physical segment, necessary authority has been delegated to the Share Transfer committee to approve transfers/ transmissions of shares. Details of share transfers/ transmissions approved by the Directors and Officers are placed before the Board.

Summary of investor complaints received and redressed is as below:

Number of complaints outstanding as on April 1, 2025	0
Number of complaints received during the year ended March 31, 2026	3
Number of complaints not solved to the satisfaction of shareholders	0
Number of complaints resolved during the year ended March 31, 2026	3
Number of complaints pending as on March 31, 2026	0

2. B. 4. RISK MANAGEMENT COMMITTEE

In compliance with the provisions of Regulation 21 of the Listing Regulations and other applicable provisions, if any, the Board of Directors had constituted the Risk Management Committee. The Company satisfies the requirement of the Listing Regulations, which states that the majority of Committee shall consist of members of the Board of Directors; Senior Executives of the Company may be members of the said committee but Chairman of the Risk Committee shall be member of the Board of Directors.

- **COMPOSITION**

  The Committee comprised of 3 directors as on March 31, 2026, viz., Mr. Sabu M. Jacob as the Chairman, Mrs. Sindhu Chandrasekharan and Mr. C P Philipose as the members. Company Secretary acts as Secretary to the Committee.

- **MEETING AND ATTENDANCE**

  The Risk Management Committee met 2 times during the year on April 09, 2025 and November 05, 2025. The requisite quorum was present at the meeting. The table below provides the attendance of the Committee members:

Name	Status	No of meetings held during the year	No of meetings attended
Mr. Sabu M Jacob	Chairman	2	2
Mrs. Sindhu Chandrasekharan	Member	2	2
Mr. C P Philipose	Member	2	2

- **TERMS OF REFERENCE:**
  - formulation of a detailed risk management policy and monitoring its implementation and its periodic review;
  - the identification, evaluation/assessment, prevention and control of the risks;
  - monitoring and reviewing of the risk management plan and such other functions, as it may deem fit;
  - determining the cost of risk likely to be and ensuring that adequate financial resources are available for implementing the selected technique;
  - measuring and monitoring effectiveness of controls and reviewing and reporting the Risk Management process at appropriate intervals, at least annually;
  - review of the appointment, removal and terms of remuneration of the Chief Risk Officer (if any), etc;

2. B. 5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)

The Board of Directors of the Company has a Corporate Social Responsibility (CSR) Committee and the terms of reference are in conformity with the provisions of Section 135 read with Schedule VII of the Act and the Rules framed thereunder. The CSR Committee monitors the implementation of CSR projects or programmes undertaken by the Company. The Committee comprises of Mr. Sabu M. Jacob as the Chairman, Mr. K. L. V. Narayanan, Mr. A K Mathew and Mr. C. P. Philipose as the members as on March 31, 2026. The Company Secretary acts as the Secretary to the Committee.

Key Responsibilities of the CSR Committee:

- Formulate, monitor and recommend to the Board CSR Policy and the activities to be undertaken by the Company.
- Recommend the amount of expenditure to be incurred on the activities undertaken.
- Review the Company's performance in the area of CSR.
- Evaluate the social impact of the Company's CSR activities.
- Review the Company's disclosure of CSR matters, including any annual social responsibility report.
- Review the CSR Report, with the Management, before submission to the Board for approval.
- Formulate and implement the BR policies in consultation with the respective stakeholders.
- Establish a monitoring mechanism to ensure that the funds contributed by the Company are spent for the intended purpose only.

The CSR Policy intends to strive for economic development that positively impacts the society at large with minimal resource footprints. The Policy is available on the Company's website at http://www.kitexgarments.com.

During the year, the Committee met 2 times during the year on June 23, 2025 and November 12, 2025. Attendance at CSR Committee meetings is as below:

Name	Status	No of meetings held during the year	No of meetings attended
Mr. Sabu M Jacob	Chairman	2	2
Mr. K L V Narayanan	Member	2	1
Mr. C P Philipose	Member	2	2
Mr. A K Mathew	Member	2	2

2. B. 6. INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met 1 time during the year on February 02, 2026 inter-alia to:

- Review the performance of Non-Independent Directors and the Board of Directors as a whole;
- Review the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Assess the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at this meeting.

2. B. 7. SENIOR MANAGEMENT

As on date of this report, the details of Senior Management Personnel are as follows:

Name	Designation
Mrs. Sindhu Chandrasekharan	Executive Director & Assistant Vice President (Finance)
Mr. Saji Kurian	Assistant Vice President (Manufacturing)
Mr. I A K Menon	General Manager (Business Analyst)
Mr. Shakthivel	General Manager (Processing)
Mr. Boby Michael	Chief Financial Officer
Ms. Dayana Joseph	Company Secretary

3. GENERAL BODY MEETING

Location, date and time of the last three Annual General Meetings held:

Sl No	AGM	Year	Date	Time	Details of special resolutions passed	Location
1	33rd	2025	17.09.2025	11:00 A.M	• Re-appointment of Mr. Sabu M Jacob (DIN: 00046016) as Chairman and Managing Director • Re-appointment of Mrs. Sumi Francis (DIN: 08950675) as an Independent Director for the second term • To approve capital raising by way of issuance of equity shares by way of qualified institutions placement ("QIP")	Through Video Conferencing (VC)/ Other Audio Visual Means (OVAM)
2	32nd	2024	28.09.2024	11:00 A.M	• Appointment of Mr. A K Mathew (DIN: 02437778) as an Independent Director • Approval to advance any loan or give guarantee or provide security under Section 185 of the Companies Act, 2013	
3	31st	2023	30.09.2023	11:00 A.M	Nil	

All resolutions as set out in the respective notices were duly passed by the shareholders in the meeting.

EXTRA-ORDINARY GENERAL MEETING (EGM) & NCLT CONVENED MEETING

No Extraordinary General Meeting (EGM) and court convened meeting were held during the last 3 financial years i.e. 2025-26, 2024-25 and 2023-24.

POSTAL BALLOT

No Special Resolution was passed in the last year through postal ballot and at present no Special Resolution is proposed to be conducted through postal ballot. Hence, the provisions relating to postal ballot are not required to be complied with.

4. MEANS OF COMMUNICATION

The un-audited Quarterly Results are announced within 45 days from the end of the quarter and the Audited Annual Results are announced within 60 days from the end of the financial year as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. The Company provides the information to the stock exchanges where shares of the Company are listed. The results are also published in one English newspaper having national circulation and one Malayalam Newspaper.

The Financial Results of the Company are normally published in the following newspapers:

- The Hindu Business Line (English Language)
- Chandrika (Malayalam Language)

The Financial Results and other official news release of the Company are displayed on the Company's website http://www.kitexgarments.com/

Disclosure pursuant to various provisions of Listing Regulations, as applicable, are promptly communicated to the stock exchanges where the shares of your Company are listed and are displayed by them on their websites. FAQ giving details about the company and its shares is uploaded on the Company's website.

The Company organizes analysts or institutional investors meet in between. Presentations made to institutional investors and financial analysts are submitted to the stock exchanges and also uploaded on the Company's website.

5. GENERAL SHAREHOLDER INFORMATION:

5.1 ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2025-26

Day and Date	Friday, September 25, 2026
Time	11.00 A.M
Venue	Through Video Conferencing (VC)/ Audio Visual Means (AVM)
Financial Year	April 1, 2025 to March 31, 2026
Book Closure	September 18, 2026 to September 25, 2026
Last date for Receipt of Proxy	Not Applicable since the meeting is done virtually.
E-voting starts	Tuesday, September 22, 2026 at 9.00 A.M
E-voting ends on	Thursday, September 24, 2026 at 5.00 P.M
E-voting at AGM	E-voting facility shall also remain open during the AGM and 15 minutes after AGM
Results of E-Voting on	On or before September 29, 2026
Dividend payment date	On or before October 24, 2026

5.2 TENTATIVE CALENDAR FOR FINANCIAL YEAR ENDING MARCH 31, 2027

The tentative dates for Board Meeting for consideration of quarterly financial results are as follows:

Un-audited Q1 ending June 30, 2026	on or before 2nd week of August, 2026
Un-audited Q2 and half year ending September 30, 2026	on or before 2nd week of November, 2026
Un-audited Q3 and nine months ending December 31, 2026	on or before 2nd week of February, 2027
Audited Results for the year ending March 31, 2027	on or before 4th week of May, 2027

5.3 DETAILS OF STOCK EXCHANGES WHERE LISTED

The equity shares of the Company are listed with the following stock exchanges:

Name and Address of Stock Exchange	ISIN
BSE Ltd (BSE) P J Towers, Dalal Street, Mumbai – 400001, Maharashtra	INE602G01020
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra(E), Mumbai - 400051, Maharashtra	

The annual listing fees have been paid for the Financial Year 2025-26.

5.4 SHARE TRANSFER SYSTEM

The Board has delegated the authority for approving transfer, transmission etc. to the Share Transfer Committee.

Almost the entire equity share capital of the Company is held in dematerialized form. The Company's shares are compulsorily traded in dematerialized form and are available for trading with both the depositories i.e, National Securities Depository Limited and Central Depository Services (India) Limited. The shareholders can hold the Company's shares with any depository participant registered with the depositories.

In terms of the amended Regulation 40(1) of SEBI Listing Regulations, with effect from April 1, 2019, securities of listed companies can be transferred only in dematerialized form. Accordingly, the shares held in physical form will not be transferred unless they are converted into dematerialized form. Transfers of equity shares in electronic form are effected through the depository system with no involvement of the Company.

A Company Secretary in practice carried out on a quarterly basis reconciliation of the share capital audit of the Company confirming that the total issued / paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. A copy of these certificates so received is submitted to both the Stock Exchanges viz. NSE and BSE.

All share transfer and other communication regarding share certificates, change of address, dividend etc. should be addressed to RTA of the Company at the address given below.

There was no instance of suspension of trading in Company's shares during FY 2025-26.

5.5 DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2026

Range	No. of Shareholders	No. of Shares held	% of shareholding
1 and 5000	101943	32490225	16.28
5001 and 10000	924	6577298	3.30
10001 and 20000	401	5515536	2.76
20001 and 30000	113	2751267	1.38
30001 and 40000	55	1950386	0.98
40001 and 50000	24	1064979	0.53
50001 and 100000	40	2706540	1.36
100001 and Above	52	146443769	73.41
Total	**103552**	**199500000**	**100.00**

5.6 DEMATERIALIZATION OF SHARES

The Company has entered into a tripartite agreement with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to provide trading of shares in dematerialized form. International Securities Identification Number (ISIN) allotted to the equity shares of the Company is INE602G01020. As on March 31, 2026, 19,89,02,100 equity shares of the company, constituting 99.70% were in dematerialized form. Pattern of holding is as follows:

Pattern of holding	No of shares
NSDL	150577072
CDSL	48325028
Physical	597900
Total	**199500000**

5.7 CATEGORIES OF SHAREHOLDING AS ON MARCH 31, 2026

Category	No. of Shareholders	No. of Shares held	% Shareholding
Resident	99446	68716897	34.45
NRI	3815	4643377	2.33
Corporate Body	244	41061729	20.57
Mutual Funds	7	254968	0.13
FPI	30	1753966	0.88
Banks/Trusts/HUF	3	2719	0.00
Others	1	1400	0.00
IEPF	1	1790024	0.90
Directors/ Relatives	5	81274920	40.74
Total	**103552**	**199500000**	**100.00**

5.8 OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS:

As of March 31, 2026, the Company does not have any outstanding GDRS or ADRS or warrants or convertible instruments, which are likely to have an impact on the equity of the Company.

5.9 COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages its risk through forward booking inventory management and proactive vendor development practices. The Company's reputation for quality, product differentiation and service, coupled with existence of powerful brand image mitigates the impact of price risk on finished goods. Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board. The Company has managed foreign exchange risk in accordance with the policies of the Company. There were no material exchange rate risks in the context of the Company's Foreign Exchange exposures. The Company's exposure to market risks for commodities and currencies is detailed in Note No. 2.37, under the head 'Financial Risk Management - Objectives and Policies', forming part of Notes to Financial Statements.

5.10 PLANT LOCATION: Kizhakkambalam, Aluva, Ernakulam - 683561

5.11 ADDRESS FOR CORRESPONDENCE

REGISTERED OFFICE	REGISTRAR AND SHARE TRANSFER AGENT
Kitex Garments Limited	**M/s. Cameo Corporate Services Ltd**
(CIN: L18101KL1992PLC006528)	Subramanian Building, No. 1,
Building No. VI/496, Kizhakkambalam, Vilangu P.O,	Club House Road,
Aluva, Ernakulam – 683561, Kerala	Chennai - 600002,
Tel: 0484 2585000	Tamil Nadu
E-mails: sect@kitexgaments.com	Tel No.044-40020700
Website: www.kitexgarments.com	Email: investor@cameoindia.com
	Online Investor Portal: https://wisdom.cameoindia.com/
	Website: www.cameoindia.com

5.12 CREDIT RATING

The credit rating of the Company assigned by India Ratings & Research Private Limited, as of March 2026, is as follows:

Instrument Type	Rating assigned along with Outlook/Watch
Bank loan facilities	IND A/Negative/IND A1
Bank loan facilities	IND A/Negative/IND A1

6. OTHER DISCLOSURE

6.1 RELATED PARTY TRANSACTIONS

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulations, as amended, during the year under review were on an arm's length pricing basis and in the ordinary course of business. These have been approved by the Audit Committee. Certain transactions repetitive in nature through omnibus route by the Audit Committee. Further, the shareholders approved all the material related party transactions for financial year 25-26, vide Ordinary Resolution passed by the Shareholders at the 33rd AGM of the Company held on September 17, 2025.

The policy on materiality of related party transactions and on dealing with related party transactions is available on the website of the Company at www.kitexgarments.com.

Details of transactions with related parties as specified in Indian Accounting Standards ('IND AS 24') have been reported in the Financial Statements. During the year under review, there was no transaction of a material nature with any of the related parties, which was in conflict with the interests of the Company.

6.2 SUBSIDIARY COMPANIES

The Company has 6 wholly owned subsidiaries and a subsidiary company during the year under review. The minutes of all the subsidiaries of the Company are placed before the Board of Directors of the Company.

6.3 POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

The policy for determining material subsidiaries is available on the website of the Company at http://www.kitexgarments.com/wp-content/uploads/2025/11/KGL_Material-Subsidiary-Policy-24-25.pdf

6.4 DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/ COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT

The Company had given corporate guarantee for ₹2023 Crores pursuant to the provisions of Section 185 and 186 of the Act and SEBI (LODR) Regulations, 2015 in the year 2023-24 and no guarantees were given by the subsidiaries of the Company. However, loan amount of ₹9,310.25 Lakhs have been made in its wholly owned subsidiary Companies, the details that are covered under the provision of the said section are given in the notes to financial statements.

6.5 STATUTORY COMPLIANCE, PENALTY AND STRICTURES

BSE Limited and National Stock Exchange of India Limited has imposed a fine of ₹1,06,200 (incl. GST) each on the Company in November 2024 for obtaining delayed approval for appointment of Non-Executive Independent Director who attained the age of seventy-five years. The Company has paid the fine within the prescribed time. Apart from the above, no strictures or penalties have been imposed on the Company by either SEBI or Stock Exchanges or any statutory authorities for non-compliance of any matters related to the Capital Market during the last three financial years.

6.6 VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to Section 177 (9) and (10) of the Companies Act, 2013, and Regulations 22 of the Listing Regulations, the Company has formulated Vigil Mechanism (Whistle Blower Policy) for Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's Code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provisions for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz., www.kitexgaments.com.

6.7 DETAILS OF COMPLIANCE WITH THE MANDATORY REQUIREMENTS & ADOPTION OF THE NON MANDATORY REQUIREMENTS

The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. SEBI listing regulations states that the non-mandatory requirements may be implemented as per the discretion of the Company. No specific compliance of non-mandatory requirements have been implemented by the Company.

6.8 POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS

The policy on materiality of and dealing with Related Party Transactions is available on the website of the Company at http://www.kitexgarments.com/wp-content/uploads/2026/04/RPT-Policy-25-26.pdf

6.9 DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of the financial statements, the Company has followed the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements and that the Company has not done a treatment different from that prescribed in the Standard.

6.10 AUDITORS' REMUNERATION

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to M/s. MSKA & Associates, Statutory Auditor and all entities in the network firm/ network entity of which the statutory auditor is a part thereof is Rs. 29.80 Lakhs.

6.11 1UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONAL PLACEMENT

During the year under review, the Company has not raised any proceeds by way of preferential issue or qualified institutional placement.

6.12 CERTIFICATE ON CORPORATE GOVERNANCE

Your Company has obtained certificate affirming the Compliances with these regulations from Practising Company Secretary and forms part of this Report. The Certificate issued for the said FY form part of this Report and is self-explanatory.

6.13 CERTIFICATE FROM CEO and CFO

The CEO and CFO certification of the financial statements for the year has been submitted to the Board of Directors, in its meeting held on May 29, 2026 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations.

6.14 OBSERVANCE OF THE SECRETARIAL STANDARDS ISSUED BY THE ICSI

The Institute of Company Secretaries of India (ICSI), one of the India's premier professional bodies has issued Secretarial Standards on important aspects like Board Meetings, and General Meetings under series SS-1 and SS-2 and your company adheres to these standards where ever applicable. The other standards which are as on date of report recommendatory in nature are also adhered to voluntarily.

6.15 DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has constituted Internal Complaints Committee (POSH Committee) which looks into the complaints raised and resolves the same. The above Committee reports to the Audit Committee and Board. The shareholders may refer necessary disclosures as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 have been disclosed in Directors' Report. The Audit Committee looks into matters reported on a quarterly basis and track matters to closure as per law. No personnel have been denied access to the Audit Committee.

6.16 COMPLIANCE CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS FROM COMPANY SECRETARY IN PRACTICE

A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority issued by SVJS & Associates, Company Secretaries is annexed herewith as part of the Report.

6.17 RECOMMENDATION MADE BY COMMITTEES OF THE BOARD

During the year under review, all recommendations made by the Committee(s) of the Board which were mandatorily required have been accepted by the Board.

6.18 DETAILS OF MATERIAL SUBSIDIARIES OF THE LISTEvD ENTITY

Name of Material Subsidiary	Date of Incorporation	Place of Incorporation	Details of appointment of Statutory Auditors
Kitex Apparel Parks Limited	18-11-2021	Telangana	MSKA & Associates, Chartered Accountants have been appointed as Statutory Auditors with effect from September 30, 2022

7. OTHER USEFUL SHAREHOLDERS INFORMATION

7.1 GREEN INITIATIVE

The Company's philosophy focuses on making the environment greener for the benefit of prosperity. To support the Green Initiative, members (holding shares in electronic form) who have not registered their email addresses, are requested to register the same with their Depository Participants. Members holding shares in physical mode are also requested to register their email ID with the Registrar and Share Transfer Agent of the Company.

7.2 CHANGE IN ADDRESS AND FURNISHING BANK DETAILS

Shareholders holding shares in physical form should notify to the Company's RTA, change in their address with PIN Code number and Bank Account details by written request under the signatures of sole/first joint holder.

Beneficial Owners of shares in demat form should send their instructions regarding change of address, bank details, nomination, power of attorney, change in e-mail address, etc., directly to their DP, as the said records are maintained by the DPs.

Shareholders, who hold shares in physical form, should provide their Bank Account details to the Company's RTA, while those Shareholders who hold shares in dematerialized form should provide their Bank Account details to their DP.

7.3 REGISTERING OF EMAIL ADDRESS

Shareholders, who have not yet registered their e-mail address for availing the facility of e-communication, are requested to register the same with the Company's RTA (in case the shares are held in physical form) or their DP (in case the shares are held in dematerialized form) so as to enable the Company to serve them fast.

7.4 NOMINATION FACILITY

Shareholders whose shares are in physical form and wish to make/ change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Act, may submit to RTA the prescribed Forms SH-13/ SH-14. The Nomination Form shall be provided on request.

7.5 UNCLAIMED DIVIDEND/SHARES

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top one thousand listed entities based on market capitalization are required to formulate a Dividend Distribution Policy. Accordingly, the Board approved and adopted Dividend Distribution policy is available on the Company's Website: viz., http://www.kitexgarments.com/wp-content/uploads/2017/05/KGL_Dividend-Policy_2017.pdf.

Pursuant to Section 124(5) of the Companies Act, 2013, the Company has transferred all unclaimed/ unpaid dividends upto the final dividend declared during the financial year 2017-18 to the Investor Education and Protection Fund as applicable. Details of such unclaimed/ unpaid dividend transferred upto 2017-18 (final dividend) are available on the website of the Company viz., www.kitexgarments.com. Further Section 124(6) of the Companies Act, 2013 mandates transfer of all those shares in respect of which unpaid or unclaimed dividend have been transferred by the company to the IEPF.

Members who have either not received or have not encashed their dividend warrant(s) for the financial years 2018-19 (final dividend) to 2024-25, are requested to claim the unpaid dividend from the Company before transfer to the above mentioned fund. After transfer of unpaid/ unclaimed dividend amount to the IEPF, the same can be claimed subsequently after following the procedure.

Further dividend which has become unclaimed for the last 7 years since 2018-19 must be claimed by the concerned shareholders on or before August 31, 2026 for which Company had sent the reminder letter to them. The details are provided in the shareholder information section of this Annual Report and are also available on our website www.kitexgarments.com.

Details of the unclaimed dividend and the last date for claiming the same, prior to its transfer to the IEPF are given below:

Financial year	No. of Members who have not claimed their dividends	Unclaimed dividend as on 31.03.2026	Unclaimed dividend as % to total dividend	Date of declaration	Last date for claiming the dividend prior to its transfer to IEPF
2018-19 (Final)	1050	10,35,402.00	1.04	28.08.2019	02.10.2026
2019-20 (Interim)	948	10,44,865.50	1.05	11.02.2020	18.03.2027
2020-21 (Final)	1354	8,83,103.00	0.89	07.09.2021	12.10.2028
2021-22 (Final)	1291	8,99,089.50	0.90	29.08.2022	03.10.2029
2022-23 (Final)	1201	7,53,269.50	0.76	30.09.2023	04.11.2030
2023-24 (Final)	1420	12,02,495.00	1.21	28.09.2024	02.11.2031
2024-25 (Final)	2336	12,34,879.50	1.24	17.09.2025	22.10.2032

Summary of equity shares transferred to IEPF account are given below:

Financial Year	No. of Shareholders whose shares were transferred	No. of shares transferred to demat Account in NSDL	No. of shares transferred to demat Account in CDSL	No. of shares transferred to Demat Account in Physical Form	Unclaimed dividend transferred
2008-09	257	1516	3359	244500	6,06,753.75
2009-10	40	828	1932	12700	2,77,817.00
2010-11	26	980	175	163000	7,90,103.00
2011-12	38	1333	467	24000	6,68,905.00
2012-13	10	1381	200	1000	8,80,640.80
2013-14	22	550	250	24500	9,14,555.00
2014-15	11	839	36	5500	10,24,180.00
2015-16	57	1889	120	33500	12,85,316.00
2016-17	44	3081	322	78000	13,02,297.00
2017-18	59	402	1630	26718	13,55,568.00

In terms of the said Regulation, voting rights on the equity shares lying in said demat accounts shall remain frozen till the rightful owner claims such shares. Further all corporate benefits in terms of securities accruing on the said shares viz., bonus shares, split etc if any shall also be credited to the said IEPF account.

The concerned shareholder(s) can claim the dividend and / or shares that have been transferred to IEPF account after complying with the procedure prescribed by the Ministry of Corporate Affairs, Government of India. A brief outline of the procedure for claiming the dividend/shares from IEPF authority is listed for the benefit of the concerned shareholder(s).

- Submit the duly filled web-form only at www.iepf.gov.in. On successful upload, download the acknowledgement that get generated automatically

- Take a printout of the duly filled form IEPF-5 and the acknowledgement. Submit the same to the Nodal Officer (IEPF) of the Company at its registered office in an envelope marked as "Claim for refund from IEPF Authority" along with the following documents:
    - Indemnity in original with claimant's signature
    - Advance stamped receipt (in original)
    - Copy of Aadhar Card (for Indian citizens)
    - Copy of Passport (for NRIs)
    - Proof of Entitlement (Share Certificate/Dividend Warrants etc)
    - Cancelled cheque leaf and
    - Other required documents.

- The Company on receipt of the complete set of documents will submit its verification report to the IEPF Authority

- Upon submission of the verification report by the Company, the corresponding action will solely be at the discretion of the IEPF Authority.

For more details, the concerned shareholder is requested to refer to the "Refund" section of www.iepf.gov.in.

7.6 DEMAT SUSPENSE ACCOUNT

Regulation 39(4) of the Listing Regulations inter alia requires every listed company to comply with certain procedures in respect of shares issued by it in physical form pursuant to a public issue or any other issue and which remained unclaimed for any reason whatsoever. In terms of the said Regulation, voting rights on the equity shares lying in the said Unclaimed Suspense Account shall remain frozen till the rightful owner claims such shares. Further, all corporate benefits in terms of securities accruing on the said unclaimed shares viz. bonus shares, split, etc., if any, shall also be credited to the said Unclaimed Suspense Account. The Company had sent the reminders to the shareholders whose share certificates were returned undelivered and lying unclaimed. In case your shares are lying unclaimed with the Company, you are requested to claim the same by writing a letter to the Company.

The status of the aforesaid unclaimed shares, as on March 31, 2026 is given below:

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on April 01, 2025	455	20,68,178
Number of shareholders who approached listed entity for transfer of shares from suspense account during the FY 2025-26	37	95,800
Number of shareholders / legal heirs to whom the shares were transferred from the Unclaimed Suspense Account during FY 2025-26	37	95,800
Aggregate number of shareholders and outstanding shares held in the Unclaimed Suspense Account as on March 31, 2026	418	19,72,378

7.7 DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46:

The Board of Directors quarterly reviews the compliance of all applicable laws. Your company has compliance framework for adherence to the mandatory requirements of Corporate Governance norms as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations to the extent applicable to the Company and has duly complied with.

7.8 QUOTE FOLIO NO. / DP ID NO.

Shareholders/ Beneficial Owners are requested to quote their Folio Nos./ DP ID Nos., as the case may be, in all correspondence with the Company. Shareholders are also requested to quote their e-mail IDs, and contact number for prompt reply to their correspondence.

DECLARATION – CODE OF CONDUCT

I, Sabu M. Jacob, Managing Director of Kitex Garments Limited, declare that all the members of the Board of Directors and Senior Management have, for the year ended March 31, 2026 affirmed compliance with the Code of Conduct laid down for the Board of Directors and Senior Management in terms of Regulation 26(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **Kitex Garments Limited**

Sabu M Jacob
Chairman & Managing Director
(DIN: 00046016)

August 14, 2026
Kizhakkambalam

CEO'S and CFO'S CERTIFICATE

We, Sabu M. Jacob, Chairman and Managing Director & Boby Michael, CFO of the Company, to the best of our knowledge and belief, certify that:

a. We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2026 and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed, to the auditors and the Audit Committee, wherever applicable, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to be taken to rectify these deficiencies.

d. We have indicated to the auditors and the Audit Committee, wherever applicable,

   i. significant changes in internal control over financial reporting during the year;

   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For **Kitex Garments Limited**

Sabu M Jacob
Chairman and Managing Director
(DIN: 00046016)

Boby Michael
Chief Financial Officer

May 29, 2026
Kizhakkambalam

CERTIFICATE ON CORPORATE GOVERNANCE

To the members of Kitex Garments Limited

We have examined the compliance of conditions of Corporate Governance by KITEX GARMENTS LIMITED [CIN: L18101KL1992PLC006528] having its registered office at Building No. VI/496, Kizhakkambalam, Vilangu P.O., Aluva, Kunnathunad, Kochi – 683561, for the year ended 31st March, 2026 as stipulated in Regulation 17 to 27 and clause (b) to (i) and (t) of Regulation 46 (2), Schedule V and Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated above. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2026.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Peer Review Certificate No.6215/2024
UDIN: F003067H001110085
For **SVJS & Associates**
Company Secretaries

CS. Vincent P. D.
Managing Partner
FCS: 3067 CP No: 7940

Kochi
14.08.2026

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
Kitex Garments Limited
Building No. VI/496, Kizhakkambalam
Vilangu P.O., Aluva
Kunnathunad, Kochi – 683561

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kitex Garments Limited having CIN: L18101KL1992PLC006528 and having registered office at Building no. VI/496, Kizhakkambalam, Vilangu P.O., Aluva, Kunnathunad, Kochi – 683561, Kerala (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such Statutory Authority.

Sl. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Sabu Meckamkunnel Jacob	00046016	16/08/1993
2.	Mr. Chenakkott Philipose Philipose*	01125157	20/07/2015
3.	Mr. Amprayil Kurien Mathew	02437778	14/08/2024
4.	Mr. Kalpathy Lekshmi Venkitanarayanan Narayanan	01273573	04/04/2013
5.	Ms. Sindhu Chandrasekharan	06434415	16/03/2015
6.	Ms. Sumi Francis	08950675	13/11/2020

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

* ceased with effect from end of business hours of 06.06.2026

Peer Review Certificate No. 6215/2024
UDIN: F003067H001110074
For **SVJS & Associates**
Company Secretaries

CS. Vincent P. D.
Managing Partner
FCS: 3067
CP No: 7940

Kochi
14.08.2026

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity : L18101KL1992PLC006528
2. Name of the Listed Entity : Kitex Garments Limited
3. Year of incorporation: 1992
4. Registered office address : Building No. VI/496, Kizhakkambalam, Vilangu P.O, Aluva, Ernakulam, Kerala - 683561
5. Corporate address : Building No. VI/496, Kizhakkambalam, Vilangu P.O, Aluva, Ernakulam, Kerala - 683561
6. E-mail : sect@kitexgarments.com
7. Telephone : 0484-2585000
8. Website : www.kitexgarments.com
9. Financial year for which reporting is being done : 2025-26
10. Name of the Stock Exchange(s) where shares are listed : BSE Limited & National Stock Exchange of India Limited
11. Paid-up Capital : ₹ 19,95,00,000
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report

Particulars	Details
Name	Boby Michael
Designation	Chief Financial Officer
Telephone Number	0484-2585310
Email ID	cfo@kitexgarments.com

13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements taken together) : Standalone basis (i.e, only for the entity)

14. Name of assurance provider: Not Applicable

15. Type of assurance obtained: Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Textile Business	Manufacturing of knitted fabrics and infant garments and exporting of infant garments	92.94%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Fabric	13919	3.75 %
2	Garments	18101	94.36%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	1	1	2
International	Nil	Nil	Nil

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	1
International (No. of Countries)	2

b. What is the contribution of exports as a percentage of the total turnover of the entity?

86.93%

c. A brief on types of customers:

The Company is one of the leading manufacturer of cotton and organic cotton ready-to-wear garments for infants and children. It's customers are global infant garment wholesalers.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
		EMPLOYEES				
1.	Permanent (D)	580	475	82	105	18
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total employees (D + E)**	**580**	**475**	**82**	**105**	**18**
		WORKERS				
4.	Permanent (F)	3932	1605	41	2327	59
5.	Other than Permanent (G)	0	0	0	0	0
6.	**Total workers (F + G)**	**3932**	**1605**	**41**	**2327**	**59**

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently abled employees (D + E)**	**0**	**0**	**0**	**0**	**0**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	3	2	67	1	33
5.	Other than permanent (G)	0	0	0	0	0
6.	**Total differently abled workers (F + G)**	**3**	**2**	**67**	**1**	**33**

21. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	2	33.33
Key Management Personnel	4	2	50

22. Turnover rate for permanent employees and workers
(Disclose trends for the past 3 years)

	FY 2025-26 (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12	22	14	20	21	20	20	32	22
Permanent Workers	57	59	58	78	70	74	59	70	66

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Kitex Babywear Limited	Subsidiary	100	No
2	Kitex Kidswear Limited	Subsidiary	100	No
3	Kitex Littlewear Limited	Subsidiary	100	No
4	Kitex Knits Limited	Subsidiary	100	No
5	Kitex Packs Limited	Subsidiary	100	No
6	Kitex Socks Limited	Subsidiary	100	No
7	Kitex Apparel Parks Limited	Subsidiary	70	No
8	Kitex USA LLC	Associate	50	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
(ii) Turnover (in ₹ Lakhs) : 63,660.93
(iii) Net worth (in ₹ Lakhs) : 1,15,347.33

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Any grievances arising in the community, regarding Company's operations, are communicated through direct representation to the HR Department or in other forms. Grievances reported are reviewed, addressed, and communicated suitably. If required the issue is escalated to Senior Management & MD for review.	-	-	-	-	-	-
Investors (other than shareholders)	The Stakeholder Relationship Committee oversees and reviews all matters connected with the redressal of Investor Grievances and complaints. Investor grievances can be reported in the following e-mail ID, investor@kitexgarments.com available on our company website.	-	-	-	-	-	-
Shareholders	Shareholders grievances can be reported to RTA through the online investor portal of the RTA, ie, https://wisdom.cameoindia.com/ and can also be reported to the Company through email ID, investor@kitexgarments.com	3	0	-	2	0	-
Employees and workers	Yes http://www.kitexgarments.com/wp-content/uploads/2017/02/WHISTLE-BLOWER-POLICY-revised-30.01.2017.pdf	-	-	-	-	-	-
Customers	Yes http://www.kitexgarments.com/wp-content/uploads/2023/05/contact-us.pdf	-	-	-	-	-	-
Value Chain Partners	Complaints if any received from value chain partners are reviewed and managed by the respective departments	-	-	-	-	-	-
Other (please specify)		Nil	Nil	-	Nil	Nil	-

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Water use and management	Opportunity	Managing the significant water and waste water related impacts by ETP process and utilizing the same for agricultural purpose.	NA	Positive
2	Occupational Health and Safety	Risk and Opportunity	A safe working environment for all employees is essential for driving business and retaining the workforce there by avoiding operational, financial, and reputational losses.	Company strives to provide a safe working environment by ensuring strict adherence to policies and compliance audits like safe accommodation for the women work force within the Campus and men outside the campus and also providing healthy food four times a day. Both free of cost. All medical facilities also provided free of cost.	Positive
3	Diversity and Equal Opportunity	Opportunity	Diversity in the workforce improves the company's performance as it increases the likelihood of people from different states with different cultures together at the workplace.	NA	Positive
4	Data Privacy and Cybersecurity	Risk	In today's world, where entire Business operations / activities are largely dependent on the internet or usage of technology, technology failures or cyber attacks can disrupt operations, leading to downtime and loss of productivity	Regular assessment helps to identify potential technology risks, including cybersecurity threats, system vulnerabilities, compliance gaps, and technological obsolescence.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://www.kitexgarments.com/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	• Worldwide Responsible Accredited Production (WRAP) • Supplier Qualification Program (SQP) • Global Organic Textile Standard (GOTS) • Supplier Compliance Audit Network (SCAN) • Certified 'Class I' for compliance to 'Oeko-Tex Standard 100' standards (OEKO-TEX) • Workplace Conditions Assessment • Life and Building Safety (LABS) • HIGG • GCL								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Though not set any such specific commitment goals, we continue to adhere all the guiding principles.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	We are adhering to all the guiding principles.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) : Sustainability remains an integral part of our business philosophy and long-term growth strategy. We recognize the environmental and social responsibilities associated with the textile industry and are committed to conducting our operations in a responsible and sustainable manner. Our efforts are focused on improving energy efficiency, conserving water and natural resources, reducing our environmental impact and adopting cleaner and more sustainable production practices. Through these initiatives, we seek to strengthen our environmental stewardship, promote the well-being of our stakeholders and create sustainable long-term value while continuing to uphold high standards of responsible business conduct.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Sabu M Jacob Chairman & Managing Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. Risk Management Committee The Committee comprises of : • Mr. Sabu M Jacob, Chairman & Managing Director • Mrs. Sindhu Chandrasekharan, Whole-Time Director • Mr. C P Philipose, Independent Director The Committee monitors and approves risk management and sustainability framework, reviews progress on a regular basis among others								

10. Details of Review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Committees of the Board									Periodically, as and when required								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Committees of the Board									As and when required								

11.

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

01 PRINCIPLE

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programs
Board of Directors	2	Regulatory and statutory updates	100%
KMP	2	Insider Trading, Governance and regulatory updates	100%
Employees other than BoD and KMPs	4	Fire Mock Drill, Vigil Mechanism and Whistle Blower Policy, Equal Opportunity Policy, POSH Policy	100%
Workers	4	WRAP Principle Training, Code of Ethics & Code of Conduct Training, Rules, Regulations & Company Policy Training, Goods Manufacturing Practice - Policy & Procedures Disney Code of Conduct Training, Gender Equality and GBVH Training, Fire Fighting Training, Health & Safety Training, Security Training, Environmental Training, Vigil Mechanism and Whistle Blower Policy, Equal Opportunity Policy, POSH Policy, Fire Mock Drill	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	NA	Nil	NA	NA
Settlement	Nil	NA	Nil	NA	NA
Compounding fee	Nil	NA	Nil	NA	NA

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	NA	NA	NA
Punishment	Nil	NA	NA	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

   Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

   Anti-corruption and bribery are a part of Company's Code of Conduct for its Board of Directors and Senior Employees. The Code of conduct is communicated to all employees at the time of joining and periodically thereafter. Company and its employees do not offer or give any company funds or property as donations to any government agency or its representative, directly or through intermediaries unless mandated under applicable laws, to obtain any favourable performance of official duties. The Code of Conduct can be accessed on the Company's website at the link: http://www.kitexgarments.com/wp-content/uploads/2017/02/Kitex_code-of-Conduct-revised-30.01.2017.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

Case Details	FY 2025-26 (Current Financial Year)		FY 2024-25 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

   Not applicable, as there were no charges of corruption and conflicts of interests on any employees and other stakeholders of the Company.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Category	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payables	76	54

9. Open-ness of business

   Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Purchases -Procurement/ Purchase Department	a. Purchases from trading houses as percentage of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as percentage of total purchases from trading houses	-	-

Parameter	Metrics		FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Sales	a.	Sales to dealers/distributors as percentage of total sales	Nil	Nil
	b.	Number of dealers/distributors to whom sales are made	Nil	Nil
	c.	Sales to top 10 dealers/distributors as percentage of total sales to dealers/distributors	Nil	Nil
Share of RPTs in	a.	Purchases (Purchases with related parties/Total Purchases)	48.93%	18.93%
	b.	Sales (Sales to related parties/Total Sales)	6.73%	13.10%
	c.	Loans & advances (Loans & advances given to related parties/Total loans & advances)	100%	100%
	d.	Investments (Investments in related parties/Total Investments made)	99.99%	99.99%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
	Nil	

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

   Yes, Company has its Code of Conduct which extends to all directors and senior employees of which aims at maintaining highest standards of business conduct in line with the Ethics of the Company, provides guidance in difficult situations involving conflict of interest and ensures compliance with all applicable laws. Also, as per the requirements of the Companies Act, the disclosure of interest is required to be given by the Directors in prescribed Form MBP-1 which is brought to the attention at a Board Meeting and taken on record. Further, any transaction in which any Director is interested is brought to the attention of the Board and the interested Director (if any) does not participate in that discussion.

02 PRINCIPLE

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D		Nil	
Capex			

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

   Yes. The Company has established procedures for sustainable sourcing as part of its procurement and supplier-management processes. Suppliers are evaluated on relevant environmental, social, ethical and quality parameters, and sustainability considerations are incorporated into supplier selection and monitoring.

   b. If yes, what percentage of inputs were sourced sustainably? : Not available

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   We are disposing to approved vendors and returning to original buyers wherever possible.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   No.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

   No, Life Cycle Assessment has not been carried out for any product of the Company during the year under review.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

   Not Applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

   Nil

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

   Not Applicable

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

   Not Applicable

03 PRINCIPLE

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	475	184	39	184	39	0	0	-	-	-	-
Female	105	53	50	53	50	105	100	-	-	-	-
Total	**580**	**237**	**41**	**237**	**41**	**105**	**100**	**-**	**-**	**-**	**-**
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

b. Details of measures for the well-being of workers:

Category	Total (A)	Health insurance Number (B)	Health insurance % (B / A)	Accident insurance Number (C)	Accident insurance % (C / A)	Maternity benefits Number (D)	Maternity benefits % (D / A)	Paternity Benefits Number (E)	Paternity Benefits % (E / A)	Day Care facilities Number (F)	Day Care facilities % (F / A)
Permanent workers											
Male	1605	1525	95	1525	95	0	0	-	-	-	-
Female	2327	2327	100	2327	100	2327	100	-	-	-	-
Total	**3932**	**3852**	**98**	**3852**	**98**	**2327**	**100**	**-**	**-**	**-**	**-**
Other than Permanent workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

Category	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Cost incurred on well-being measures as a percentage of total revenue of the company	20.42%	15.53%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	No. of employees covered as a % oftotal employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	N	100	100	N
ESI	11	98	Y	14	99	Y
Others – please specify	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the offices of the company are accessible to differently abled employees and workers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The Company recognizes the importance of equal opportunity, diversity, and inclusivity. The Company has implemented an Equal Opportunity Policy to ensure that persons with disabilities are treated with dignity, fairness, and respect and are provided equal access to employment opportunities, workplace facilities, career development, and professional growth.

The equal opportunity policy is available at http://www.kitexgarments.com/wp-content/uploads/2026/08/Equal Opportunity-Policy-6.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Particulars	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes - Grievance Committee
Other than Permanent Workers	Not Applicable
Permanent Employees	Company has a robust whistle-blower policy in line with regulatory requirements stated in Section 177 of the Companies Act, 2013 for the employees and directors to raise their concerns and incidents of unethical behaviour. The mechanism also outlines the provision of adequate safeguards for the employees including Directors and has a provision of direct access to the Chairman of the Audit Committee in exceptional cases.
Other than Permanent Employees	Not Applicable

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No of employees/ workers in respective category, who are part of association (s) or Union (s) (B)	% B/A	Total employees /workers in respective category (A)	No of employees/ workers in respective category, who are part of association (s) or Union (s) (B)	% B/A
Total Permanent Employees						
Male	580	0	NA	610	0	NA
Female		-			-	
Total Permanent Workers						
Male	3932	0	NA	4648	0	NA
Female		0			0	NA

8. Details of training given to employees and workers:

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No.(B)	% (B/ A)	No.(C)	% (C /A)		No.(E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	475	475	82	-	-	501	501	82	-	-
Female	105	105	18	-	-	109	109	18	-	-
Total	**580**	**580**	**100**	**-**	**-**	**610**	**610**	**100**	**-**	**-**
Workers										
Male	1605	1605	41	-	-	1932	1932	42	-	-
Female	2327	2327	59	-	-	2716	2716	58	-	-
Total	**3932**	**3932**	**100**	**-**	**-**	**4648**	**4648**	**100**	**-**	**-**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	475	475	82	501	501	100
Female	105	105	18	109	109	100
Total	**580**	**580**	**100**	**610**	**610**	**100**
Workers						
Male	1605	1605	41	1932	1932	100
Female	2327	2327	59	2716	2716	100
Total	**3932**	**3932**	**100**	**4648**	**4648**	**100**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. The Company has implemented an Occupational Health and Safety Management System across the manufacturing facilities, covering all employees and workers. Safety culture is reinforced through regular training programmes, induction sessions for new employees and continuous reinforcement of safe practices including mock drills. Dedicated safety officers & welfare officers in all our plants are engaged in compliance with the same.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

In order to identify the work-related hazardous, risk assessment procedure is already existing in the company to assess on quarterly basis.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes. The Company has a process in place for workers to report work-related hazards and to remove themselves from such risks

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. The company has a well-established health monitoring system for all its employees covering 100% of the workforce. Company has a medical dispensary with dedicated doctors, nurses, ambulance facilities, and medical supplies. Ambulance facility ensures the seamless transportation to the nearest hospital for treatment.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	9
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Periodic training programmes on health and safety both internal and external for workers followed by evaluation. Implemented risk identification and mitigation as per Risk Assessment Policy by safety officers. Fully functional clinic with a team of doctors, nurses, pharmacy and ambulance is available on the campus. Food served from the canteen (FSSAI registered) is regularly tested before serving.

13. Number of Complaints on the following made by employees and workers:

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

    The company has adopted robust mechanisms to monitor, record, and mitigate unsafe conditions in the operating sites. The welfare officers at the units monitor and record the unsafe conditions regularly and the same gets reviewed by management monthly to evaluate the actions taken.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

   No, but workers are covered under ESI.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

   The Company ensures that statutory dues as applicable to the transactions within the remit of the Company are deducted and deposited in accordance with extant regulations. This activity is also reviewed as part of the internal and statutory audits. With respect to tax credit available to the Company, reconciliation is done between various tax details realized by Income tax department, GST department and books, wherever short fall cases are found, recovery will be done from the value chain partner vendor

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

   Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

   No

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

04 PRINCIPLE

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company identifies its stakeholders through continuous engagement practices. The Company understands that stakeholder engagement is a crucial aspect of its operations and strives to involve relevant stakeholders in the decision-making processes. The Company conducts an analysis to identify and prioritize both internal and external stakeholders based on their level of influence on organizational decisions and activities. Through consultation with company leadership, the Company has identified key stakeholders including shareholders & investors, employees, customers, vendors & service providers, ecosystem & society and government & regulatory bodies.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication(Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half Yearly/Quarterly/ Others-Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders & Investors	No	General Meetings, Postal ballot, Stock exchange filings, Media like Print and Digital Email to stakeholders, Website publications/ announcements	Quarterly, half-Yearly, Annually and need based	To update on quarterly and annual financial results, annual reports, to update on developments, business activities, new initiatives, schemes, investor presentations etc
Employees	No	Training programmes, Circulars and email communications, employee engagement programmes, sports, cultural and extra curricular events	Frequently and need based	To exchange ideas and suggestions, provide merit based opportunity for professional growth and to create an inclusive workplace
Customers	No	Customer visits and meets customer care teams	Frequently and need based	Business related discussions, product and service awareness, grievance redressal etc
Vendors & Service Providers	No	Assessment of suppliers and vendors, email communication and calls, project review meeting	Frequently and need based	Business related discussions, techno commercial discussions, grievance redressal etc
Ecosystem & Society	Yes	Engagement through CSR Arm to identify vulnerable groups for CSR initiatives, improving ecosystems through various CSR initiatives	Need based	Support CSR projects, Financial inclusion and other relevant matters affecting the communities
Government & Regulatory Authorities	No	Various interactions with the regulators, submission of periodical reports/returns, meetings etc	Frequently and need based	Discussions regarding various regulations and amendments, policies and processes, corporate governance and compliance standards

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

   The consultation with different stakeholders happen at different levels of the company's functional departments. Each stakeholder group is mapped to functional owners who act as the first line of contact. The details of consultation with the stakeholders including their inputs and feedback are monitored by the management through functional departments or executive level committees. The departments or committees ensure that the feedback from the stakeholders is communicated to the Board level committees or the Board as the case may be.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

   Yes, stakeholder consultation is indeed utilized to support the identification and management of environmental and social topics within our entity. We recognize the importance of engaging with stakeholders to gather diverse perspectives and incorporate their inputs into our decision-making processes.

   a) Environmental Policy Development: When formulating our environmental policy, we conducted consultations with various stakeholders, including local communities, industry experts etc. Stakeholders shared their suggestions and expectations regarding sustainable practices, and we incorporated their inputs into our policy framework. This led to the inclusion of specific targets for reducing renewable energy sources, implementing waste management strategies etc

   b) Social Impact Assessment: Before undertaking major projects or expansions, we conduct social impact assessments to understand the potential effects on local communities. As a part of this process, we engage with stakeholders, including community representatives, non-governmental organizations, and indigenous groups. Their input helps us identify and mitigate any adverse social impacts.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company actively contributes to the socio-economic development of the community through various participatory and need based initiatives in the field of Healthcare, Rural Development, Road Infrastructure, Housing etc

05 PRINCIPLE

Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	580	580		610	523	86
Other than permanent	-	-	-	-	-	-
Total Employees	**580**	**580**		**610**	**523**	**86**
Workers						
Permanent	3932	3932		4648	4648	100
Other than permanent	-	-	-	-	-	-
Total Workers	**3932**	**3932**		**4648**	**4648**	**100**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/ A)	No.(C)	% (C /A)		No.(E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	475	-	-	475	100	501	-	-	501	100
Female	105	-	-	105	100	109	-	-	109	100
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent										
Male	1605	-	-	1605	100	1932	-	-	1932	100
Female	2327	-	-	2327	100	2716	-	-	2716	100
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	NA	NA	NA	NA
Key Managerial Personnel	2	6,51,541	2	2,06,439
Employees other than BoD and KMP	535	39,072	128	27,746
Workers	2580	14,428	3786	12,527

Notes:

*Remuneration to BoD includes only remuneration to Executive Directors who are included in the KMP of the Company

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Gross wages paid to females as % of total wages	41%	54%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The company promotes a culture of transparency and accountability through its Vigil Mechanism / Whistle Blower Policy. This policy empowers employees to report any concerns relating to misconduct or violation of company rules, without fear of retaliation or discrimination. The policy outlines clear channels for reporting concerns, including the Chairperson of the Audit Committee. The Whistleblower Policy is readily accessible to all stakeholders and is publicly available in the company website for transparency. In addition, workers can raise concerns directly with the Works Committee, Grievance Committee, Health and Safety Committee etc

6. Number of Complaints on the following made by employees and workers:

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The company through its policy encourages employees to report matters without the risk of subsequent victimisation, discrimination or disadvantage. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person making such disclosure.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from the assessments at Question 9 above.

No such incident of non-compliance has been observed during assessment

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

   We are committed to upholding human rights which is reinforced by our code of conduct, policies, and whistleblower channels. There have been no human rights grievances/complaints which resulted in introduction/ modification of business process.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

   As a company deeply committed to ethical business practices, we make it a priority to conduct comprehensive human rights due diligence. Our approach encompasses a meticulous examination of potential human rights risks within our operations. Our ongoing dedication to human rights due diligence underscores our unwavering commitment to upholding human rights at every level of our operations.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

   Yes, the facilities of the company are accessible to differently abled employees, workers and visitors

4. Details on assessment of value chain partners:

Category	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from the assessments at Question 4 above.

   Not Applicable

06 PRINCIPLE

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total electricity consumption (A)	GJ	63,311	79,293
Total fuel consumption (B)	GJ	3,00,492	4,73,506
Energy consumption through other sources (C)	GJ	-	-
Total energy consumption (A+B+C)	GJ	**3,63,803**	**5,52,799**
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	GJ/₹ Lakhs	5.71	5.42
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	GJ / US$ Mn, PPP	1,350.30	1,448.34

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Energy intensity in terms of physical output	GJ / '000 Pcs of garments	7.30	6.79
Energy intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres		
(i) Surface water	73,230	73,237
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others-Rain Water	18,520	20,123
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**91,750**	**93,360**
Total volume of water consumption (in kilolitres)	**91750**	**93,360**
Water intensity per rupee of turnover (Water consumed / turnover)	1.44	0.95
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) [KL / US$ Mn, PPP]	340.54	244.60
Water intensity in terms of physical output [KL / '000 Pcs of garments]	1.84	1.15
Water intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No

4. Provide the following details related to water discharged:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)	77311	77339
(i) To Surface water		
- No treatment		
- With treatment – please specify level of treatment	77311	77339
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
- With treatment – please specify level of treatment		

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

   There is in house ETP and STP process implemented supported with modern machinery imported from Italy.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
NOx	Mg/Nm3	31.2	30.5
SOx	Mg/Nm3	12.4	14
Particulate matter (PM)	Mg/Nm3	75.5	81.1
Persistent organic pollutants (POP)		-	-
Volatile organic compounds (VOC)		-	-
Hazardous air pollutants (HAP)		-	-
Others – please specify		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1,63,420	1,72,480
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	31,89,580	36,78,500
Total Scope 1 and Scope 2 emissions per rupee of turnover			0.00039
Total Scope 1 and Scope 2emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	[tCO2e / US$ Mn, PPP]	12,445.06	10,089.62
Total Scope 1 and Scope 2 emission intensity in terms of physical output	[tCO2e / ‘000 Pcs of garments]	67.32	47.29
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

   No

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	4.20	6.60
E-waste **(B)**	0.245	0.260
Bio-medical waste **(C)**	-	-
Construction and demolition waste **(D)**	-	-
Battery waste **(E)**	0.0031	0.0041
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any. **(G)**	0.203	0.315
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	457.78	755.79
Total (A+B + C + D + E + F + G + H)	**462.43**	**762.96**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	42.31	62.575
(ii) Re-used	420.12	700.2
(iii) Other recovery operations		-
Total	**432.43**	**762.775**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	32.45	36.865
(ii) Landfilling	2.185	0.231
(iii) Other disposal operations		-
Total	**34.635**	**37.096**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Fully functional ETP and STP

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).

Yes

If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
		Not Applicable		

14. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N): Yes

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

   None of our factories or offices withdraw, consume and discharge water in areas of water stress.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

   Not tracked

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

   Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

   No any special initiatives have undertaken by the Company.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

   We have detailed disaster management plan to cover crucial areas like loss of electricity supply, loss of water supply, failure of key machineries, malicious sabotage, business vulnerabilities, cyber attacks, major break downs, flood, fire, natural disasters etc. Senior executives of the Company are entrusted with each crisis area.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

   No assessment has been carried out.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

   No assessment has been carried out

07 PRINCIPLE

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

   1

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Texprocil	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

   Not Applicable

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly Others please specify)	Web Link if available
			None		

08 PRINCIPLE

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain	Relevant Web link
			Not Applicable		

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of project for which R&R is ongoing	State	District	No of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
			None			

3. Describe the mechanisms to receive and redress grievances of the community.

   Any grievances arising in the community, regarding Company's operations, are communicated through direct representation to the HR Department or in other forms. Grievances reported are reviewed, addressed, and communicated suitably. If required the issue is escalated to Senior Management & MD for review.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	9.5%	14%
Directly from within India	81.10%	86%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Rural	100%	100%
Semi-urban	-	-
Urban	-	-
Metropolitan	-	-

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
	No aspirational districts are included in our CSR endeavors		

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

   No

   (b) From which marginalized /vulnerable groups do you procure?

   Not Applicable

   (c) What percentage of total procurement (by value) does it constitute?

   Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1	Self employment	100	100%
2	Road Development and other infrastructure works	120000	50%

09 PRINCIPLE

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   Not Applicable since no interaction with the end consumers

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

Category	FY 2025-26 (Current Financial Year)		Remarks	FY 2024-25 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	None		Not Applicable	None		Not Applicable
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	None	Not Applicable
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

   Yes. The Company has an Information Security Policy to take care of cyber security like controls on network access, system administration access, virus protection, data privacy etc. The policy is available to internal stakeholders of the company.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   Not Applicable

7. Provide the following information relating to data breaches:

   a. Number of instances of data breaches: 0

   b. Percentage of data breaches involving personally identifiable information of customers: 0

   c. Impact, if any, of the data breaches: 0

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

   https://www.kitexgarments.com/

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

   Not Applicable

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

   Not Applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   Not Applicable

5. Provide the following information relating to data breaches:

   a. Number of instances of data breaches along-with impact : Nil

   b. Percentage of data breaches involving personally identifiable information of customers : Nil

Standalone
Financial Statements

Independent Auditor's Report

To
The Members of
Kitex Garments Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of Kitex Garments Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone 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, 2026, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

The Company has an investment in an Associate Company, Kitex USA LLC, amounting to Rs. 2,776.24 lakhs as at March 31, 2026 (March 31,2025: Rs. 2,776.24 lakhs). The associate entity has incurred continuous losses and its net worth has fully eroded as at the reporting date. The management of the Company has determined the carrying value of investment from the said Associate as recoverable based on valuations performed and future projected cash flows, after considering the proposed changes in the business plan, forecasted future revenue growth and expected higher margin contributions. For the year ended March 31, 2026, the management of the Company has not been able to provide corroborative evidence to substantiate the reasonableness of the above-mentioned unobservable inputs. Accordingly, we are unable to comment on the recoverability of the carrying value of the investment in Kitex USA, LLC as at March 31, 2026.

This matter was also qualified in our report on the standalone financial statements of the Company for year ended March 31, 2025.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the standalone 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 together with the ethical requirements that are relevant to our audit of the standalone 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 we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Valuation Of Inventory

Refer to Note 2.08 to Standalone financial statements.

The total value of inventory as of March 31, 2026, amounted to Rs. 13,047.12 lakhs representing 9.02% of the total assets (March 31, 2025: 18,949.15 Lakhs, 13.59% of the total assets). Inventories are measured the lower of cost and net realisable value.

The Company is an apparel manufacturer and exporter of knitted garments for infants and kids.

The valuation of raw material, semi-finished and finished goods is a comprehensive exercise and is carried out manually. Allocation of indirect production costs is also estimated and loaded as inventory cost, as part of the valuation exercise. This allocation requires judgment and estimation, which are uncertain at the time of such estimation.

Management also applies judgement in identification & determination of obsolete inventories and slow-moving items of stocks and estimates the appropriateness of requisite provisions thereon. On account of the subjective judgment and uncertainties involved above, we considered this as a Key Audit Matter.

We have performed the following audit procedures in relation to Inventory valuation:

- Assessed the accounting policies relating to valuation of Inventory in compliance with Ind AS 2 ("Inventories").
- Assessed the management process of inventory valuation including allocation of overheads to inventory.
- Evaluated the design and implementation and tested the operative effectiveness of relevant internal controls pertaining to valuation of inventory, including the process for write-down of obsolete inventory and the manual inventorisation of indirect production costs.
- Evaluated the significant judgements and estimates made by Management in applying Company's accounting policy in relation to the manual inventorisation of indirect production costs.
- Assessed the adequacy and accuracy of disclosures in the standalone financial statements with respect to inventory in accordance with respective accounting standards and framework.

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

The Company's Board of Directors are responsible for the other information. The other information comprises the Director's report along with annexures but does not include the standalone financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information' and describe actions applicable in the applicable laws and regulations.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone 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 Indian 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors of the Company 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

We give in **"Annexure A"** a detailed description of Auditor's responsibilities for Audit of the Standalone 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 except for the matter described in the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone financial statements have been kept by the Company so far as it appears from our examination of those books except for the effects of the matter described in the Basis for Qualified Opinion section above, matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g) and in respect of one of the software in the absence of sufficient appropriate audit evidence, we are unable to comment whether back-up of the books of account and other books and papers maintained in electronic mode, have been kept in servers physically located in India on a daily basis as explained in Note 2.48 to the financial statements.

(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 Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the standalone financial statements.

(d) Except, for the matter described in the Basis of Qualified Opinion section above, in our opinion, the aforesaid standalone 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, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in Basis for Qualified opinion, paragraph 2(b) above on reporting under Section 143(3) (b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).

(g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure C"**.

(h) 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 2.41 to the standalone financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

   iv. a. The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 2.46 to the standalone 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.

   b. The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 2.46 to the standalone 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.

   c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, 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) contain any material misstatement.

   v The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

   The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on examination which included test checks, the Company has used two accounting softwares for maintaining its books of accounts and payroll records during the year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility. The audit trail feature was enabled and has been operated throughout the year for all relevant transactions recorded except that;

- In absence of the Independent Service Auditors report (SOC 2 report), we are unable to comment on the audit trail feature at database level for one of the accounting software which is maintained by the third party software service provider.
- Audit trail feature was not enabled for the software used for maintaining payroll records throughout the year as explained in Note 2.47 to the standalone financial statements.

Further, during the course of our audit, except for the above, we did not come across any instance of audit trail feature being tampered.

Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention prescribed under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 to the extent it was enabled and recorded in prior years.

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

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

S. Manikandan
Partner
Membership No.: 226060
UDIN: 26226060OPMJQW5815

Place: Chennai
Date: May 30, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF KITEX GARMENTS LIMITED FOR THE YEAR ENDED MARCH 31,2026

Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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 standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

S. Manikandan
Partner
Membership No.: 226060
UDIN: 26226060OPMJQW5815

Place: Chennai
Date: May 30, 2026

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF KITEX GARMENTS LIMITED FOR THE YEAR ENDED MARCH 31, 2026

[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 maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment were physically verified by the management according to a phased programme designed to cover all items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, some of the asset have been physically verified by Management during the year. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements are held in the name of the Company. The title deeds of immovable properties aggregating to Rs 261.17 Lakhs as at March 31, 2026, are pledged with the banks and original copies are not available with the Company. The same has been independently confirmed by the bank to us and verified by us.

(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 inventory (excluding stocks with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores rupees, in aggregate from Banks and financial institutions on the basis of security of current assets. Refer note 2.20(b) to the standalone financial statements.

Based on the records examined by us in the normal course of audit of the standalone financial statements, quarterly returns / statements filed with such Banks are not in agreement with the books of accounts of the Company. Details of the same are as below.

(₹ in lakhs)

Quarter	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference
Mar-26	Inventory	13,047.12	13,617.71	(570.59)
Dec-25	Inventory	13,918.00	18,097.35	(4,179.35)
Sep-25	Inventory	16,828.94	18,000.29	(1,171.35)
Jun-25	Inventory	16,813.22	21,494.48	(4,681.26)
Mar-26	Trade Receivables	12,237.35	10,450.00	1,787.35
Dec-25	Trade Receivables	39,487.61	14,135.00	25,352.61
Sep-25	Trade Receivables	16,760.27	16,334.00	426.77
Jun-25	Trade Receivables	40,529.77	30,425.00	10,104.77

iii. a) According to the information and explanations 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 any firms or other entities. During the year, Company has made investments, provided loans and stood guarantee for subsidiaries companies.

(A) The details of such loans, advances and guarantee to subsidiaries are as follows:

(₹ In Lakhs)

	Guarantees
Aggregate amount granted/provided during the year	4,945.59
- Subsidiary	
Balance Outstanding as at balance sheet date in respect of above cases	69,344.95
- Subsidiary	

(₹ In Lakhs)

	Loans
Aggregate amount granted/provided during the year	9,310.25
- Subsidiaries	
Balance Outstanding as at balance sheet date in respect of above cases	19,945.01
- Subsidiaries	

b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided and terms and conditions in relation to grant of all loans and advances in the nature of loans, investments made, guarantees provided and securities given are not prejudicial to the interest of the Company.

c) In case of the loans and advances in the nature of loan, schedule of repayment of principal and payment of interest have been stipulated. However, the borrowers have not been regular in the payment of interest to the Company. The details of the same are follows:

Name of the entity	Amount	Due Date	Date of Payment	Extent of delay	Remarks, if any
Kitex Babywear Limited	154.94	April 30,2026	-	-	
Kitex Kidswear Limited	57.36	April 30,2026	-	-	
Kitex Knits Limited	185.78	April 30,2026	-	-	
Kitex Littlewear Limited	34.88	April 30,2026	-	-	
Kitex Packs Limited	305.66	April 30,2026	-	-	
Kitex Packs Limited	56.91	April 30,2026	-	-	

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the details of amount overdue for more than ninety days, on the loans and advances in the nature of loans, are as follows:

No. of Cases	Principal amount overdue	Interest overdue	Total overdue	Remarks (if any) (Also, specify whether reasonable steps have been taken/ not been taken by the Company for recovery of principal amount and interest)
6	-	1,456.08	1,456.08	No steps taken, since wholly owned subsidiaries

e) According to the information explanation provided to us, the loans or advances in the nature of loan granted has not fallen due during the year. Accordingly, the provisions stated under clause 3(iii)(e) of the Order are not applicable to the Company.

f) According to the information explanation provided to us, the Company has not any granted loans or advances in the nature of loans, including to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013 either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, the provisions stated under clause (iii)(f) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees and security made.

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 Act and the rules framed there under. Accordingly, the provisions stated under clause (v) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2026, which are in the nature of deposits.

vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products/ services of the Company. Accordingly, the provisions stated under clause (vi) of the Order are not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records 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, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there has been a slight delay in a few cases.

Undisputed amounts payable in respect these statutory dues in arrears, which were outstanding, as at March 31, 2026, for a period of more than six months from the date they became payable, are as follows:

Name of the statute	Nature of the dues	Amount (Rs in Lakhs)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Advance Income Tax	311.72	July 01, 2025 to September 30, 2025	September 15, 2025	Not paid

(b) According to the information and explanations given to us and the records examined by us, dues relating to Income Tax which have not been deposited as on March 31, 2026, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded	Amount Paid	Period to which the amount relates	Forum where dispute is pending	Name of the statute
Income Tax Act, 1961	Income Tax Dues	1,922.06	108.58	AY 2014-15 to AY 2020-21	Commissioner of Income tax (Appeals)	Income Tax Act, 1961

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 under the Income Tax Act, 1961. Accordingly, the provision stated under clause (viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. Refer Note 2.20 to the standalone financial statements.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries and associate.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate company. Accordingly, reporting under Clause (ix)(f) 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 not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Accordingly, the provisions stated under clause (x)(b) of the Order are not applicable to the Company.

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 Act, 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.

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 Act, where applicable and details of such transactions have been disclosed in the standalone 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 Act, 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 standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause (xvii) of the Order are not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, 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 (as disclosed in note 2.42 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and 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 Act, are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in schedule VII of the Act, or to a Special Account as per the provisions of Section 135 of the Act, read with schedule VII to the Act, Accordingly, reporting under clause (xx)(a) and (xx)(b) of the Order is not applicable to the Company.

xxi The reporting under clause (xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

S. Manikandan
Partner
Membership No.: 226060
UDIN: 26226060OPMJQW5815

Place: Chennai
Date: May 30, 2026

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF KITEX GARMENTS LIMITED AS ON MARCH 31,2026

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Kitex Garments Limited on the Financial Statements for the year ended March 31, 2026]

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

Qualified Opinion

We have audited the internal financial controls with reference to standalone financial statements of Kitex Garments Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, and to the best of our information and according to the explanations given to us, except for the possible effects of the material weakness described in Basis for Qualified Opinion section below on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls with reference to standalone financial statements as at March 31, 2026, and such internal financial controls with reference to standalone financial statements were operating effectively as of March 31, 2026, based on the internal control with reference to standalone 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").

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2026, and these material weakness have effected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements of the Company

Basis for qualified opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls with reference to Standalone financial statements as at March 31, 2026:

The management has not been able to provide corroborative evidence to substantiate the reasonableness of the assumptions and unobservable inputs used in assessing the recoverability of the carrying value of investment in Kitex USA, LLC in accordance with the principles of Indian Accounting Standard – 36 "Impairment of Assets".

This could potentially result in material misstatement of the carrying value of Investment in Associate, and the non-identification of further provision, if any, required to be made for the obligations on behalf of those entities and its consequential impact, if any, on the accompanying standalone financial statements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to standalone financial statements, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

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

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. 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 standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone 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 qualified audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone 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 LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

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S. Manikandan
Partner
Membership No.: 226060
UDIN: 26226060OPMJQW5815

Place: Chennai
Date: May 30, 2026

Standalone Balance Sheet

as at March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

Sl No.	Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
I	**ASSETS**			
	1 Non-current assets			
	(a) Property, plant and equipment (net)	2.01A	9,164.58	10,153.21
	(b) Capital work-in-progress	2.01B	4,276.70	3,440.81
	(c) Other intangible assets	2.01F	2.27	1.65
	(d) Financial assets			
	(i) Investments in subsidiaries and associates	2.02	57,434.42	45,448.17
	(ii) Investment in others	2.02A	7.04	6.73
	(iii) Loans	2.03	19,945.01	10,634.77
	(iv) Other financial assets	2.04	293.60	228.96
	(e) Non-current tax assets	2.05	248.91	248.91
	(f) Deferred Tax Asset (Net)	2.06	290.46	437.14
	(g) Other non-current assets	2.07	448.95	544.95
	Total Non-Current Assets (A)		**92,111.94**	**71,145.30**
	2 Current assets			
	(a) Inventories	2.08	13,047.12	18,949.15
	(b) Financial assets			
	(i) Trade receivables	2.09	12,237.35	33,953.52
	(ii) Cash and cash equivalents	2.10	9,810.40	3,507.60
	(iii) Bank balances other than (ii) above	2.11	2,842.89	2,675.35
	(iv) Other financial assets	2.12	10,787.57	4,589.89
	(c) Other current assets	2.13	3,813.17	4,574.40
	Total Current Assets (B)		**52,538.50**	**68,249.91**
	TOTAL ASSETS [(A) + (B)]		**1,44,650.44**	**1,39,395.21**
II	**EQUITY AND LIABILITIES**			
	1 Equity			
	(a) Equity share capital	2.14	1,995.00	1,995.00
	(b) Other equity	2.15	1,13,352.32	1,08,567.82
	Total Equity (A)		**1,15,347.32**	**1,10,562.82**
	2 Liabilities			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	2.16	4,469.36	-
	(b) Provisions	2.17	1,441.82	1,168.96
	(c) Other non-current liabilities	2.19	71.97	77.59
	Total Non-Current Liabilities (B)		**5,983.15**	**1,246.55**
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	2.20	16,404.14	16,250.60
	(ii) Trade payables	2.21		
	- Total outstanding dues of micro enterprises and small enterprises and		233.33	377.89
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,910.28	6,986.40
	(iii) Other financial liabilities	2.22	309.66	278.53
	(b) Provisions	2.23	113.51	454.31
	(c) Current tax liabilities (net)	2.24	2,133.84	2,955.97
	(d) Other current liabilities	2.25	215.21	282.14
	Total Current Liabilities (C)		**23,319.97**	**27,585.84**
	TOTAL EQUITY AND LIABILITIES [(A) + (B) + (C)]		**1,44,650.44**	**1,39,395.21**

Basis of preparation, measurement and material accounting policies 1 - 1.2

The accompanying notes are an integral part of standalone financial statements (2.01- 2.51)

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration
Number – 105047W/W101187

S. Manikandan
Partner
Membership No.226060

Place : Chennai
Date: May 30, 2026

For and on behalf of the Board of Directors of
Kitex Garments Limited
CIN: L18101KL1992PLC006258

Sabu M Jacob
Chairman &
Managing Director
DIN:00046016
Place : USA
Date: May 30, 2026

Sindhu Chandrasekharan
Whole Time Director
DIN: 06434415

Place : Kizhakkambalam
Date: May 30, 2026

Boby Michael
Chief Financial Officer

Place : Kizhakkambalam
Date: May 30, 2026

CS Dayana Joseph
Company Secretary
ICSI M.No.A61808

Place : Kizhakkambalam
Date: May 30, 2026

Standalone Statement of Profit and Loss

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

Sl No.	Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
I	**Income**			
	(a) Revenue from operations	2.26	59,169.06	98,280.46
	(b) Other income	2.27	4,491.87	3,660.96
	Total Income		**63,660.93**	**1,01,941.42**
II	**Expenses**			
	(a) Cost of materials consumed	2.28	23,447.61	43,924.14
	(b) Changes in inventories of finished goods and work-in-progress	2.29	4,340.65	(1,679.53)
	(c) Employee benefits expense	2.30	13,000.21	15,833.66
	(d) Finance costs	2.31	1,604.97	1,401.72
	(e) Depreciation and amortization expense	2.32	1,228.04	1,571.67
	(f) Other expenses	2.33	13,938.73	20,214.82
	Total Expenses		**57,560.21**	**81,266.48**
III	**Profit before tax before exceptional item (I - II)**		**6,100.72**	**20,674.94**
IV	**Exceptional Items**	2.27A	**1,750.00**	-
V	**Profit before taxes for the year (III+ IV)**		**7,850.72**	**20,674.94**
VI	**Tax expense:**			
	(a) Current tax	2.18	2,045.00	6,065.69
	(b) Deferred tax credit / (charge)	2.18	115.74	(686.08)
	Total Tax Expenses		**2,160.74**	**5,379.61**
VII	**Profit for the year (V -VI)**		**5,689.98**	**15,295.33**
VIII	**Other comprehensive income**			
	A Items that will not be reclassified to profit or loss			
	(i) Re-measurements of post employment benefit obligations		122.63	(45.36)
	(ii) Fair value changes on equity instruments carried through other comprehensive income		0.31	(1.98)
	(iii) Income tax relating to items that will not be reclassified to profit or loss	2.18	(30.94)	11.91
	Total other comprehensive income for the year, net of tax		**92.00**	(35.43)
IX	**Total comprehensive income for the year (VII+VIII)**		**5,781.98**	**15,259.90**
X	**Earnings per equity share (Face value of Re. 1 each)**	2.34		
	Basic & Diluted in Rs.		2.85	7.67
	Basis of preparation, measurement and material accounting policies	1 - 1.2		
	The accompanying notes are an integral part of standalone financial statements	(2.01- 2.51)		

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration
Number – 105047W/W101187

S. Manikandan
Partner
Membership No.226060

Place : Chennai
Date: May 30, 2026

For and on behalf of the Board of Directors of
Kitex Garments Limited
CIN: L18101KL1992PLC006258

Sabu M Jacob
Chairman &
Managing Director
DIN:00046016
Place : USA
Date: May 30, 2026

Sindhu Chandrasekharan
Whole Time Director
DIN: 06434415

Place : Kizhakkambalam
Date: May 30, 2026

Boby Michael
Chief Financial Officer

CS Dayana Joseph
Company Secretary
ICSI M.No.A61808

Place : Kizhakkambalam
Date: May 30, 2026

Place : Kizhakkambalam
Date: May 30, 2026

Standalone Statement of Cash Flow

for the year ended March 31, 2026
(All amounts are stated in lakhs unless stated otherwise)

Sl No.	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A	**Cash Flows from Operating Activities:**		
	Net Profit before tax	**7,850.72**	**20,674.94**
	Adjustments for:		
	Depreciation and amortisation expense	1,228.04	1,571.69
	Unrealised foreign exchange (gain) / loss (net)	(2,698.20)	(443.85)
	Interest income	(1,035.90)	(1,075.40)
	Dividend income	(0.20)	(0.11)
	Deferred grant income	(5.62)	(49.70)
	Loss on sale of property, plant and equipment (net)	-	(9.34)
	Reversal of provision for Expected Credit Loss	(1,750.00)	-
	Provision for Expected Credit Loss	1,077.38	1,878.70
	Interest expense	1,604.97	1,401.72
	Operating profit before working capital changes	**6,271.19**	**23,948.65**
	Changes in working capital:		
	(Increase)/ Decrease in trade and other receivables	19,876.55	(10,942.32)
	(Increase)/ Decrease in inventories	5,902.03	(2,539.99)
	Increase / (Decrease) in trade, other payables and provisions	(3,341.62)	2361.02
	Cash generated from operating activities before taxes	**28,708.15**	**12,827.36**
	Direct taxes paid (net of refunds)	(3,024.75)	(4,997.31)
	Net cash flows generated from operating activities (A)	**25,683.40**	**7,830.05**
B	**Cash Flows from Investing Activities:**		
	Purchase of property, plant and equipment and intangible assets, CWIP including capital advances	(951.96)	(1,134.62)
	Sale proceeds from sale of property, plant and equipment	-	29.86
	Bank balances not considered as Cash and cash equivalents	(167.55)	(733.18)
	Purchase of investment in subsidiary	(11,986.26)	(13,382.33)
	Dividend Received	0.20	0.11
	Interest received	164.59	164.60
	Loans to wholly owned subsidiaries	(9,310.25)	(85.13)
	Net cash used in investing activities (B)	**(22,251.23)**	**(15,140.69)**
C	**Cash Flow from Financing Activities:**		
	Movement in Working Capital Loans (net)	(17.03)	8,598.42
	Proceeds from Working Capital Term Loans	4,639.93	
	Interest paid	(1,446.67)	(1,401.72)
	Dividend / dividend distribution tax paid	(994.32)	(999.32)
	Net cash flow from financing activities (C)	**2,181.92**	**6,197.38**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**5,614.09**	**(1,113.26)**

Standalone Statement of Cash Flow

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

Sl No.	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	Exchange difference on translation of foreign currency cash and cash equivalents	688.71	(25.06)
	Cash and cash equivalents at the beginning of the year	3,507.60	4,645.92
	Cash and cash equivalents at the end of the year (See note 2.10)	9,810.40	3,507.60
	Net increase / (decrease) in cash and cash equivalents	**5,614.09**	**(1,113.26)**
	Components of cash and cash equivalents		
	Cash on hand	13.88	12.50
	Balance with banks		
	on current account and EEFC	9,796.52	3,495.10
	deposits with original maturity of less than three months	-	-
	Total cash and cash equivalents (Refer note-2.10)	**9,810.40**	**3507.60**
	Debt reconciliation statement in accordance with Ind AS 7		
	Opening Balance	16,250.60	7,652.19
	Proceeds from Long Term Borrowings	4,639.93	-
	Proceeds from Short Term Borrowings	71,486.38	1,07,015.72
	Repayment from Short Term Borrowings	(71,503.41)	(98,417.31)
	Closing Balance	**20,873.50**	**16,250.60**

The accompanying notes are an integral part of standalone financial statements (2.01- 2.51)

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.

b) There are no non-cash movements arising from investing or financing activities

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration
Number – 105047W/W101187

S. Manikandan
Partner
Membership No.226060

Place : Chennai
Date: May 30, 2026

For and on behalf of the Board of Directors of
Kitex Garments Limited
CIN: L18101KL1992PLC006258

Sabu M Jacob
Chairman &
Managing Director
DIN:00046016
Place : USA
Date: May 30, 2026

Sindhu Chandrasekharan
Whole Time Director
DIN: 06434415

Place : Kizhakkambalam
Date: May 30, 2026

Boby Michael
Chief Financial Officer

Place : Kizhakkambalam
Date: May 30, 2026

CS Dayana Joseph
Company Secretary
ICSI M.No.A61808

Place : Kizhakkambalam
Date: May 30, 2026

Standalone Statement of Changes in Equity

for the year ended March 31, 2026
(All amounts are stated in lakhs unless stated otherwise)

A Equity Share Capital

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	1,995.00	665.00
Changes in equity share capital during the year	-	1,330.00
Balance at the end of the year	1,995.00	1,995.00

B Other Equity

Particulars	Reserves and Surplus			Equity instrument through other comprehensive income	Total
	Capital Reserve	General Reserve	Retained Earnings		
Balance as at April 01, 2024	**22.10**	**32,675.00**	**62,930.39**	**7.96**	**95,635.45**
Profit for the year			15,295.33	-	15,295.33
Re-measurements of post employment benefit obligations (net of tax)			(33.94)		(33.94)
Fair value changes on equity instruments carried through other comprehensive income (net of tax)				(1.51)	(1.51)
Dividends			(997.50)	-	(997.50)
Bonus issue			(1,330.00)		(1,330.00)
Transfer to reserves		2,000.00	(2,000.00)	-	-
Balance as at March 31, 2025	**22.10**	**34,675.00**	**73,864.28**	**6.45**	**1,08,567.82**
Balance as at April 01, 2025	**22.10**	**34,675.00**	**73,864.28**	**6.45**	**1,08,567.82**
Profit for the year (net of tax)			5,689.98		5,689.98
Re-measurements of post employment benefit obligations (net of tax)			91.78		91.78
Fair value changes on equity instruments carried through other comprehensive income (net of tax)				0.24	0.24
Dividends			(997.50)		(997.50)
Bonus issue					-
Transfer to reserves		2,000.00	(2,000.00)		-
Balance as at March 31, 2026	**22.10**	**36,675.00**	**76,648.54**	**6.69**	**1,13,352.32**

Refer note 2.15.1 for nature and purpose of reserves
The accompanying notes are an integral part of standalone financial statements (2.01- 2.51)

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration
Number – 105047W/W101187

For and on behalf of the Board of Directors of
Kitex Garments Limited
CIN: L18101KL1992PLC006258

S. Manikandan
Partner
Membership No.226060

Sabu M Jacob
Chairman &
Managing Director
DIN:00046016
Place : USA
Date: May 30, 2026

Sindhu Chandrasekharan
Whole Time Director
DIN: 06434415

Place : Kizhakkambalam
Date: May 30, 2026

Boby Michael
Chief Financial Officer

CS Dayana Joseph
Company Secretary
ICSI M.No.A61808

Place : Chennai
Date: May 30, 2026

Place : Kizhakkambalam
Date: May 30, 2026

Place : Kizhakkambalam
Date: May 30, 2026

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

1. General Information

Kitex Garments Limited ('the Company') is a Public Company incorporated and domiciled in India having its registered office at Kizhakkambalam, Alwaye, Ernakulam-683562, Kerala, India. The Company is leading Indian apparel manufacturer and exporter of knitted garments for infants and kids. The Company was incorporated in the year 1992 under erstwhile Companies Act; 1956. Its manufacturing locations are at Kizhakkambalam. It has six wholly owned subsidiaries, one subsidiary and one overseas associate. The Company's equity shares are listed on the Bombay Stock Exchange Limited and The National Stock Exchange India Limited.

The financial statements are approved for issue by the Company's Board of Directors on May 30, 2026.

1.1 Basis of Accounting and Preparation of Standalone Financial Statements

(i) Statement of compliance

The Standalone financial statements which comprise the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), 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.

(ii) Basis of measurement

The standalone financial statements have been prepared on a historical cost basis on the accrual basis of accounting, except for the following -

(a) Certain financial assets and liabilities (including derivative instruments) that is measured at fair value;

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.

(iii) Rounding off amounts

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

(iv) Use of estimates and judgement

In the preparation of standalone 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 ongoing basis.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

(i) Useful lives of property, plant and equipment and intangible assets: (Note 2.01)

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

(ii) Actuarial valuation: (Note 2.17 and 2.23)

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after considering inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the standalone financial statements.

(iii) Impairment of assets: (Note 2.01)

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.

(iv) Recoverability of advances/receivables: (Note 2.09)

Management reviews its receivables for objective evidence of impairment at least quarterly. Significant financial difficulties of the

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in.

Where there is objective evidence of impairment, management makes judgements as to whether an impairment loss should be recorded as an expense. In determining this, management uses estimates based on historical loss experience for assets with similar credit risk characteristics.

(v) Current versus Non-Current Classification

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.

1.2 Material Accounting Policy

1.2.1 Property, Plant & Equipment

Property, plant and equipment (except freehold land) 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 and taxes that are not refundable net of duty credits and any attributable cost of bringing the assets to its working condition for its intended use.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components). The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

Capital work-in-progress comprises of the cost of property, plant and equipment that are not yet ready for their intended use at the reporting date.

Property, Plant and Equipment are physically verified by the management according to a phased programme designed to cover all items over a period of 3 years.

Depreciation methods, estimated useful lives

Depreciation on property, plant and equipment is provided on straight line method based on the useful lives as under:

(a) Assets (other than capital spares) - based on useful lives prescribed under Schedule II of the Companies Act, 2013.

(b) Capital spares - based on useful life of each replaced part (2 - 5 years).

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income' or 'Other expenses'.

1.2.2 Intangible Assets

Cost of software is capitalised as intangible asset consisting of direct cost incurred for acquisition of intangible asset comprising of purchase cost, non refundable duties and taxes and any professional charges and amortised on a straight-line basis over the economic useful life of three years.

The residual values, useful lives and methods of depreciation of intangible assets are reviewed by the management at each financial year and adjusted prospectively, if appropriate.

1.2.3 Investment in Subsidiaries and Associates

Investment in subsidiaries and associate is measured at cost less provision for impairment.

1.2.4 Inventories

Inventories are valued at lower of cost or net realisable value. For this purpose, the cost of bought-out inventories comprises of the purchase cost of the items, net of applicable tax/duty credits and cost of bringing such items into the factory on First-In, First-Out (FIFO) basis. Cost of Inventory comprises Cost of Purchase, Cost of Conversion and other Costs incurred to bring them to their respective present location and condition. The net realisable value of bought-out inventories is taken at their current replacement value. The cost of manufactured inventories comprises of the direct cost of production plus appropriate fixed and variable production overheads using the specific identification method to assign costs.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

1.2.5 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the standalone financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The standalone financial statements are presented in Indian Rupees ("INR"), which is the functional currency and presentation currency of the Company.

(b) Transactions and balances

Foreign exchange transactions are recorded at the functional currency adopting the exchange rate prevailing on the dates of respective transactions. Monetary assets and liabilities denominated in foreign currencies existing as on the Balance Sheet date are translated at the functional currency exchange rate prevailing as at the Balance Sheet date. The exchange difference arising from the settlement of transactions during the period and effect of translations of assets and liabilities at the Balance Sheet date are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or profit and loss are also recognised in Other Comprehensive Income or profit and loss, respectively).

1.2.6 Leases

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

1.2.7 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.

1.2.8 Government Grants

Government grants shall be recognised in profit and loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants related to depreciable assets are presented in the Balance Sheet by setting up the grant as deferred income and are recognised in profit and loss over the periods and in the proportions in which depreciation expense on those assets is recognised and are presented under Other Income.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in profit and loss of the period in which it becomes receivable and are presented under Other Income/deducted from the related heads of expenditure.

1.2.9 Financial Instruments

(a) Financial asset

Financial Assets other than trade receivables:

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value. In the case of financial assets not classified as at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset are added to the fair value on initial recognition. Transaction costs directly attributable to the acquisition of financial assets classified as at FVTPL are recognised immediately in the Statement of Profit and Loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are measured at amortised cost or fair value through profit or loss account or fair value through other comprehensive income. For purposes of subsequent measurement, financial assets are classified in following categories:

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(a) at amortized cost; or

(b) at fair value through other comprehensive income; or at 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).

Fair value through other comprehensive income (FVOCI): A) Debt instruments: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. B) Equity instruments: For investments in equity instruments that are not held for trading, the Company made an irrevocable election at initial recognition to measure them at FVOCI. Unlike debt instruments, all subsequent changes in fair value are recognized in OCI and are never reclassified to the Statement of Profit and Loss, even upon derecognition. Dividends from such investments are recognized in the Statement of Profit and Loss as other income unless the dividend clearly represents a recovery of part of the cost of the investment. On disposal, the cumulative gain or loss remains within equity and is typically transferred directly to Retained Earnings.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Trade Receivables

Trade receivables are recognised initially at the transaction price as determined under Ind AS 115, since they do not contain a significant financing component. Trade receivables are subsequently measured at amortised cost using the effective interest method, less allowance for expected credit losses (ECL).

(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.

(iv) Impairment of Financial Assets

The Company recognizes loss allowances for Expected[NR1.1] Credit Losses (ECL) on financial assets measured at amortized cost. For trade receivables and contract assets, a simplified approach is adopted, recognizing lifetime ECLs from initial recognition using a provision matrix based on historical default rates and forward-looking economic indicators. For other financial assets, a three-stage general approach is applied: Stage 1 (12-month ECL) for assets with no significant increase in credit risk; Stage 2 (Lifetime ECL) where credit risk has increased significantly; and Stage 3 (Lifetime ECL) for credit-impaired assets. Impairment losses and reversals are recognized in the Statement of Profit and Loss, except foFVOCI debt instruments, where the allowance is recognized in Other Comprehensive Income.

(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. Financial guarantees are recognised at fair value.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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.

1.2.10 Revenue Recognition

The Company derives revenues primarily from sale of manufactured fabric and readymade garments.

Revenue is recognized at point in time on satisfaction of performance obligation upon transfer of control of promised products to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products.

Revenue from Job Work is recognized upon the completion of the processing service. Revenue is measured at the fair value of the consideration received or receivable, excluding taxes and duties[NR2.1]

Other operating revenue - Export incentives: Export Incentives under various schemes are accounted upon fulfilling the conditions established by respective regulations as applicable to the Company and as amended from time to time.

Income is recognised at the value or rate prescribed by respective regulations.

Interest income is recognised on accrual basis.

1.2.11 Taxes

Current tax is determined as the amount of tax payable in respect of taxable income for the year computed in accordance with the provisions of the Income Tax Act, 1961. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period on taxable profits computed in accordance with Income Tax Acr, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or items related to equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.2.12 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(b) Defined contribution plans

The company has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance. The contributions paid/payable to these plans during the year are recognised as employee benefit expense in the Statement of Profit and Loss for the year.

(c) Defined benefit plans: Gratuity

The net present value of the obligation for gratuity benefits are determined by independent actuarial valuation, conducted annually using the projected unit credit method.

The retirement benefit obligations recognised in the Balance Sheet represents the present value of the defined benefit obligations reduced by the fair value of plan assets. All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefits are recognised immediately in Statement of Profit and Loss as past service cost, if any, and net interest on the defined benefit liability/(asset) are recognised in the Statement of Profit and Loss.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Remeasurements of the net defined benefit liability/(asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest), are recognised in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

(d) Long-term employee benefits: Compensated absences

The company has a scheme for compensated absences for employees, the liability of which is determined based on an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

1.2.13 Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. The Company's operations predominantly relate to one operating segment i.e. Textile – Infant / Kids Apparel manufacturing.

1.2.14 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.

1.2.15 Impairment of Non-Financial Assets

The Company assesses at each year end whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. An asset or a cash generating unit is treated as impaired, when the carrying value of assets exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. Based on such assessment, impairment loss if any is recognised in the Statement of Profit and Loss for the period in which the asset is identified as impaired.

1.2.16 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.

1.2.17 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.

When the Company expects some or all the provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

Contingent liabilities are disclosed when the company has a possible obligation, or a present obligation and it is probable that an outflow of resources will not be required to settle the obligation, or the amount of obligation cannot be measured with sufficient reliability.

1.2.18 Recent pronouncements:

The Ministry of corporate Affairs ("MCA") notified amendments on 7 May 2025 and 13 August 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after 1 April 2025.

(a) Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement:

The amendments to Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments:

Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The Company does not have any supplier finance arrangements during the reporting period.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(b) Amendment to Ind AS 1 - Classification of liabilities as current or non-current and non-current liabilities with covenants:

The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

a) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.

b) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.

c) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the financial statements of the Company. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

(c) Amendment to Ind AS 12 – Pillar-Two Tax Reforms

The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdiction in which the Company operates.

(d) Amendment to Ind AS 21-Lack of exchangeability

The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the financial statements of the Company.

The below amendments are notified but not yet effective

Amendment to Ind AS 1 'Presentation of Financial Statements'- Classification of Liabilities as current or non-current and noncurrent liabilities with covenants:

The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.

b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.

c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The Company does not expect this amendment to have an impact on its operations or financial statements.

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

2.01 A - Property, Plant and Equipment

	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-25	Additions	Disposal	As at 31-Mar-26	As at 01-Apr-25	Current Year	Disposal	As at 31-Mar-26	As at 31-Mar-26	As at 01-Apr-25
Freehold Land	492.83	-		492.83	-	-		-	492.83	492.83
Building	6,850.24	11.94		6,862.17	1,944.61	252.02		2,196.63	4,665.54	4,905.63
Plant & Machinery	19,157.89	37.39		19,195.29	14,838.73	838.01		15,676.74	3,518.55	4,319.16
Furniture & Fixtures	236.41	-		236.41	213.35	8.08		221.42	14.99	23.06
Vehicles	646.69	18.05		664.74	509.08	51.32		560.40	104.34	137.61
Office Equipments	602.99	14.85		617.83	585.88	8.40		594.28	23.55	17.11
Computers	661.42	12.79		674.21	634.44	14.63		649.06	25.15	26.99
Electrical Equipments	627.00	142.46		769.46	396.16	53.65		449.81	319.65	230.83
Total	**29,275.46**	**237.47**	**-**	**29,512.94**	**19,122.25**	**1,226.11**	**-**	**20,348.36**	**9,164.58**	**10,153.21**

	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-24	Additions	Disposal	As at 31-Mar-25	As at 01-Apr-24	Current Year	Disposal	As at 31-Mar-25	As at 31-Mar-25	As at 01-Apr-24
Freehold Land	492.83	-	-	492.83	-	-	-	-	492.83	492.83
Building	6,850.24	-	-	6,850.24	1,692.27	252.34	-	1,944.61	4,905.63	5,157.97
Plant & Machinery	19,216.92	257.23	316.25	19,157.89	13,973.04	1,165.51	299.82	14,838.73	4,319.16	5,243.88
Furniture & Fixtures	235.72	0.68	-	236.41	198.78	14.57	-	213.35	23.06	36.94
Vehicles	637.79	35.31	26.42	646.69	474.66	56.74	22.32	509.08	137.61	163.13
Office Equipments	596.76	6.23	-	602.99	556.85	29.03	-	585.88	17.11	39.91
Computers	638.04	23.38	-	661.42	625.00	9.44	-	634.44	26.99	13.04
Electrical Equipments	610.06	16.94	-	627.00	356.48	39.68	-	396.16	230.83	253.58
Total	**29,278.36**	**339.77**	**342.67**	**29,275.46**	**17,877.08**	**1,567.31**	**322.14**	**19,122.25**	**10,153.21**	**11,401.28**

Notes:-

2.01.A.1. All immovable property are held in the name of Company

2.01.A.2 . Refer Note 2.20 for assets pledged as securities against borrowings availed.

2.01.A.3. The Company has not revalued any of its property, plant and equipment.

2.01 B - Capital Work-in-Progress

Particulars	As at 01-Apr-25	Additions	Capitalisation	As at 31-Mar-26
Building under Construction	3,209.51	992.33		4,201.84
Plant and Equipment under Installation	231.30	5.40	161.84	74.86
Total	**3,440.81**	**997.73**	**161.84**	**4,276.70**

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

Particulars	As at 01-Apr-24	Additions	Capitalisation	As at 31-Mar-25
Building under Construction	2,523.64	685.87	-	3,209.51
Plant and Equipment under Installation	122.32	300.44	191.46	231.30
Total	**2,645.96**	**986.31**	**191.46**	**3,440.81**

2.01C Ageing of capital work-in-progress (Tangibles) is as below:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	951.63	679.12	695.65	1,887.44	4,213.84
Projects temporarily suspended*				62.86	62.86
Total	**951.63**	**679.12**	**695.65**	**1,950.30**	**4,276.70**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	794.85	695.65	1,329.88	557.57	3,377.95
Projects temporarily suspended*				62.86	62.86
Total	**794.85**	**695.65**	**1,329.88**	**620.43**	**3,440.81**

*Temporarily suspended projects do not include those projects where temporary suspension is a necessary part of the process of getting an asset ready for its intended use.

2.01D Details of capital-work-in progress whose completion is overdue as compared to its original plan as at 31st March, 2026:

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Gents Hostel	4,201.84			2	4,201.84
Total	**4,201.84**	**-**	**-**	**4**	**4,201.84**

2.01E There are no capital-work-in progress which has exceeded its cost compared to its original plan as at March 31, 2026 and March 31, 2025.

For contractual commitment with respect to property, plant and equipment refer Note 2.43.

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026
(All amounts are stated in lakhs unless stated otherwise)

2.01F - Other Intangible Assets

	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-25	Additions during the year	Disposal	As at 31-Mar-26	As at 01-Apr-25	During the Year	Disposal	As at 31-Mar-26	As at 31-Mar-26	As at 01-Apr-25
Computer software	287.13	2.55		289.68	285.48	1.93		287.41	2.27	1.65
Total	**287.13**	**2.55**	**-**	**289.68**	**285.48**	**1.93**	**-**	**287.41**	**2.27**	**1.65**

	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-24	Additions during the year	Disposal	As at 31-Mar-25	As at 01-Apr-24	During the Year	Disposal	As at 31-Mar-25	As at 31-Mar-25	As at 01-Apr-24
Computer software	287.13	-	-	287.13	281.12	4.36	-	285.48	1.65	6.01
Total	**287.13**	**-**	**-**	**287.13**	**281.12**	**4.36**	**-**	**285.48**	**1.65**	**6.01**

The Company has not revalued any of its intangible assets.

2.02 Investments in subsidiaries and associates

Particulars	As at March 31, 2026	As at March 31, 2025
Investments carried at cost		
Unquoted		
Investments in equity instruments of associate company		
4,250,210.09 (4,250,210.09) fully paid-up membership units of USD 1 each in Kitex USA LLC (Refer Note 2.02.1)	2,776.24	2,776.24
Investments in equity instruments of subsidiaries	-	-
1,000,000 (1,000,000) fully paid-up equity shares of Rs.10/- each in Kitex Kidswear Limited	100.00	100.00
100,000 (100,000) fully paid-up equity shares of Rs.10/- each in Kitex Knits Limited	10.00	10.00
100,000 (100,000) fully paid-up equity shares of Rs.10/- each in Kitex Babywear Limited	10.00	10.00
1,000,000 (1,000,000) fully paid-up equity shares of Rs.10/- each in Kitex Littlewear Limited	100.00	100.00
100,000 (100,000) fully paid-up equity shares of Rs.10/- each in Kitex Packs Limited	10.00	10.00
100,000 (100,000) fully paid-up equity shares of Rs.10/- each in Kitex Socks Limited	10.00	10.00
53,12,18,655 (42,12,53,000) fully paid-up equity shares of Rs.10/- each in Kitex Apparel Parks Limited	54,111.56	42,125.30
Fair value of financial guarantee given to subsidiary (Refer Note 2.02.2)	306.63	306.63
Total	**57,434.42**	**45,448.17**
Aggregate amount of unquoted investments	57,434.42	45,448.17

Refer note 2.38 for investment information in these entities

2.02A Investment in others

Particulars	As at March 31, 2026	As at March 31, 2025
Investments carried at fair value through other comprehensive income	7.04	6.73
Quoted 7,000 (7,000) fully paid-up equity shares of Rs 2/- each in Punjab National Bank Limited		
Total	**7.04**	**6.73**
Aggregate amount of quoted investments and market value thereof; (The market value of quoted investments is equal to the carrying value)	7.04	6.73

Refer Note 37 for information about credit risk and market risk of investments

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

2.02.1 The Company holds an investment in an Associate, Kitex USA LLC, which amounts to Rs 2,776.24 lakhs as on March 31, 2026 (March 31, 2025: Rs. 2,776.24 lakhs).The Associate's net worth has been fully eroded as on that date. The management of the Company has evaluated the fair valuation of the investments in the Associate by considering various factors including product mix optimization, service led income de-risking and the expected bilateral treaties with US and Europe which is expected to serve as a positive catalyst in enhancing cost competitiveness, unlocking demand visibility and expanding sales volume and margins. Further the management of the Company believes that basis the above valuation performed based on the forecasted future revenue growth and projected cash flows with higher contribution margins that the fair value of the investment in the Associate is higher than the carrying value. Hence, no material adjustments would be required to be made to the carrying value of the investments in the Associate in the standalone financial statements of the Company for the year ended March 31, 2026.

2.02.2 Represents the fair value of corporate guarantee given to Kitex Apparel Parks Limited on behalf of its borrowings in an earlier financial year. In accordance with Ind AS 109, the fair value of the guarantee has been recognized as an additional cost of investment in the Company.

2.02.3 Information About Subsidiaries and Associates

Name of the company	Country of incorporation	Principal activities	Proportion (%) of equity interest	
			As at March 31, 2026	As at March 31, 2025
Kitex Littlewear Limited	India	Textile Business	100%	100%
Kitex Kidswear Limited	India	Textile Business	100%	100%
Kitex Knits Limited	India	Textile Business	100%	100%
Kitex Socks Limited	India	Textile Business	100%	100%
Kitex Packs Limited	India	Textile Business	100%	100%
Kitex Babywear Limited	India	Textile Business	100%	100%
Kitex USA LLC	USA	Textile Business	50%	50%
Kitex Apparel Parks Limited	India	Textile Business	70%	70%

2.03 Loans (Non-Current)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured loans to Related parties		
Loans to Subsidiaries, considered good (Refer Note 2.03.1, 2.03.2 and 2.38)	19,945.01	10,634.77
Loans considered Doubtful	-	-
Less : Allowance for bad and doubtful deposits	-	-
Total	19,945.01	10,634.77
Loans Receivables considered good- Secured	19,945.01	10,634.77
Loans Receivables considered good- Unsecured		
Loans Receivables which have significant increase in Credit Risk		
Loans Receivables - credit impaired		

2.03.1 Company amended agreement on unsecured loan granted to wholly owned subsidiaries on March 31, 2024 thereby extending the due date of payment by further 5 years. Loans carry interest rate of 8.13%. Refer Note 2.38 for Related Party disclosures.

2.03.2 Pursuant to the approval of Board of Directors in its meeting dated March 24 2026, Company have entered into an agreement with subsidiary Company M/s. Kitex Apparel Parks Limited as on March 31, 2026 for conversion of Receivables into unsecured loans bearing simple interest at the rate of 1% above the rate of interest of borrowings from financial institutions of the Subsidiary Company and repayable along with interest at the end of 2 years.

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

2.03.3 Details of loans given covered u/s 186(4) of the Companies Act, 2013

Name of the Company	Rate of Interest	Due Date	Secured/ unsecured	Purpose of Loan	As at March 31, 2026	As at March 31, 2025
KITEX KNITS LIMITED	8.13%	March 30, 2029	Unsecured	To facilitate the commencement of manufacturing activities, address urgent business needs, and fulfil contractual and other obligations of the borrower.	2,553.85	2,519.01
KITEX BABYWEAR LIMITED	8.13%	March 30, 2029	Unsecured	To facilitate the commencement of manufacturing activities, address urgent business needs, and fulfil contractual and other obligations of the borrower.	477.99	472.28
KITEX KIDSWEAR LTD	8.13%	March 30, 2029	Unsecured	To facilitate the commencement of manufacturing activities, address urgent business needs, and fulfil contractual and other obligations of the borrower.	2,119.86	2,100.87
KITEX LITTLEWEAR LIMITED	8.13%	March 30, 2029	Unsecured	To facilitate the commencement of manufacturing activities, address urgent business needs, and fulfil contractual and other obligations of the borrower.	4,228.52	3,994.15
KITEX PACKS LIMITED	8.13%	March 30, 2029	Unsecured	To facilitate the commencement of manufacturing activities, address urgent business needs, and fulfil contractual and other obligations of the borrower.	779.32	771.17
KITEX SOCKS LIMITED	8.13%	March 30, 2029	Unsecured	To facilitate the commencement of manufacturing activities, address urgent business needs, and fulfil contractual and other obligations of the borrower.	785.48	777.28
KITEX APPAREL PARKS LIMITED (Refer Note 2.03.2)	9.00%	March 31, 2028	Unsecured	To facilitate the commencement of manufacturing activities, address urgent business needs, and fulfil contractual and other obligations of the borrower.	9,000.00	-

2.03.4 Refer Note 2.37 for information about credit risk and market risk for loans

2.03.5 i) In line with Circular No 04/2015 issued by Ministry of Corporate Affairs dated 10/03/2015, loans given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.

ii) There are no loans or advances in the nature of loans granted to promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

(a) repayable on demand; or

(b) without specifying any terms or period of repayment

2.03.06 All of the wholly owned subsidiaries hold significant land whose fair market value is substantially higher than its carrying value. Management is currently evaluating the future business prospects of these companies and, based on this assessment, has concluded that the loans extended to them are good and recoverable

Notes Forming Part of Standalone Financial Statements
for the year ended March 31, 2026
(All amounts are stated in lakhs unless stated otherwise)

2.04 Other Financial Assets [Non-Current]

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Security deposit (Refer Note 2.04.1)	266.01	228.96
Bank deposits with maturity more than 12 months	27.59	-
Total	**293.60**	**228.96**

2.04.1 Deposit account includes deposits held as security of Rs 266.01 Lakhs (228.96 Lakhs as on March 31, 2025) which are not expected to be refunded in the next 12 months for the purpose of electricity deposit, gas deposit etc.

2.05 Non Current Tax Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax receivable	248.91	248.91
Total	**248.91**	**248.91**

2.06 Non Current Deferred Tax Assets

Particulars	As at March 31, 2026	As at March 31, 2025
A. Deferred Tax Liability		
On excess of net book value over Income tax written down value of Property, Plant and Equipments	483.25	523.53
On excess of fair value over cost of investments	1.46	0.88
B. Deferred Tax Assets		
On Provisions for Employee Benefits	396.11	413.21
On Provisions for Excepted Credit Loss	379.06	548.34
Non Current Deferred Tax Assets	290.46	437.14

2.06.1 Refer Note 2.18 for detailed movement of deferred tax assets

2.07 Other Non-Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Capital advances	123.90	219.90
Balances with government authorities (Refer Note 2.07.02)	325.05	325.05
Total	**448.95**	**544.95**

2.07.01 The Company has not given any advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

2.07.02 Balance with Government authorities include Rs 325.05 Lakhs (March 31, 2025: Rs 325.05 Lakhs) which are deposits paid against ESI, Customs and EPF Cases. Company have received favourable orders in all these cases and management is currently in the process of applying for refunds.

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

2.08 Inventories

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials	3,283.86	5,052.16
Raw materials in transit	6.37	-
Work-in-progress	7,098.23	12,577.70
Finished goods	2,234.18	1,095.35
Stores and spares	424.48	173.08
Stores and spares in transit	-	50.86
Total	**13,047.12**	**18,949.15**

2.08.1 Refer Note 1.2.4 of the Material Accounting Policies for method of valuation of Inventories. No expense has been recognised in the books of account during the current or previous year in respect of write-offs/write-downs of inventory to net realisable value.

2.08.2 See detailed note 2.20 [a] of pari passu charge on the inventory of the Company.

2.09 Trade Receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good [See note 2.09.1]	12,287.35	35,453.52
Less: Allowance for expected credit loss [See note 2.09.4]	(50.00)	(1,500.00)
Credit Impaired	-	-
Less: Allowance for expected credit loss	-	-
Total	**12,237.35**	**33,953.52**

2.09.1 (i) Trade receivables includes amounts due from related parties Rs. 2,104.37 lakhs (March 31, 2025: Rs. 12,881.12 lakhs). See note 2.38.

(ii) Trade receivables are non-interest bearing and are generally on credit terms not exceeding 90 days.

(iii) There are no outstanding receivables due from directors or other officers of the Company. No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

(iv) Refer Note 1.2.9 for material accounting policy relating to financial instruments

(v) Refer Note 2.37 for information about credit risk and market risk for trade receivables

2.09.2 During 2017-18, TOYS "R" US, Inc., a customer of the Company had filed a petition in the Bankruptcy Court in the United States to wind down its US operation. Provision of Rs. 347.03 lakhs was made for the receivables towards loss, if any on recovery of receivables in the same year. After the hearings at the US Bankruptcy court on September 6, 2018 and November 13, 2018, Plan submitted under Chapter 11 was confirmed. The claim allowed to the Company aggregates to Rs 7,539.29 lakhs. Consequently, the provision carried in the books of Rs. 347.03 lakhs was written back during 2018-19. Later, Company has received interim disbursements of Rs 1904.13 lakhs in earlier years from the liquidator of TOY"R" US, Inc. Trade receivables includes Rs 410.35 lakhs (March 31, 2025: Rs 410.35 lakhs) receivable from TOYS R US as on March 31, 2026 which is considered good and recoverable.

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

2.09.3 Trade Receivables ageing schedule

Particulars	Outstanding for following periods from Date of Invoice					As at March 31, 2026
	<6 month	6 months -1 year	1-2 years	2-3 years	>3 year	Total
(i) Undisputed Trade receivables – considered good	9,866.92	785.31	1,205.68	0.29	429.15	12,287.35
(ii) Undisputed Trade Receivables – considered doubtful						-
(iii) Disputed Trade Receivables considered good						-
(iv) Disputed Trade Receivables considered doubtful						-
Less: Allowance for expected credit loss						(50.00)
Total	**9,866.92**	**785.31**	**1,205.68**	**0.29**	**429.15**	**12,237.35**

Particulars	Outstanding for following periods from Date of Invoice					As at March 31, 2025
	<6 month	6 months -1 year	1-2 years	2-3 years	>3 year	Total
(i) Undisputed Trade receivables – considered good	24,780.63	1,454.40	1,430.66	7,377.13	410.70	35,453.52
(ii) Undisputed Trade Receivables – considered doubtful						-
(iii) Disputed Trade Receivables considered good						-
(iv) Disputed Trade Receivables considered doubtful						-
Less: Allowance for expected credit loss						(1,500.00)
Total	**24,780.63**	**1,454.40**	**1,430.66**	**7,377.13**	**410.70**	**33,953.52**

2.09.4 Movement in allowance for expected credit loss (ECL) on trade receivables

Movement in expected credit loss allowance on trade receivables and other financial assets	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	1,500.00	300.00
Loss allowance measured at lifetime expected credit losses	-	-
Loss allowance Provided during the year	300.00	1,200.00
Loss allowance reversed during the year (Refer Note 2.27A)	(1,750.00)	-
Balance at the end of the year	50.00	1,500.00

2.09.5 Company has accounted receivable denominated in Foreign currency to the tune of Rs. 1,223.54 lakhs (9,218.49 Lakhs as on March 31, 2025) which is outstanding for more than one year. Company has taken adequate measures to regularize the delay with AD Bank for compliance with the provision of Foreign Exchange Management Act, 1999 (FEMA) read with rules notified therewith

2.09.6 There are no debts due by directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

2.10 Cash and Cash Equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks:-		
In current accounts	3,118.28	385.67
In EEFC accounts	6,678.24	3,109.43
Cash on hand	13.88	12.50
Total	**9,810.40**	**3,507.60**

2.11 Bank balances other than Cash and Cash Equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with banks		
In deposit accounts [See note 2.11.1]	2,772.36	2,608.00
In earmarked accounts:		
(a) Unpaid dividend accounts	70.53	67.35
Total	**2,842.89**	**2,675.35**

2.11.1 (i) Balances with banks in deposit accounts held as security against Letter of Credits/ Guarantee, with a maturity period of less than 12 months.

2.12 Other current Financial Assets-At amortised Cost

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Subsidy receivable [see note 2.12.2]	741.95	741.95
Export incentives receivable	792.40	2,427.67
Receivable from Related Parties (Refer Note 2.38)	8,379.48	533.45
Rent deposits	16.30	16.76
Interest accrued but not due	61.90	92.68
Interest receivable on loans to wholly owned subsidiaries (Refer Note 2.38)	2,251.62	1,456.08
Less: Allowance for Expected Credit Loss	(1,456.08)	(678.70)
Total	**10,787.57**	**4,589.89**

2.12.1 There are no other current financial assets as at March 31, 2026 and March 31, 2025 which have significant increase in credit risk or which are credit impaired

2.12.2 Represents Technology upgradation fund scheme subsidy receivable from Ministry of Textiles Rs. 741.95 Lakhs (March 31, 2025: 741.95 Lakhs). The Honourable High Court has ruled in favour of the Company, pursuant to which a partial recovery of Rs. 374.56 Lakhs was received during FY 2024–25, with the balance remaining unrealised. The Company has filed a Writ of Contempt before the High Court for non-compliance of the said order, in response to which the Textile Commissioner issued a formal order in February 2026 directing the Company and the concerned banks to respond. The Company is in the process of compiling the requisite documents in coordination with the Bank and the Joint Implementation Team (JIT) for submission to the Textile Commissioner. Based on the favourable court order, partial receipt evidencing operative effect of the order, active contempt proceedings, and direct engagement of the Textile Commissioner, the Management is confident of recovering the balance amount within 12 months and accordingly considers the receivable fully recoverable. No provision has been made against the said receivable.

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

2.13 Other Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Advances recoverable in cash or in kind or for value to be received.	470.25	825.37
Balances with government authorities	3,259.57	3,662.87
Advances to staff	7.78	5.74
Prepaid expenses	75.57	79.44
Export entitlements / rebates receivable on export	-	0.98
Total	**3,813.17**	**4,574.40**

2.13.1 There are no advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

2.14 Equity Share Capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
500,000,000 (250,000,000) equity shares of Re. 1/- each (Refer 2.14.2)	5,000.00	2,500.00
Issued, subscribed and fully paid-up		
199,500,000 (199,500,000) equity shares of Re. 1/- each	1,995.00	1,995.00
Total	**1,995.00**	**1,995.00**

2.14.1 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. 1/- 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.

2.14.2 Authorised share Capital

During the year, the Board of Directors of the Company, at its meeting held on 4 August 2025, approved the proposal to increase the authorised share capital of the Company from Rs. 2,500 lakhs to Rs. 5,000 lakhs, comprising 250,000,000 additional equity shares of Rs. 1 each, subject to the approval of the shareholders. The shareholders subsequently approved the increase in the authorised share capital. Accordingly, the authorised share capital of the Company was increased from Rs. 2,500 lakhs to Rs. 5,000 lakhs, comprising 250,000,000 additional equity shares of Rs.1 each.

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares (In full figures)	Amount	No. of shares (In full figures)	Amount
No. of shares as at the beginning of the financial year	19,95,00,000	1,995.00	6,65,00,000	665.00
Add: Bonus issued during the year	-	-	13,30,00,000	1,330.00
No. of shares as at the end of the financial year	19,95,00,000	1,995.00	19,95,00,000	1,995.00

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares (In full figures)	% of total holding	No. of shares (In full figures)	% of total holding
Mr. Sabu M Jacob	6,81,92,703	34.18%	6,81,92,703	34.18%
Kitex Childrenswear Limited	3,17,57,466	15.92%	3,17,57,466	15.92%
Ms.Renjitha Joseph	1,29,84,300	6.51%	1,29,84,300	6.51%

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.

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

Particulars	As at March 31, 2026		As at March 31, 2025		Change during the Year	
	No. of shares (In full figures)	%	No. of shares (In full figures)	%	No. of shares (In full figures)	%
Sabu M Jacob	6,81,92,703	34.18%	6,81,92,703	34.18%	0	0.00
Kitex Childrenswear Limited	3,17,57,466	15.92%	3,17,57,466	15.92%	0	0.00
Renjitha Joseph	1,29,84,300	6.51%	1,29,84,300	6.51%	0	0.00
Boby M Jacob	97,917	0.05%	97,917	0.05%	0	0.00

2.14.6 Aggregate number of bonus shares Issued during the period of five years immediately preceding the reporting date

Particulars	No. of shares (In full figures)	Rupees in lakhs
Equity shares allotted as fully paid-up bonus shares		
Financial Year 2024-25	13,30,00,000	1,330.00

2.14.7 No shares are reserved for issue under ESOPs, options, or conversion rights as on March 31, 2026 (Nil as on March 31, 2025).

2.14.8 During the year Company have paid dividend to the shareholders amounting to Rs 0.5 per share (Rs 1.5 per share in FY 2024-25). Further, at the Board of Directors' meeting originally held on May 29, 2026, and subsequently adjourned and concluded on May 30, 2026, the Board proposed a final dividend of Rs 0.50 per share in respect of the year ended March 31, 2026 subject to the approval of shareholders at the Annual General Meeting. The proposal if approved, would result in a cash outflow of approximately Rs.997.50 Lakhs (Refer Note 2.45).

2.15 Other Equity

Particulars	As at March 31, 2026	As at March 31, 2025
Capital reserve		
Investment subsidy	22.10	22.10
General reserve		
Opening balance	34,675.00	32,675.00
Add: Transfer from retained earnings	2,000.00	2,000.00
Closing balance	**36,675.00**	**34,675.00**
Retained earnings		
Opening balance	73,864.28	62,930.39
Add: Profit for the year	5,689.98	15,295.33
Add: Re-measurements of post employment benefit obligations (net of tax)	91.78	(33.94)
	79,646.04	**78,191.78**

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

Particulars	As at March 31, 2026	As at March 31, 2025
Less:		
Transfer to general reserve	2,000.00	2,000.00
Payment of dividends	997.50	997.50
Issue of Bonus Shares	-	1,330.00
Closing balance	76,648.54	73,864.28
Equity instrument through other comprehensive income		
Opening balance	6.45	7.96
Add : Fair value changes on equity instruments carried through other comprehensive income (net of tax)	0.24	(1.51)
Closing balance	6.69	6.45
Total	**1,13,352.32**	**1,08,567.82**

2.15.1 Description of nature and purpose of each reserve

(i) Capital reserve : Capital reserve denotes investment subsidy received by the Company amounting to Rs. 22.10 lakhs (31.03.2025: Rs. 22.10 lakhs).

(ii) General reserve : General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General Reserve is created by a transfer from one component of equity to another and is not an item of comprehensive income.

(iii) Equity instruments through other comprehensive income: This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to Other equity when such assets are disposed off.

(iv) Retained Earnings : Retained earnings represent the cumulative profits of the Company, including effects of remeasurement of defined benefit obligations, net of dividend distributions and other appropriations to specific reserves. These earnings are available for distribution to shareholders as dividends and for reinvestment into the business operations.

2.16 Non Current Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Secured:		
Term loan from Banks (Refer Note 2.20)	4,639.92	-
(Less: Current maturities shown under short-term)	(170.56)	-
Total Non-Current Borrowings	**4,469.36**	**-**

2.16.1 For terms and conditions and securities details related to Borrowings, refer note 2.20

2.17 Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for gratuity [See note 2.17.2]	1,226.06	946.51
Provision for compensated absences [See note 2.17.2]	215.76	222.45
Total	**1,441.82**	**1,168.96**

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

2.17.1 Short-term provisions of employee benefits is disclosed in note 2.23

2.17.2 Disclosures required under Ind AS 19 - “Employee Benefits”

2.17.2.a Defined contribution plans

During the year, the following amounts have been recognised in the statement of profit and loss on account of defined contribution plans:

Particulars	As at March 31, 2026	As at March 31, 2025
Employers contribution to provident fund	797.30	905.63
Employers contribution to employees' state insurance	172.89	201.11

2.17.2.b Defined benefit plans - gratuity: unfunded obligation

(i)	Particulars	As at March 31, 2026	As at March 31, 2025
	Discount rate (per annum)	7.56%	6.55%
	Salary escalation rate*	7.00%	7.00%
	Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

*The assumption of future salary escalation takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

		As at March 31, 2026	As at March 31, 2025
(ii)	**Reconciliation of present value of obligation**		
	Present value of obligation at the beginning of the year	1,256.85	1,081.53
	Current service cost	221.63	184.65
	Past service cost (if applicable)	11.49	-
	Interest cost	77.81	67.77
	Actuarial (gain)/ loss - financial assumptions	(111.44)	42.50
	Actuarial (gain)/ loss - experience adjustments	(11.20)	3.35
	Benefits paid	(137.86)	(122.95)
	Present value of obligation at the end of the year	**1,307.29**	**1,256.85**
	Contributions by the employer	137.86	122.95
	Benefits paid	(137.86)	(122.95)
(iii)	**Expenses recognized in the statement profit and loss**		
	Current service cost	221.63	184.65
	Interest cost	77.81	67.77
	Past service cost (if applicable)	11.49	0.49
	Expected return on plan assets	-	-
	Total expenses recognized in the statement of profit and loss for the year	310.93	252.91
(iv)	**Expenses recognized in other comprehensive income**		
	Opening amount recognised in OCI outside profit and loss account	45.85	(226.57)
	Re-measurements during the period due to		
	(a) Changes in financial assumptions	(111.44)	42.50
	(b) Changes in demographic assumptions	-	-
	(c) Experience adjustments	(11.20)	3.35
	Total re-measurements included in other comprehensive income (a+b+c)	**(122.63)**	**45.85**
	Closing amount recognised in OCI outside profit and loss account	**(76.78)**	**(180.72)**

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026
(All amounts are stated in lakhs unless stated otherwise)

	As at March 31, 2026	As at March 31, 2025
(v) Sensitivity analysis		
Discount rate +50 basis points	(4.26%)	(2.62%)
Discount rate -50 basis points	4.64%	2.78%
Salary increase rate +50 basis points	4.52%	2.73%
Salary increase rate -50 basis points	(4.18%)	(2.60%)
(vi) Maturity Analysis of the Benefit payments		
Year 1	81.23	310.33
Year 2	71.47	175.35
Year 3	64.07	147.66
Year 4	60.78	150.58
Year 5	74.98	131.70
Next 5 years and above	188.77	1,045.33

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

2.17.2.c Long term employee benefits

Compensated absences (vesting and non-vesting): unfunded obligation

(i) Actuarial Assumptions	As at March 31, 2026	As at March 31, 2025
Discount rate (per annum)	7.56%	6.55%
Salary escalation rate*	7.00%	7.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ult table

*The assumption of future salary escalation takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

2.17.2.d Refer to Note 2.49(g) to the standalone financial statements for details of the revised Labour Codes and the related assessment of their impact on employee benefits.

2.17.2.e Weighted average duration and expected employers contribution for the next year for each of the defined benefit plan

Particulars	Weighted average duration (years)		Expected Employers Contribution for Next Year
	Year Ended 31st March 2026	Year Ended 31st March 2025	
Gratuity Plan	12.89	5.4	110.28
Leave Encashment	12.89	5.4	47.22

2.18 A. Tax expense recognised in statement of profit and Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax		
Continuing operations:		
Current Year	2,045.00	6,065.69
Deferred Tax Charge/(Credit)		
Origination and Reversal of temporary differences	115.74	(686.08)
Tax Expense	**2,160.74**	**5,379.61**

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

Tax expense recognised in other comprehensive Income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Deferred Tax Charge/(Credit)		
On excess of fair value over cost of investments	0.58	(0.50)
On provisions for employee benefits	30.36	(11.41)
Tax Expense	**30.94**	**(11.91)**

B. Deferred Tax Liabilities/ (Assets) (Net)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Deferred tax liability:		
On excess of net book value over income tax written down value of property, plant and equipment	483.25	523.53
On excess of fair value over cost of investments	1.46	0.88
B. Deferred tax assets :		
On provisions for employee benefits	396.11	413.21
On provisions for Expected credit loss	379.06	548.34
Deferred tax liabilities/ (Assets) (net) (A-B)	**(290.46)**	**(437.14)**

C. Movement in deferred tax liabilities / assets balances during the year ended March 31, 2026

Particulars	As at April 01, 2025	Recognised in profit or loss	Recognised in other comprehensive income	As at March 31, 2026
A. Deferred tax liability				
On excess of net book value over income tax written down value of property, plant and equipment	523.53	(40.28)	-	483.25
On excess of fair value over cost of investments	0.88	-	0.58	1.46
On fair value of financial guarantee	-	-	-	-
On foreign exchange forward contracts	-	-	-	-
B. Deferred tax assets	-	-	-	-
On provisions for employee benefits	(413.21)	(13.26)	30.36	(396.11)
On provisions for Expected Credit Loss	(548.34)	169.28		(379.06)
Deferred tax liabilities/ (Assets) (net) (A-B)	**(437.14)**	**115.74**	**30.94**	**(290.46)**

Movement in deferred tax liabilities / assets balances during the year ended March 31, 2025

Particulars	As at April 01, 2024	Recognised in profit or loss	Recognised in other comprehensive income	As at March 31, 2025
A. Deferred tax liability				
On excess of net book value over income tax written down value of property, plant and equipment	615.84	(92.31)	-	523.53
On excess of fair value over cost of investments	1.38		(0.50)	0.88
On fair value of financial guarantee	-	-	-	-
On foreign exchange forward contracts	-	-	-	-
B. Deferred tax assets				-
On provisions for employee benefits	(356.37)	(45.43)	(11.41)	(413.21)
On provisions for Expected Credit Loss	-	(548.34)	-	(548.34)
Deferred tax liabilities (net) (A-B)	**260.85**	**(686.08)**	**(11.91)**	**(437.14)**

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

D. Reconciliation of effective tax rate

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	%	Amount	%	Amount
Profit before tax		7,850.72		20,674.94
Income tax expense calculated at 25.168%	25.17%	1,975.87	25.17%	5,203.47
Effect of income which is taxed at special rate		-		-
Tax effect on non deductible expenses	2.35%	184.87	2.24%	176.14
Tax effect on eligible deductions		-		-
Effect on deferred tax balances due to change in Income Tax rate		-		-
Total	**27.52%**	**2,160.74**	**26.02%**	**5,379.61**
Tax expense as per statement of profit and loss	**27.52%**	**2,160.74**	**26.02%**	**5,379.61**

The tax rate used for reconciliation above is the corporate tax rate of 25.168% (25.168%) payable on taxable profit under section 115BAA of the Income Tax Act, 1961.

2.19 Other Non-Current Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred grant on capital subsidy [see note 2.27.1 (iii)]	71.97	77.59
Total	**71.97**	**77.59**

2.20 Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Loans repayable on demand from Banks (Secured)	16,233.58	16,250.60
Current Maturities of Long-Term Borrowings (Refer 2.16)	170.56	-
Total	**16,404.14**	**16,250.60**

Notes to Borrowings :

(a) The Company has availed export packing credit loan for working capital which is secured by first charge over the entire current assets of the Company, both present and future and immovable fixed assets i.e.; equitable mortgage over 25.44 acres of the land and building belonging to the Company also hypothecation charge over the other fixed assets of the Company excluding the value of land & building and vehicles. The short term loans are repayable on demand and are re-drawable subsequently after repayment.

(b) The Company has availed Working Capital Term loans which is secured by first charge over the entire current assets of the Company, both present and future, second charge over immovable fixed assets i.e.; equitable mortgage over 25.44 acres of the land and building belonging to the Company also hypothecation charge over the other fixed assets of the Company excluding the value of land & building and vehicles. Company have been granted a moratorium period of 12 months for repayment of term loans.

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(All amounts are stated in lakhs unless stated otherwise)

(c) The quarterly returns or statements of current assets filed by the Company with banks are not in agreement with the books of accounts. Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions are as follows:

Name of bank	Quarter	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
State Bank of India/ Axis Bank/UBI	Mar-26	Inventory	13,047.12	13,617.71	(570.59)	Refer Note 2.20 (c).1
State Bank of India/ Axis Bank/UBI	Dec-25	Inventory	13,918.00	18,097.35	(4,179.35)	Refer Note 2.20 (c).1
State Bank of India/ Axis Bank/UBI	Sep-25	Inventory	16,828.94	18,000.29	(1,171.35)	Refer Note 2.20 (c).1
State Bank of India/ Axis Bank/UBI	Jun-25	Inventory	16,813.22	21,494.48	(4,681.26)	Refer Note 2.20 (c).1
State Bank of India/ Axis Bank/UBI	Mar-26	Trade Receivables	12,237.35	10,450.00	1,787.35	Refer Note 2.20 (c).1
State Bank of India/ Axis Bank/UBI	Dec-25	Trade Receivables	39,487.61	14,135.00	25,352.61	Refer Note 2.20 (c).1
State Bank of India/ Axis Bank/UBI	Sep-25	Trade Receivables	16,760.27	16,334.00	426.27	Refer Note 2.20 (c).1
State Bank of India/ Axis Bank/UBI	Jun-25	Trade Receivables	40,529.77	30,425.00	10,104.77	Refer Note 2.20 (c).1

(c). 1 Provisional figures are submitted to the Banks before finalisation of Books.

(d) The average interest rate is 6.91 % per annum (31.03.2025: 6.7%)

(e) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

(f) Terms and Conditions

Nature	Currency	Lenders Name	Repayment	Existing Interest Rate	Security
Export Packing Credit	INR	State Bank of India	Upto 270 days	6.43%	Note 2.20 (a)
Export Packing Credit	INR	Axis bank	Upto 180 days or expiry of contracts/export letters of credit for shipment, whichever is earlier	6.95%	Note 2.20 (a)
Export Packing Credit	INR	Union Bank of India	Upto 270 days	6.75%	Note 2.20 (a)
Working Capital Term Loan	INR	State Bank of India	48 Months	5.38%	Note 2.20 (b)
Working Capital Term Loan	INR	Union Bank of India	48 Months	5.47%	Note 2.20 (b)

(g) There have been no discrepancies noticed in the utilisation of borrowings availed by the Company from banks and financial institutions vis-à-vis the purpose for which such borrowings were sanctioned

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

2.21 Trade Payables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note 2.21.2)	233.33	377.89
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	3,910.28	6,986.40
Total	**4,143.61**	**7,364.29**

2.21.1 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, 2026
		<1 Year	1-2 Year	2-3 Year	>3 Year	Total
(i) MSME	233.33	-	-	-	-	233.33
(ii) Others	3,814.79	16.92	16.21	2.97	59.39	3,910.28
(iii) Disputed dues MSME	-	-	-	-	-	-
(iv) Disputed dues others	-	-	-	-	-	-
Total	**4,048.12**	**16.92**	**16.21**	**2.97**	**59.39**	**4,143.61**

Particulars	Not due	Outstanding for following periods from due date of payment				As at March 31, 2025
		<1 Year	1-2 Year	2-3 Year	>3 Year	Total
(i) MSME	377.89	-	-	-	-	377.89
(ii) Others	6,912.61	16.46	2.67	2.00	52.66	6,986.40
(iii) Disputed dues MSME	-	-	-	-	-	-
(iv) Disputed dues others	-	-	-	-	-	-
Total	**7,290.50**	**16.46**	**2.67**	**2.00**	**52.66**	**7,364.29**

2.21.2 The Company has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006. Intimations have been received from some of the suppliers regarding their status under the said Act as at March 31, 2026, based on which, principal amount unpaid to such suppliers as at the year end aggregating to Rs.233.33 lakhs (March 31, 2025: Rs.377.89 lakhs) has been included under Trade payables. In the opinion of the management, the impact of interest, if any, which may be payable in accordance with the provisions of the Act, is not expected to be material.

Disclosures required under the Micro, Small and Medium Enterprises Development Act 2006 are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
a. Principal amount remaining unpaid but not due as at the year end.	233.33	377.89
b. Interest due thereon and remaining unpaid as at the year end.	-	-
c. Interest paid by the Company in terms of Section 16 of Micro, Small & Medium Enterprises Development Act 2006 along with the amount of payment made to the supplier beyond the appointed day during the year.	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-

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for the year ended March 31, 2026
(All amounts are stated in lakhs unless stated otherwise)

Particulars	As at March 31, 2026	As at March 31, 2025
e. Interest accrued and remaining unpaid as at the year end.	-	-
f. Further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Total	**233.33**	**377.89**

2.21.3 Refer Note 2.37 for information about liquidity risk and market risk relating to trade payables.

2.22 Other Financial Liabilities

Current

Particulars	As at March 31, 2026	As at March 31, 2025
Creditors for Capital Goods	65.56	54.16
Retention money payable	173.57	157.02
Unpaid dividend (Refer 2.11)	70.53	67.35
Total	**309.66**	**278.53**

Refer Note 2.37 for information about liquidity risk of other financial liability.

a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as 31st March, 2026 (31st March, 2025: Nil).

b) There is no Corporate Social Responsibility expense related to ongoing projects as at March 31, 2026 (March 31, 2025: Nil). Refer note 2.33.3 for more information about Corporate Social Responsibility expense.

2.23 Short-Term Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for gratuity [See note 2.17.2]	81.23	310.33
Provision for compensated absences [See note 2.17.2]	32.28	143.98
Total	**113.51**	**454.31**

2.24 Current Tax Liabilities (Net)

Particulars	As at March 31, 2026	As at March 31, 2025
Current Tax payable [net of advance tax of Rs. 502.5 lakhs (As on March 31, 2025: Rs.3, 600 lakhs)]	2,133.84	2,955.97
Total	**2,133.84**	**2,955.97**

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

2.25 Other Current Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues Payable (including provident fund, tax deducted at source and others)	167.73	213.47
Advance from customers	47.48	68.67
Total	**215.21**	**282.14**

2.26 Revenue from operations*

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of products			
Sales- Export		51,438.15	77,327.27
Sales- Domestic		3,659.08	13,631.16
	A	**55,097.23**	**90,958.43**
Other operating revenues			
Export entitlements (Refer Note 2.27.1 (i))		3,064.44	4,960.31
Job work charges		541.93	1,230.05
Scrap sales		427.85	1,009.78
Others**		37.61	121.89
	B	**4,071.83**	**7,322.03**
Revenue from operations (A+B)		**59,169.06**	**98,280.46**

**Others include sample development charges, Sale of samples and discounts received

*There are no adjustments of revenue recognised with contract price, hence no separate note have been added on the same.

2.26.1 Timing of revenue recognition

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue recognised at a point in time	59,169.06	98,280.46
Revenue recognised over the period of time	-	-
Total	**59,169.06**	**98,280.46**

2.26.2 Contract Balances

The following table provided information about receivables, contract assets and contract liabilities from contracts with customers.

Particulars	Note	For the year ended March 31, 2026	For the year ended March 31, 2025
Trade Receivables (net of provision)	2.09	12,237.35	33,953.52
Contract Liabilities	2.25	47.48	68.67

Contract assets Primarily related to the Company's right to consideration for work completed but not billed at the reporting date, Company does not have any contract Assets as on March 31, 2026. Contract liabilities primarily relate to the advance consideration received from customers for which revenue is yet to be recognised

2.26.3 Revenue includes Rs 3,738.77 lakhs (PY:16,238.60 lakhs) made to related parties. Refer Note 2.38

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

2.26.4 Details of Revenue from Major customers are as follows:

Name of Customer	For the year ended March 31, 2026	For the year ended March 31, 2025
Customer A	35,728.33	51,530.62
Customer B	10,206.43	22,399.81
Customer C	3,854.28	-

2.26.5 For Geographical revenue details, Refer to Note 2.35.2

2.27 Other Income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income :		
(a) From Banks	136.66	191.23
(b) From Interest on Loan from subsidiaries	883.94	863.76
(c) Others	15.31	20.41
Dividend Received	0.20	0.11
Rent received [see note- 2.38.2D]	40.21	40.21
Net gain on foreign currency transactions and translations	2,700.89	1,541.13
Deferred grant income [see note 2.27.1 (iii)]	5.62	49.70
Gain on sale of property, plant and equipment (net)	-	9.34
Financial Guarantee Income (Refer Note 2.27.3)	679.04	533.45
Support Service Income (Refer Note 2.27.2)	30.00	411.62
Total	**4,491.87**	**3,660.96**

2.27.1 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:

(i) Grants in the nature of Merchandise Export Incentive Scheme, Rebate of State & Central Taxes and Levies, Remission on Duties and Taxes on Exported Products and Duty Drawback are disclosed under the head 'Export Entitlements' in other operating revenue.

(ii) Grants in the nature of re-imbursement of expenditure under the ISDS Project is deducted from the heads of related expenses.

(iii) 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 in the books as and when the conditions attached (export obligation) to authorisations are fulfilled.

2.27.2 Support service income Rs. 30 Lakhs (March 31, 2025: Rs. 411.62 Lakhs) represents administrative and payroll support services provided to subsidiary Company "Kitex Apparel Parks Limited". These charges are recovered on an arm's-length basis. Refer Note 2.38

2.27.3 During the year Rs. 679.04 Lakhs (March 31, 2025: Rs. 533.45 Lakhs) was recognized as income toward the corporate guarantee provided by the Company to banks in respect of term loans availed by subsidiary Company "Kitex Apparel Parks Limited". Refer Note 2.38

2.27A Exceptional Items

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Reversal of Expected Credit loss on Receivables (Refer Note 2.27A.1)	1,750.00	-
Totalq	**1,750.00**	**-**

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

2.27A.1 During the year, the Company has reassessed the measurement of Expected Credit loss allowance on outstanding dues towards Kitex USA LLC and concluded ECL Provision of Rs 1,750 Lakhs is no longer required considering the receipts during the year and accordingly excess provision was written back in Statement of Profit and loss. The same has been disclosed as an exceptional item in view of its material and non-recurring nature. (Refer Note 2.38)

2.28 Cost of Materials Consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventory at the beginning of the year	5,052.16	3,990.50
Add: Purchases*	21,685.68	44,985.80
Less: Inventory at the end of the year	3,290.23	5,052.16
Total	**23,447.61**	**43,924.14**

* includes purchase from Related Parties amounting to Rs.6,765.24 for March 31, 2026 (Refer note 2.38)

2.29 Changes in Inventories of Finished Goods and Work-in-Progress

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the beginning of the year		
Finished goods	1,095.35	1,745.11
Work-in-progress	12,577.70	10,248.41
	13,673.05	**11,993.52**
Less: Inventories at the end of the year		
Finished goods	2,234.18	1,095.35
Work-in-progress	7,098.22	12,577.70
	9,332.40	**13,673.05**
Net decrease / (increase)	**4,340.65**	**(1,679.53)**

2.30 Employee Benefits Expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries & wages	10,434.18	12,925.41
Contribution to provident and other funds (Refer note 2.17.2.a)	970.18	1,307.84
Gratuity expenses (Refer note 2.17.2.b)	310.93	252.91
Staff welfare expenses	1,284.92	1,347.50
Total	**13,000.21**	**15,833.66**

Refer Note 2.49(g) to the Financial Statements for the impact of the Labour Codes.

2.31 Finance Costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on export packing credit	1,294.12	1,086.73
Interest on term loans	0.68	-
Other borrowing cost	152.55	92.51
Interest on income tax (Refer note 2.31.1)	157.62	222.48
Total	**1,604.97**	**1,401.72**

2.31.1 Interest on income tax represents interest under Sections 234B and 234C of the Income Tax Act, 1961 on account of shortfall in payment of advance tax. No penalties under the Income Tax Act have been levied during the year (Previous year: Nil).

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

2.32 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment [See note 2.01A]	1,226.11	1,567.30
Amortisation of intangible assets [See note 2.01C]	1.93	4.36
Total	**1,228.04**	**1,571.66**

2.33 Other Expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Processing charges	4,366.60	6,731.27
Consumption of stores and spares	762.71	1,652.21
Power and fuel	2,787.51	3,956.41
Repairs		
- Building	11.66	41.95
- Plant & machinery	440.03	487.05
- Others	456.10	524.46
Other production expenses	251.72	466.14
Testing charges	433.01	393.08
Sitting Fees paid to Directors [See Note 2.38]	15.20	18.95
Forwarding and transport on sales	337.42	551.40
Insurance	151.17	134.66
Rent [See note 2.38 and 2.40]	158.76	198.57
Rates and taxes	97.76	150.56
Travelling and conveyance	154.92	234.91
Payments to auditors [See note 2.33.2]	24.08	24.18
Advertisement and sales promotion	122.87	151.81
Professional and consultancy charges	207.75	294.12
Provision for Expected Credit Loss	1,077.38	1,878.70
Donation [See note 2.33.1]	258.75	174.72
Communication and office expenses	135.54	177.75
Bank Charges	55.87	120.08
Expenses on corporate social responsibility activities [See note 2.33.3 and 2.38]	294.11	239.71
Miscellaneous expenses	1,337.82	1,612.13
Total	**13,938.73**	**20,214.82**

2.33.1 Contribution to political parties as per section 182 of Companies Act, 2013 (Included in Donation) for the year ended March 31, 2026 is Rs 258 Lakhs (Rs 146 Lakhs as on March 31, 2025)

2.33.2 Payments to auditors (Net of Goods and Service Tax)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Statutory audit fees	22.50	22.50
(b) Other services		
- Others	0.68	0.94
- Reimbursement of expenses	0.90	1.68
Total	**24.08**	**25.12**

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

2.33.3 Details of expenses on corporate social responsibility activities

(a) Gross amount required to be spent by the Company during the year Rs. 270.53 lakhs (31.03.2025: Rs.237.42 lakhs) towards CSR compliance as per Companies Act.

(b) Amount Unspent from previous years : Nil

(c) Amount approved by the Board to be spent during the year- Rs. 270.53 lakhs (31.03.2025 : Rs.237.42 lakhs)

(d) Amount spent during the financial year on :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	294.11	239.71
Total	**294.11**	**239.71**

(e) Details of excess CSR expenditure

Nature of Activity	Balance excess as at 01 April 2025	Amount required to be spent during the year	Amount spent during the year	Balance excess to be carried over as at 31 March 2026*
Infrastructure development assistance and women empowerment	-	270.53	294.11	23.58

* As per records filed with MCA.

(f) CSR Expenditure incurred with Related Parties

Name	Nature of Relationship	For the year ended March 31, 2026	For the year ended March 31, 2025
Twenty 20 Kizhakkambalam Association	Enterprises owned or significantly influenced by key management personal or their relatives	290.00	237.00

There is no Corporate Social Responsibility expense related to ongoing projects as at March 31, 2026 (March 31, 2025: Nil).

2.34 Earnings per equity share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit for the year	5,689.98	15,295.33
Weighted average number of equity shares of Re. 1/- each (fully paid-up)	1,995	1,995
Earnings per equity share - Basic & Diluted in Rs.	2.85	7.67

2.34 A Dividend on Equity Share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Dividend on equity shares declared and paid during the year		
Final dividend of Rs.1.5 per share for FY 2024-25 (Rs 1.5 per share for FY 23-24)	997.50	997.50
Total	**997.50**	**997.50**
Proposed dividend on equity shares not recognised as liability.		
Final dividend of Rs.0.5 per share for FY 2025-26 (2024-25: 1.5 per share)	997.50	997.50
Total	**997.50**	**997.50**
Payout Ratio	**17.53%**	**6.52%**

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for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

2.35 Segment Reporting

The Company's operations predominantly relate to one operating segment i.e. Textile – Infant / Kids Apparel manufacturing. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence, no separate segment information has been furnished herewith.

2.35.1 Information about products and services: The Company earns revenue from only a single group of product and service viz. Textile Business comprising of sale of garments and fabrics products / services.

2.35.2 Information regarding geographical revenue is as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
India	3,659.08	13,631.16
Outside India		
- The United States (US)	39,700.18	69,185.73
- Others	11,737.98	8,141.54
Sale of products	**55,097.23**	**90,958.43**

2.35.3 All non current assets of the Company are located in India.

2.35.4 The following table gives details in respect of percentage of revenue generated from the top customer and revenue from transactions with customers amounting to more than 10 percent or more of the Company's revenue.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
No of customers who contribute to more than 10 percent of the Company's revenue	2	2
Revenue from top customer	35,728.33	51,530.62
Revenue from customers contributing to more than 10 percent of the Company's revenue	45,934.76	73,930.43

2.36 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).

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

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

Fair value hierarchy of financial instruments measured at fair value on a recurring basis is as follows:

Particulars	Fair value hierarchy (level)	As at March 31, 2026	As at March 31, 2025
Financial assets measured at fair value through other comprehensive income			
Investments in equity shares - Quoted	1	7.04	6.73

There have been no transfers between levels during the period

Notes Forming Part of Standalone Financial Statements

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(All amounts are stated in lakhs unless stated otherwise)

Category wise classification of financial instruments is as follows:

Particulars	See note	As at March 31, 2026	As at March 31, 2025
Financial assets measured at fair value through other comprehensive income			
Investments in equity shares - Quoted	2.02	7.04	6.73
Financial assets measured at amortised cost			
Non current :			
(i) Security deposits	2.04	266.01	228.96
(ii) Loans to wholly owned subsidiaries	2.03	19,945.01	10,634.77
(iii) Other Financial Assets	2.04	27.59	-
Current :			
(i) Trade receivables	2.08	12,237.35	33,953.52
(ii) Cash and cash equivalents	2.09	9,810.40	3,507.60
(iii) Bank balances other than (ii) above	2.10	2,842.89	2,675.35
(iv) Other financial assets	2.11	9,992.03	3,812.51
(v) Interest receivable on loans to wholly owned subsidiaries		795.54	777.38
Financial assets measured at cost			
Non current			
(i) Investments in equity shares - Unquoted	2.02	57,127.80	45,141.54
		1,13,051.66	**1,00,738.35**
Financial Liabilities measured at amortised cost			
Current			
(i) Borrowings	2.19	16,404.14	16,250.60
(ii) Trade payables	2.20	4,143.61	7,364.29
(iii) Other financial liabilities	2.21	309.66	278.53
Non Current			
(i) Borrowings	2.16	4,469.36	-
		25,326.77	**23,893.42**

2.37 Financial Risk Management - Objectives and Policies

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risk, credit risk and other price risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

1) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the period ended 31st March, 2026 and 31st March, 2025. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities

Notes Forming Part of Standalone Financial Statements
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(All amounts are stated in lakhs unless stated otherwise)

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, 2026	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	16,404.14	4,469.36	-	20,873.50
Trade payable	4,143.61	-	-	4,143.61
Other financial liabilities (current)	309.66	-	-	309.66
Other financial liabilities (non current)	-	-	-	-

Maturities of financial liabilities As at March 31, 2025	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	16,250.60	-	-	16,250.60
Trade payable	7,306.96	57.33	-	7,364.29
Other financial liabilities (current)	278.53	-	-	278.53
Other financial liabilities (non current)	-			-

2) Market risk

Market risk is the risk that the fair value or 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 risk, such as equity price risk and commodity risk.

The Company's financial instruments affected by market risk include trade receivables, trade payables and borrowings (including short-term packing credit). The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company's management committee oversees the management of these risks, supported by a treasury department that identifies, evaluates, and hedges financial risks. The following sections provide a sensitive analysis of the key components of market risk as at the reporting date.

a) Foreign currency risk

The Company undertakes transactions denominated in foreign currency (mainly US Dollar) which are subject to the risk of exchange rate fluctuations. Financial assets and liabilities denominated in foreign currency, are also subject to reinstatement risks.

i) The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Assets		
USD	200.13	443.17
JPY	0.58	0.58
HKD	0.02	0.01
EUR	0.00	0.00
VND	0.26	-
Liabilities		
EUR	0.92	5.81
USD	10.76	24.39
GBP	0.28	0.28

Notes Forming Part of Standalone Financial Statements

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(All amounts are stated in lakhs unless stated otherwise)

ii) **Foreign currency sensitivity analysis**

The following table details the Company's sensitivity to a 1% increase and decrease in the rupee against the relevant foreign currencies . The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant.

Particulars	Impact in statement of profit and loss for 1% change	
	March 31, 2026	March 31, 2025
Sensitivity		
INR/USD (Net receivable)	179.59	358.39
INR/EUR (Net payable)	1.00	5.28
INR/GBP (Net Payable)	0.35	0.30
INR/VND (Net receivable)	-	-
INR/HKD (Net payable)	-	-

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, 2026	As at March 31, 2025
Variable rate instruments		
Financial liability - Loans repayable on demand from banks	16,233.58	16,250.60
Financial liability - Term Loans from Banks	4,639.92	-
Financial liability	**20,873.50**	**16,250.60**

Cash flow sensitivity for variable rate instruments

Particulars	Impact on Profit or (Loss)	
	March 31, 2026	March 31, 2025
Sensitivity		
50 BPS increase in rate	104.37	81.25
50 BPS decrease in rate	(104.37)	(81.25)

c) Other Price Risk (Commodity Risk)

The Company is exposed to fluctuations in the prices of raw materials used in its operations. However, such exposure does not arise from financial instruments and, accordingly, no separate commodity price risk sensitivity analysis is presented under Ind AS 107.

3) Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management considers that the demographics of the Company's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of the customers (including related parties) to which the Company grants credit terms in the normal course of the business.

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

The Company applies the simplified approach for providing expected credit losses prescribed by Ind AS 109, which requires the use of the lifetime expected loss provision for all trade receivables and contract assets. The Company has computed expected credit losses based on a provision matrix which takes into account historical credit loss experience, adjusted for forward-looking information specific to the debtors and the economic environment.

Movement in expected credit loss allowance on trade receivables and other financial assets	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	2,178.70	300.00
Loss allowance measured at lifetime expected credit losses	-	-
Loss allowance Provided during the year (Refer Note 2.33)	1,077.38	1,878.70
Loss allowance reversed during the year (Refer Note 2.27A)	(1,750.00)	-
Balance at the end of the year	1,506.08	2,178.70

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 funds its operations through internal accruals. 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, 2026, the Company has only one class of equity shares. The company is not subject to any externally imposed capital requirements.

Particulars	As at March 31, 2026	As at March 31, 2025
Equity attributable to share holders	1,15,347.32	1,10,562.82
Borrowings	20,873.50	16,250.60
Less: Cash and cash equivalents	9,810.40	3,507.60
Net debt	11,063.10	12,743.00
Total capital (equity + debt)	1,26,410.42	1,23,305.83
Net debt to capital ratio	**0.088**	**0.103**

2.37 A Disclosures Pursuant To Regulation 34 (3) Of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 And Section 186 Of The Companies Act, 2013

Particulars	year ended March 31, 2026	year ended March 31, 2025
a) Loans to subsidiaries		
(i) KITEX KNITS LIMITED		
Balance as at the beginning of the year	2,519.01	2,498.46
Loans given	34.83	20.55
Loans repaid	-	-
Balance as at the end of the year	2,553.85	2,519.01
Maximum amount of outstanding at any time during the year	2,553.85	2,519.01
(To facilitate the commencement of manufacturing activities, address urgent business needs, and fulfil contractual and other obligations of the borrower.)		

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

Particulars		year ended March 31, 2026	year ended March 31, 2025
(ii)	**KITEX BABYWEAR LIMITED**		
	Balance as at the beginning of the year	472.28	467.44
	Loans given	5.71	4.84
	Loans repaid	-	-
	Balance as at the end of the year	477.99	472.28
	Maximum amount of outstanding at any time during the year	477.99	472.28
	(To facilitate the commencement of manufacturing activities, address urgent business needs, and fulfil contractual and other obligations of the borrower.)		
(iii)	**KITEX KIDSWEAR LTD**		
	Balance as at the beginning of the year	2,100.87	2,084.17
	Loans given	18.99	16.70
	Loans repaid	-	-
	Balance as at the end of the year	2,119.86	2,100.87
	Maximum amount of outstanding at any time during the year	2,119.86	2,100.87
	(To facilitate the commencement of manufacturing activities, address urgent business needs, and fulfil contractual and other obligations of the borrower.)		
(iv)	**KITEX LITTLEWEAR LIMITED**		
	Balance as at the beginning of the year	3,994.15	3,965.25
	Loans given	234.37	28.89
	Loans repaid	-	-
	Balance as at the end of the year	4,228.52	3,994.15
	Maximum amount of outstanding at any time during the year	4,228.52	3,994.15
	(To facilitate the commencement of manufacturing activities, address urgent business needs, and fulfil contractual and other obligations of the borrower.)		
(v)	**KITEX PACKS LIMITED**		
	Balance as at the beginning of the year	771.17	763.98
	Loans given	8.15	7.20
	Loans repaid	-	-
	Balance as at the end of the year	779.32	771.17
	Maximum amount of outstanding at any time during the year	779.32	771.17
	(To facilitate the commencement of manufacturing activities, address urgent business needs, and fulfil contractual and other obligations of the borrower.)		
(vi)	**KITEX SOCKS LIMITED**		
	Balance as at the beginning of the year	777.28	770.34
	Loans given	8.20	6.95
	Loans repaid	-	-
	Balance as at the end of the year	785.48	777.28
	Maximum amount of outstanding at any time during the year	785.48	777.28
	(To facilitate the commencement of manufacturing activities, address urgent business needs, and fulfil contractual and other obligations of the borrower.)		
(vii)	**KITEX APPAREL PARKS LIMITED**		
	Balance as at the beginning of the year	-	-
	Loans given	9,000.00	-
	Loans repaid	-	-
	Balance as at the end of the year	9,000.00	-
	Maximum amount of outstanding at any time during the year	9,000.00	-
	(To facilitate the commencement of manufacturing activities, address urgent business needs, and fulfil contractual and other obligations of the borrower.)		
(b)	**Loans to Others**		
	The Company did not provide any loans to others.	-	-
(c)	**Investment by the loanees in the shares of the Company**		
	The loanees have not made any investments in the shares of the Company	-	-

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

(d) Details of other Non Current Investments made by company

Particulars	As at March 31, 2026	As at March 31, 2025
Equity Instruments		
Quoted		
7,000 (7,000) fully paid-up equity shares of Rs 2/- each in Punjab National Bank Limited	7.04	6.73
Total	**7.04**	**6.73**

Details of guarantee provided by company to its associates

Particulars	As at March 31, 2026	As at March 31, 2025
Kitex Apparel Parks Limited	69,344.95	69,344.95
(To facilitate the commencement of manufacturing activities, address urgent business needs, and fulfil contractual and other obligations of the borrower.)		
Total	**69,344.95**	**69,344.95**

(e) Refer note 2.02 for details of Investments in subsidiaries and associates.

(f) The Company has not provided any security covered under Section 186 and accordingly, the disclosure requirements to that extent does not apply to the Company.

2.38 Related Party Disclosure

Disclosure of transactions with related parties as required by Ind AS 24 - Related Party Disclosures for the year ended March 31, 2026

2.38.1 List of related parties

A Key managerial personnel

(i) Mr. Sabu M Jacob, Managing Director
(ii) Ms. Sindhu Chandrasekhar, Whole Time Director
(iii) Sumi Francis, Non Executive & Independent Director
(iv) C.P.Philipose, Non Executive & Independent Director
(v) Amprayil Kurien Mathew, Non Executive & Independent Director
(vi) K L V Narayanan, Non Executive Director
(vii) Benni Joseph, Non Executive & Independent Director (Ceased to be Member of Board from January 11, 2025)
(viii) Mr. Boby Michael, Chief Financial Officer
(ix) Ms. Dayana Joseph, Company secretary

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

(i) Kitex Childrenswear Limited
(ii) Kitex Limited
(iii) Anna Aluminium Company Private Limited
(iv) Anna Aluminium Private Limited
(v) Scoobee Day Garments (India) Limited
(vi) Anna Aluminium Vessels

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

(vii) Kitex Herbals Limited

(viii) Kitex Building Systems (earlier Kitex Apparels Limited)

(ix) Kitex Infantswear Limited

(x) Twenty 20 Kizhakkambalam Association

(xi) Kitex Building Systems L.L.C

(xii) Sara spices Private Limited

C Associate enterprise

(i) Kitex USA LLC

D Wholly owned subsidiary companies

(i) Kitex Littlewear Limited

(ii) Kitex Kidswear Limited

(iii) Kitex Knits Limited

(iv) Kitex Socks Limited

(v) Kitex Packs Limited

(vi) Kitex Babywear Limited

E Subsidiary

Kitex Apparel Parks Limited

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

A	Enterprises owned or significantly influenced by key management personal or their relatives	For the year ended March 31, 2026	For the year ended March 31, 2025
(i)	**Kitex Childrenswear Limited**		
	Revenue from sale of goods and services (including expenses recovered)	2,607.13	10,574.11
	Rent Paid	2.47	2.41
	Rent Received	31.81	31.81
	Purchases of goods and services (including reimbursements)	3,715.58	5,379.94
(ii)	**Kitex Limited**		
	Revenue from sale of goods and services (including expenses recovered)	212.02	624.85
	Purchases of goods and services (including reimbursements)	357.30	1,049.75
(iii)	**Anna Aluminium Company Private Limited**		
	Revenue from sale of goods and services (including expenses recovered)	-	0.78
	Purchases of goods and services (including reimbursements)	0.05	0.12
(iv)	**Anna Aluminium Private Limited**		
	Revenue from sale of goods and services (including expenses recovered)	-	0.78
	Purchases of goods and services (including reimbursements)	2.37	0.12
(v)	**Anna Aluminium Vessels**		
	Purchases of goods and services (including reimbursements)	-	0.78
(vi)	**Sara Spices Private Limited**		
	Purchases of goods and services (including reimbursements)	48.08	51.28
(vii)	**Scoobee Day Garments (India) Limited**		
	Revenue from Sale of goods and services (including exp recovered)	183.96	1,641.23
	Purchases of goods and services (including reimbursements)	1,062.64	2,032.53
(viii)	**Twenty 20 Kizhakkambalam Association**		
	CSR Contribution Made	290.00	265.00
(ix)	**Kitex Building Systems L.L.C**		
	Purchase of goods/ materials/ services	41.01	-

Notes Forming Part of Standalone Financial Statements
for the year ended March 31, 2026
(All amounts are stated in lakhs unless stated otherwise)

B	Key management personnel*	For the year ended March 31, 2026	For the year ended March 31, 2025
(i)	**Mr. Sabu M Jacob** Remuneration paid	378.52	1,059.67
(ii)	**Ms. Sindhu Chandrasekharan** Remuneration paid	30.68	28.49
(iii)	**Ms. Sumi Francis** Sitting Fee Paid	3.80	4.40
(iv)	**Mr. C.P.Philipose** Sitting Fee Paid	4.10	4.60
(v)	**Mr. Amprayil Kurien Mathew** Sitting Fee Paid	4.20	2.85
(vi)	**Mr. K L V Narayanan** Sitting Fee Paid	3.10	3.85
(vii)	**Mr. Benni Joseph** Sitting Fee Paid	-	3.25
(viii)	**Mr. Boby Michael** Remuneration paid	48.37	48.37
(ix)	**Ms. Dayana Joseph** Remuneration paid	18.87	15.08

The remuneration to Key Managerial Personnel does not include provision for gratuity and leave encashment, as these are determined for the Company as a whole on an actuarial basis under Ind AS 19 'Employee Benefits', and the amount attributable to KMP separately is not ascertainable/identifiable

C	Associate Enterprise	For the year ended March 31, 2026	For the year ended March 31, 2025
	Kitex USA LLC		
	Sale of readymade garments	462.81	3,396.85
	Additional ECL Provision created	300.00	1,200.00
	Reversal of Provision no longer required	(1,750.00)	-
	Sales commission paid	1,295.74	1,570.19

D	Subsidiary companies	For the year ended March 31, 2026	For the year ended March 31, 2025
(i)	**Kitex Littlewear Limited**		
	Loan given/(refunded)	234.37	28.89
	Rent income (excluding taxes)	1.20	1.20
	Provision for ECL Created during the year	282.52	254.90
	Interest income	339.62	272.63
(ii)	**Kitex Kidswear Limited**		
	Loan given/(refunded)	18.99	16.70
	Rent income (excluding taxes)	1.20	1.20
	Provision for ECL Created during the year	155.07	134.08
	Interest income	172.16	150.63
(iii)	**Kitex Knits Limited**		
	Loan given	34.83	20.55
	Rent income (excluding taxes)	1.20	1.20
	Provision for ECL Created during the year	193.81	160.76
	Interest income	206.42	189.34

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

Subsidiary companies		For the year ended March 31, 2026	For the year ended March 31, 2025
(iv)	**Kitex Socks Limited**		
	Loan given	8.20	6.94
	Rent income (excluding taxes)	1.20	1.20
	Provision for ECL Created during the year	55.59	49.22
	Interest income	63.74	53.36
(v)	**Kitex Packs Limited**		
	Loan given	8.15	7.20
	Rent income (excluding taxes)	1.20	1.20
	Provision for ECL Created during the year	57.01	49.61
	Interest income	63.24	55.87
(vi)	**Kitex Babywear Limited**		
	Loan given/(refunded)	5.71	4.84
	Rent income (excluding taxes)	1.20	1.20
	Provision for ECL Created during the year	33.39	30.14
	Interest income	38.75	32.28
(vii)	**Kitex Apparel Parks Limited**		
	Investment	11,986.26	13,382.60
	Revenue from Sale of goods and services (including exp recovered)	272.85	-
	Support Service Income	30.00	411.62
	Rent received	1.20	1.20
	Purchases of goods and services (including reimbursements)	5,383.02	-
	Income for Bank Guarantee	679.04	533.45
	Loan given	9,000.00	-
	Other dues Paid	8,379.48	-

2.38.3 Outstanding amounts carried in the balance sheet as at March 31, 2026

A Enterprises owned or significantly influenced by key management personnel or their relatives:

Name of related party		As at March 31, 2026	As at March 31, 2025
(i)	**Kitex Childrenswear Limited**		
	Trade receivables	-	603.54
	Trade payables	502.90	-
(ii)	**Kitex Limited**		
	Trade payables	4.55	2.64
(iii)	**Anna Aluminium Company Private Limited**		
	Advance to Suppliers	-	0.79
	Trade payables	0.73	-
(iv)	**Anna Aluminium Private Limited**		
	Trade payables	2.52	-
(v)	**Sara Spices Private Limited**		
	Trade payables	3.93	1.06
(vi)	**Scoobee Day Garments (India) Limited**		
	Advance to Suppliers	-	30.80
	Trade payables	4.10	-

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026
(All amounts are stated in lakhs unless stated otherwise)

B Key management personnel

Name of related party	As at March 31, 2026	As at March 31, 2025
(i) Mr. Sabu M Jacob		
Remuneration payable	279.52	956.67
(ii) Ms. Sindhu Chandrasekhar		
Remuneration payable	3.54	2.45
(iii) Mr. Boby Michael		
Remuneration payable	4.42	4.34
(iv) Ms.Dayana Joseph		
Remuneration payable	2.50	2.23
(v) Ms. Sumi Francis		
Sitting Fee Payable	1.64	1.80
(vi) Mr. C.P.Philipose		
Sitting Fee Payable	1.64	1.80
(vii) Mr. Amprayil Kurien Mathew		
Sitting Fee Payable	1.64	1.80
(viii) Mr. K L V Narayanan		
Sitting Fee Payable	1.01	1.44
(ix) Mr. Benni Joseph		
Sitting Fee Payable	-	-

C Associate enterprise

Name of related party	As at March 31, 2026	As at March 31, 2025
Kitex USA LLC		
Trade receivables	2,104.37	12,277.58
Provision for ECL	50.00	1,500.00
Kitex USA LLC Trade Payable	805.35	1,936.03
Net carrying value of investment	2,776.24	2,776.24

D Investment in wholly owned subsidiaries (Refer Note 2.02 for investment schedule)

Name of related party	As at March 31, 2026	As at March 31, 2025
Kitex Littlewear Limited	100.00	100.00
Kitex Kidswear Limited	100.00	100.00
Kitex Knits Limited	10.00	10.00
Kitex Socks Limited	10.00	10.00
Kitex Packs Limited	10.00	10.00
Kitex Babywear Limited	10.00	10.00

E Unsecured loan receivable from wholly owned subsidiaries

Name of related party	As at March 31, 2026	As at March 31, 2025
Kitex Littlewear Limited	4,228.52	3,994.15
Kitex Kidswear Limited	2,119.86	2,100.87
Kitex Knits Limited	2,553.85	2,519.01
Kitex Socks Limited	785.48	777.28
Kitex Packs Limited	779.32	771.17
Kitex Babywear Limited	477.99	472.28

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

F Interest income receivable on loan to wholly owned subsidiaries

Name of related party	As at March 31, 2026	As at March 31, 2025
Kitex Littlewear Limited	843.08	537.42
Kitex Kidswear Limited	444.09	289.15
Kitex Knits Limited	540.35	354.57
Kitex Socks Limited	162.17	104.80
Kitex Packs Limited	163.53	106.62
Kitex Babywear Limited	98.40	63.53

G Provision for ECL on Loan Interest Receivable

Name of related party	As at March 31, 2026	As at March 31, 2025
Kitex Littlewear Limited	537.42	254.90
Kitex Kidswear Limited	289.15	134.08
Kitex Knits Limited	354.57	160.76
Kitex Socks Limited	104.80	49.22
Kitex Packs Limited	106.62	49.61
Kitex Babywear Limited	63.53	30.14

H Subsidiary -Kitex Apparel Parks Limited

Name of related party	As at March 31, 2026	As at March 31, 2025
Investment in subsidiary (including FV of Guarantee)	54,418.18	42,431.93
Corporate Guarantee given to Banks for loans taken by a subsidiary company Kitex Apparel parks Limited for setting up of manufacturing facility	69,344.95	63,669.36
Other dues Receivable	8,379.48	533.45
Loan Given	9,000.00	-

Terms and conditions of transactions with related parties

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis. Outstanding balances at the year-end are unsecured and settlement occurs in cash. Refer note 2.37A for terms and conditions of loans given to subsidiaries.

There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March, 2026, the Company has recorded impairment of receivables relating to amounts owed by related parties Rs. Nil (2024-25: Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

2.39 Unhedged Foreign Currency Exposure

2.39.1 Company have stopped undertaking forward contracts to hedge foreign currency exposure.

2.39.2 The particulars of un hedged items as at Balance Sheet date is as under:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Foreign currency	INR	Foreign currency	INR
Assets				
EUR	0.00	0.33	-	0.28
USD	200.13	18,489.49	443.17	37,927.03
JPY	0.58	0.34	-	-
HKD	0.02	0.25	0.01	0.11
VND	0.26	-	-	-

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026
(All amounts are stated in lakhs unless stated otherwise)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Foreign currency	INR	Foreign currency	INR
Liabilities				
EUR	0.92	100.47	5.81	528.08
USD	10.76	1,018.58	24.39	2,087.54
GBP	0.28	34.55	0.28	28.96

2.40 Lease Accounting

Operating Lease

Office premises are hired on operating lease. 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, 2026	As at March 31, 2025
Amount charged to statement of profit and loss account during the year		
Rent for premises	95.09	106.61
Rent for equipment	63.67	91.96
Total	**158.76**	**198.57**

2.41 Contingent Liabilities and Commitments

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, 2026.

2.41.1 Contingent liabilities not provided for:

Particulars	As at March 31, 2026	As at March 31, 2025
1 Claims against the Company not acknowledged as debts being demand raised against the Company, disputed on Appeal before various Appellate authorities.		
(i) Income tax dues [Paid under protest include Rs. 108.57 lakhs (31.03.2025: Rs. 108.57 lakhs)] (Refer 2.41.2)	1,007.80	1,007.80
2. Bank guarantees	2,088.57	2,113.57
3. Guarantee given to Bank for loans taken by a subsidiary company Kitex Apparel Parks Limited for setting up of manufacturing facility	69,344.95	64,399.36
Total	**72,441.32**	**67,520.73**

2.41.2 The above demands are disputed by the Company and matters pending in appeal before appellate authorities in various stages. In the opinion of the management and based on legal advice received the company is hopeful of getting full relief and hence no provision has been made thereof.

2.41.3 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 71.97 Lakhs (Rs.77.59 Lakhs) . The export obligation to be fulfilled as per license is upto six years from date of issue of EPCG licence.

2.41.4 The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and there are no long term contracts for which there are any material foreseeable losses. The Company has ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on derivative contracts has been made in the books of accounts.

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

2.42 Financial Ratios

	Particulars	As at March 31, 2026	As at March 31, 2025	Variance	Reason (If variation is more than 25%)
(a)	Current Ratio, (times) (Total current assets/Current liabilities) [Current Assets= Inventories + Trade Receivable + Cash & bank balances+ Other Current Assets] [Current liabilities: Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Provisions + Other Current Liability]	2.25	2.47	(8.94%)	NA
(b)	Debt-Equity Ratio*, (times) (Net debt / Average equity) [Net debt: Non-current borrowings - Cash and cash equivalents)] [Equity: Equity share capital + Other equity]	NA	NA	NA	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]	9,037.10	NA	100%	New Long Term Borrowings Availed
(d)	Return on Equity Ratio (%) (Profit after tax (PAT) / Average Equity) [Equity: Equity share capital + Other equity]	5.04%	14.79%	(65.94%)	There has been decrease in profit during the year in line with decreased operations and sales on account of imposition of additional US Tariff rates.
(e)	Inventory turnover ratio (in days) (Average inventory/Cost of materials consumed +Changes in inventories of finished goods, work in progress per day) [Average Inventory: Opening inventory balance + Closing inventory balance) / 2]	210.14	152.75	37.57%	Mainly due to decreased revenue during the period owing to imposition of additional US Tariff rates.
(f)	Trade Receivables turnover ratio (in days) (Average trade receivables/Turnover per day) [Turnover: Revenue from operations]	142.47	110.74	28.66%	Mainly due to decreased revenue during the period owing to imposition of additional US Tariff rates.
(g)	Trade payables turnover ratio (in days) Average Trade Payables / Cost of materials consumed +Changes in inventories of finished goods, work in progress)*365 [Average Trade Payables: (Opening Trade Payables + Closing Trade Payables)/2]	75.58	54.45	38.80%	While the trade payables has decreased, a substantial decrease was operations and purchases on account of the US tariff Rates.
(h)	Net capital turnover ratio (in days) (Average working capital/Turnover)*365 [Working capital: Current assets - Current liabilities] [Turnover: Revenue from operations]	216	152.07	41.74%	Net capital turnover ratio has declined as turnover has declined around 40% in the current year.
(i)	Net profit ratio (%) (Net profit after tax / Turnover) [Turnover: Revenue from operations]	9.62%	15.56%	(38.21%)	Majorly due to margin crunches on additional tariffs US Tariffs imposed contrary to increased finance cost charges during the year owing to increased usage of credit facilities.
(j)	Return on Capital employed (%) (EBIT / Capital Employed) [Capital Employed: Total Assets - Current Liabilities] [EBIT: Profit before taxes +/(-) Exceptional items + Net finance charges]	6.35%	19.74%	(67.83%)	There has been decrease in profit during the year in line with decreased operations and sales on account of imposition of additional US Tariff rates.

*This ratio isn't applicable since Company's Cash and cash equivalents exceed Non current Borrowings

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026
(All amounts are stated in lakhs unless stated otherwise)

2.43 Capital & Other Commitments

Estimated amount of contract remaining to be executed on capital account (net of advances): Rs. 601.80 lakhs (31.03.2025: Rs.578.66 lakhs).

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

2.45 Subsequent event

Dividends declared by the Company are based on the profit available for distribution. Distribution of dividends out of general reserve and retained earnings is subject to applicable tax deducted at source (TDS). On May 30 ,2026 Board of Directors of the Company have proposed a final dividend of Rs 0.50 per share in respect of the year ended March 31, 2026 subject to the approval of shareholders at the Annual General Meeting. The proposal if approved, would result in a cash outflow of approximately Rs.997.50 Lakhs. The same has not been disclosed as a liability as on March 31, 2026.

2.46 Note on Ultimate Beneficiaries

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 party identified by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (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 Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2.47 Note on Audit Trail

The Company has used two accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and has been operated throughout the year for all relevant transactions recorded in the software and same has not been tampered with except

- for one of the software the database is maintained by third party service provided and in absence of independent auditors report, management is unaware whether audit trail feature is enabled in database maintained by the third party.
- For one of software audit trial feature was not enabled for FY 2025-26

Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in previous years

2.48 Note on Backup

The Company maintains its books of account and other statutory records in electronic mode through various software applications. In respect of one of the software used for maintaining books of account and other books and papers in electronic mode, the Company has not been able to demonstrate that daily back-up of such records is being maintained on servers physically located in India, as required under the Companies (Accounts) Rules, 2014, as amended.

The Company is in the process of reviewing and strengthening its data backup policies and infrastructure to ensure full compliance with the applicable regulatory requirements. The management does not expect this to have any material impact on the integrity or accuracy of the financial statements or the underlying records.

2.49 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.

Notes Forming Part of Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

(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) Crypto currency / Virtual Digital Assets: The Company has not traded, invested in, or held any crypto currency or Virtual Digital Assets (as defined under Section 2(47A) of the Income Tax Act, 1961 inserted by the Finance Act 2022) during the financial year ended 31 March 2025 and in any prior year. No gains or losses in relation to virtual digital assets have been recognised in the financial statements. No amounts have been paid to any person for transfer of virtual digital assets."

(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 - On November 21, 2025, the Government of India has consolidated 29 existing labour legislations into a united framework comprising four Labour codes viz Code on wages 2019, Code on Social Security 2020, Industrial Relation Code 2020 and Occupational Safety, Health and Working Condition Code 2020 (collectively referred to as the New Labour Codes). The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company is already in compliance with the basic wages criteria as prescribed under New Labour Codes for own employees and there is no material impact on the Company. The Company will continue to monitor the finalisation of Central and state rules and government clarifications to recognise any financial impact as appropriate.

(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.

2.50 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 disclosure. The impact of such reclassification/ regrouping is not material to the standalone financial statements.

2.51 Board of Directors of the Company has adopted and approved the standalone financial statements on the board meeting dated 30 May, 2026

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration
Number – 105047W/W101187

S. Manikandan
Partner
Membership No.226060

Place : Chennai
Date: May 30, 2026

For and on behalf of the Board of Directors of
Kitex Garments Limited
CIN: L18101KL1992PLC006258

Sabu M Jacob
Chairman &
Managing Director
DIN:00046016
Place : USA
Date: May 30, 2026

Sindhu Chandrasekharan
Whole Time Director
DIN: 06434415

Place : Kizhakkambalam
Date: May 30, 2026

Boby Michael
Chief Financial Officer

Place : Kizhakkambalam
Date: May 30, 2026

CS Dayana Joseph
Company Secretary
ICSI M.No.A61808

Place : Kizhakkambalam
Date: May 30, 2026

Statement on Impact of Audit Qualifications

(for audit report with modified opinion) submitted along with its Standalone Audited Annual Financial Results for the year ended March 31, 2026 [See Regulation 33 of SEBI (LODR) Regulations, 2015]

(In ₹ Lakhs except for Earnings Per Share)

I	Sl No	Particulars	Audited Figures(as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	63,660.93	63,660.93
	2	Total Expenditure	57,560.21	57,560.21
	3	Net Profit/(Loss)	5,689.98	5,689.98
	4	Earnings Per Share	2.85	2.85
	5	Total Assets	1,44,650.44	1,44,650.44
	6	Total Liabilities	29,303.12	29,303.12
	7	Net Worth	1,15,347.32	1,15,347.32
	8	Any other financial item(s) (as felt appropriate by the management)	-	-

Audit Qualification:

a. **Details of Audit Qualification:**

The Company has an investment in an Associate Company, Kitex USA LLC, amounting to Rs. 2,776.24 lakhs as at March 31, 2026 (March 31, 2025: Rs. 2,776.24 lakhs), which has fully eroded its net worth of the Associate as on that date. The management of the Company has determined the carrying value of investment from the said Associate as recoverable based on valuations performed and future projected cash flows, after considering the proposed changes in the business plan, forecasted future revenue growth and expected higher margin contributions. For the quarter and year ended March 31, 2026, the management of the Company has not been able to provide corroborative evidence to substantiate the reasonableness of the above-mentioned unobservable inputs. Accordingly, we are unable to comment on the recoverability of the carrying value of the investment in Kitex USA, LLC as at March 31, 2026. (Refer Note 6 to the standalone financial results)

a. **Type of Audit Qualification:** Qualified Opinion

b. **Frequency of Qualification:** Included since audit report for the quarter and year ended 31st March 2024

c. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** NA

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** NA

i. **Management's estimation on the impact of audit qualification:** NA

ii. **If management is unable to estimate the impact, reasons for the same:** The management of the Company has evaluated the fair valuation of the investments in the Associate by considering various factors including product mix optimization, service led income de-risking and the expected bilateral treaties with US and Europe which is expected to serve as a positive catalyst in enhancing cost competitiveness, unlocking demand visibility and expanding sales volume and margins. Further the management of the Company believes that basis the above valuation performed based on the forecasted future revenue growth and projected cash flows with higher contribution margins that the fair value of the investment in the Associate is higher than the carrying value.

iii. **Auditors' Comments on (i) or (ii) above:** No further comments

For **MSKA & Associates LLP**
(Formerly known as MSKA & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

S Manikandan	**Sindhu Chandrsekharan**	**C P Philipose**	**Boby Michael**
Partner	Whole-Time Director	Chairman of Audit Committee	Chief Financial Officer
Membership No.226060			
Place : Chennai	Place: Kizhakkambalam	Place: Kizhakkambalam	Place: Kizhakkambalam
Date : May 30, 2026	Date : May 30, 2026	Date : May 30, 2026	Date : May 30, 2026

Consolidated
Financial Statements

Independent Auditor's Report

To
The Members of
Kitex Garments Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Kitex Garments Limited** (hereinafter referred to as the "Holding Company"), its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate, which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries and associate, the aforesaid consolidated 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 their consolidated state of affairs of the Group and its associate as at March 31, 2026, of consolidated loss (including other comprehensive income),consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India, and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports referred to in the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matters	How the Key Audit Matters was addressed in our audit
1	The total value of inventory as of March 31, 2026, 15,092.03 lakhs representing 5% of the total assets (March 31, 2025: 19,066.13 lakhs, 7% of the total assets). Inventories are measured the lower of cost and net realisable value. The Company is an apparel manufacturer and exporter of knitted garments for infants and kids. The valuation of raw material, semi finished and finished goods is a comprehensive exercise and is carried out manually. Allocation of indirect production costs is also estimated and loaded as inventory cost, as part of the valuation exercise. This allocation requires judgment and estimation, which are uncertain at the time of such estimation.	Our audit procedures include the following: • Assess the accounting policies relating to valuation of Inventory in compliance with Ind AS 2 ("Inventories"). • Assess the management process of inventory valuation including allocation of overheads to inventory. • Evaluate the design and implementation and tested the operative effectiveness of relevant internal controls pertaining to valuation of inventory, including the process for write-down of obsolete inventory and the manual inventorisation of indirect production costs. • Assess the adequacy and appropriateness of write-downs for excess and/or obsolete inventory in relation to the future demand data and management's plans to utilise the inventory.

Sr. No.	Key Audit Matters	How the Key Audit Matters was addressed in our audit
	Management also applies judgement in identification & determination of obsolete inventories and slow moving items of stocks and estimates the appropriateness of requisite provisions thereon. On account of the subjective judgment and uncertainties involved above, we considered this as a Key Audit Matter.	• Evaluate the significant judgements and estimates made by Management in applying Company's accounting policy in relation to the manual inventorisation of indirect production costs. • Assess the adequacy and accuracy of disclosures in the consolidated financial statements with respect to inventory in accordance with respective accounting standards and framework.
2	During the year, the Group has capitalised items of Property, Plant and Equipment (PPE), to be transferred from capital work-in-progress on achieving ready to use certification. These projects take a substantial period of time to get ready for their intended use and, given their materiality in the context of the Group's Balance Sheet, this area has a significant effect on the overall audit strategy and allocation of resources in planning and completing our audit. This has been determined as a Key Audit Matter due to the significance of the capitalisation during the year and the risk that elements of costs eligible for capitalisation may not be appropriately capitalised in accordance with the recognition criteria provided in Indian Accounting Standard (Ind AS) 16, Property, Plant and Equipment.	Our audit procedures include the following: • Assess the accounting policies relating to Capitalisation in compliance with INDAS 16, INDAS 20 and INDAS 23. • Evaluate management judgment and estimates involved in identification of borrowing cost and pre operative expenses eligible for capitalization and allocation criteria to various assets. • Verification of whether the useful life adopted are as per Schedule II, assessment of management determination of residual value. • Obtained an understanding of the system of internal control process for the capitalization of projects and other assets and those included in capital work in progress, with reference to identification and testing of key controls. • Assessed the progress of the above and the intention and ability of the Management to carry forward and bring the asset to its state of intended use. • Evaluated the design and operating effectiveness of key controls relating to capitalisation of various costs incurred. • Ensured adequacy of disclosures in the Consolidated Financial Statements.

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

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the Director's report along with annexures but does not include the Consolidated financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated 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 Consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information' and describe actions applicable in the applicable laws and regulations.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate 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 respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

Other Matters:

We did not audit the financial statements of Six subsidiaries, whose financial statements reflect total assets of Rs.9,474.02 lakhs as at March 31, 2026, total revenue of Rs.4.71 lakhs, net loss (including other comprehensive income) of Rs. 890.63 lakhs and net cash inflows amounting to Rs.1.41 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

We did not audit the financial statements of One associate, whose financial statements reflect Group's share of net loss (including other comprehensive income) of Rs. Nil/- for the year ended March 31, 2026, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and the other financial information financial information of the subsidiaries and associates referred to in the Other Matters section above, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g) and in respect of one of the software used by the holding company, in the absence of sufficient appropriate audit evidence, we are unable to comment whether back-up of the books of account and other books and papers maintained in electronic mode, have been kept in servers physically located in India on a daily basis as explained in Note 2.47 to the consolidated financial statements.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies none of the directors of the Group companies are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

    (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and it's associate, and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**".

(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 and based on the consideration of the reports of the other auditors on separate financial statements and the other financial information of the subsidiaries and associates referred to in the Other Matters section above:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate – Refer Note 2.41 to the consolidated financial statements.

ii. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2026.

iv. a. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the note 2.45 to the consolidated 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 Holding Company or any of such subsidiaries to or in any other person(s) or entities, 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 Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 2.45 to consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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.

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as mentioned in (a) and (b) above contain any material mis-statement.

(v) Based on our examination and based on the other auditor's reports of subsidiary companies incorporated in India whose financial statements have been audited under the Act, we report that the Board of Directors of the Holding Company incorporated in India have proposed final dividend for the year which is subject to the approval of their respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 2.13 to the consolidated financial statements).

(vi) Based on our examination which included test checks, and based on the other auditor's reports of its subsidiary companies incorporated in India whose financial statements have been audited under the Act, the holding Company and its subsidiary Companies incorporated in India have used accounting softwares for maintaining their respective books of accounts and payroll records during the year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility. The audit trail feature was enabled and has been operated throughout the year for all relevant transactions recorded except that

a. In respect of Holding Company and one of the subsidiary Company, in the absence of the Independent Service Auditors report (SOC 2 report), we are unable to comment on the audit trail feature at database level for one of the accounting software which is maintained by the third party software service provider.

b. In respect to Holding Company and one of the subsidiary company, audit trail feature was not enabled for the software used for maintaining payroll records throughout the year as explained in Note 2.46 to the consolidated financial statements.

Further, during the course of audit we and the other auditors of above referred subsidiaries, did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail of prior year has been preserved by the Holding Company and above referred subsidiaries as per the statutory requirements for record retention to the extent it was enabled and recorded in prior years.

2. In our opinion, according to information, explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters section above, the remuneration paid or provided by the Holding Company and its subsidiary companies incorporated in India to its respective Directors is in accordance with the provisions of this section 197 read with Schedule V to the Act.

3. According to the information and explanations given to us, the details of adverse remarks made by the respective auditors of the subsidiaries in the Companies (Auditor's Report) Order 2020 (CARO) Reports issued till the date of our audit report for the companies included in the consolidated financial statements are as follows:

Sr. No	Name of the Company	CIN	Type of Company (Holding / Subsidiary)	Clause number of the CARO Report which is qualified or Adverse
1.	Kitex Garments Limited	L18101KL1992PLC006258	Holding	clause iii(d)

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

S. Manikandan
Partner
Membership No.:226060
UDIN: 26226060DRUGUF5748

Date: 30 May, 2026
Place: Chennai

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KITEX GARMENTS LIMITED FOR THE YEAR ENDED MARCH 31, 2026

Auditor's Responsibilities for the Audit of the Consolidated 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 consolidated 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 Holding Company has adequate internal financial controls with reference to consolidated 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 the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors 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 ability of the Group and its associate 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 consolidated 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 Group and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

S. Manikandan
Partner
Membership No.:226060
UDIN: 26226060DRUGUF5748

Date: 30 May, 2026
Place: Chennai

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KITEX GARMENTS LIMITED FOR THE YEAR ENDED MARCH 31, 2026

Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Kitex Garments Limited on the Consolidated Financial Statements for the year ended March 31, 2026.

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of the consolidated financial statements of the Kitex Garments Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and it's subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements referred to in the Other Matters section below, the Group, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Management's and Board of Director's Responsibilities for Internal Financial Controls

The respective Management and the Board of Directors of the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI. 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 the respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Group, which are companies incorporated in India.

Meaning of Internal Financial Controls with Reference to Consolidated 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 Consolidated 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to Six subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

S. Manikandan
Partner
Membership No.:226060
UDIN: 26226060DRUGUF5748

Date: 30 May, 2026
Place: Chennai

Consolidated Balance Sheet

as at March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

Sl No.	Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
I	**ASSETS**			
	1 Non-current assets			
	(a) Property, plant and equipment (net)	2.01A	114,167.66	23,173.28
	(b) Capital work-in-progress	2.01B	94,642.37	139,127.86
	(c) Other intangible assets	2.01F	2.27	1.65
	(d) Financial assets			
	(i) Investments	2.02	7.04	6.73
	(ii) Other financial assets	2.03	1,947.03	1,117.43
	(e) Non-current tax assets	2.04	248.91	248.91
	(f) Deferred Tax Asset (Net)	2.05	290.46	437.14
	(g) Other non-current assets	2.06	41,077.31	22,127.21
	Total Non-Current Assets (A)		**252,383.05**	**186,240.21**
	2 Current assets			
	(a) Inventories	2.07	15,092.03	19,066.13
	(b) Financial assets			
	(i) Trade receivables	2.08	12,462.71	33,953.52
	(ii) Cash and cash equivalents	2.09	11,438.93	3,939.66
	(iii) Bank balances other than (ii) above	2.10	3,787.02	2,830.28
	(iv) Other financial assets	2.11	1,612.55	3,279.06
	(c) Other current assets	2.12	7,430.21	9,352.95
	Total Current Assets (B)		**51,823.45**	**72,421.60**
	TOTAL ASSETS [(A)+(B)]		**304,206.50**	**258,661.81**
II	**EQUITY AND LIABILITIES**			
	1 Equity			
	(a) Equity share capital	2.13	1,995.00	1,995.00
	(b) Other equity	2.14	100,987.63	101,304.00
	(c) Non-controlling interest	2.37A	20,903.78	17,678.27
	Total Equity (A)		**123,886.41**	**120,977.27**
	Liabilities			
	2 Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	2.15	98,057.82	91,999.08
	(b) Provisions	2.16	1,495.86	1,168.96
	(c) Other non-current liabilities	2.18	46,287.73	15,853.04
	Total Non-Current Liabilities (B)		**145,841.41**	**109,021.08**
	3 Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	2.19	21,879.89	16,250.60
	(ii) Trade payables	2.20		
	- Total outstanding dues of micro enterprises and small enterprises		298.87	377.89
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		5,240.40	7,359.10
	(iii) Other financial liabilities	2.21	2,634.25	631.62
	(b) Provisions	2.22	117.07	454.31
	(c) Current tax liabilities (net)	2.23	2,133.84	2,955.97
	(d) Other current liabilities	2.24	2,174.36	633.97
	Total Current Liabilities (C)		**34,478.68**	**28,663.46**
	TOTAL EQUITY AND LIABILITIES [(A)+(B)+(C)]		**304,206.50**	**258,661.81**

Basis of preparation, measurement and material accounting policies 1-1.30

The accompanying notes are an integral part of consolidated financial statements (2.01- 2.50)

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration
Number – 105047W/W101187

S. Manikandan
Partner
Membership No.226060

Place : Chennai
Date: May 30, 2026

For and on behalf of the Board of Directors of
Kitex Garments Limited
CIN: L18101KL1992PLC006258

Sabu M Jacob
Chairman &
Managing Director
DIN:00046016
Place : USA
Date: May 30, 2026

Sindhu Chandrasekharan
Whole Time Director
DIN: 06434415

Place : Kizhakkambalam
Date: May 30, 2026

Boby Michael
Chief Financial Officer

Place : Kizhakkambalam
Date: May 30, 2026

CS Dayana Joseph
Company Secretary
ICSI M.No. A61808
Place : Kizhakkambalam
Date: May 30, 2026

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

Sl No.	Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
I	**Income**			
	(a) Revenue from operations	2.25	66,694.89	98,280.46
	(b) Other income	2.26	5,233.26	1,854.11
	Total Income		**71,928.15**	**100,134.57**
II	**Expenses**			
	(a) Cost of materials consumed	2.27	29,873.68	43,924.14
	(b) Changes in inventories of finished goods and work-in-progress	2.28	3,485.17	(1,679.52)
	(c) Employee benefits expense	2.29	14,966.85	15,862.19
	(d) Finance costs	2.30	4,522.66	1,401.72
	(e) Depreciation and amortization expense	2.31	4,458.04	1,574.50
	(f) Other expenses	2.32	15,531.59	20,097.33
	Total Expenses		**72,837.99**	**81,180.35**
III	**Profit before tax (I - II)**		(909.84)	18,954.22
IV	**Exceptional Items**	2.26A	**1,750.00**	**-**
V	**Profit before taxes for the year (III+IV)**		**840.16**	**18,954.22**
VI	**Tax expense:**			
	(a) Current tax	2.17	2,045.00	6,065.69
	(b) Deferred tax	2.17	115.75	(686.07)
	Total Tax Expenses		**2,160.75**	**5,379.62**
VII	**(Loss)/Profit for the year (V-VI)**		**(1,320.59)**	**13,574.60**
VIII	**Other comprehensive income**			
	A Items that will not be reclassified to profit or loss			
	(i) Re-measurements of post employment benefit obligations		122.63	(45.36)
	(ii) Fair value changes on equity instruments carried through other comprehensive income		0.31	(1.98)
	(iii) Income tax relating to items that will not be reclassified to profit or loss		(30.94)	11.91
	Total other comprehensive income for the year		**92.00**	**(35.43)**
IX	**Total comprehensive income for the year (VII+VIII)**		**(1,228.59)**	**13,539.17**
X	**Net Profit / Loss attributable to :**			
	(a) Equity holders of the Holding Company		590.87	13,873.27
	(b) Non- controlling interest		(1,911.46)	(298.67)
XI	**Other Comprehensive Income for the year attributable to:**			
	(a) Equity holders of the Holding Company		92.00	(35.43)
	(b) Non- controlling interest		-	-
XII	**Total comprehensive Income for the year attributable to:**			
	(a) Equity holders of the Holding Company		682.87	13,837.84
	(b) Non- controlling interest		(1,911.46)	(298.67)
XIII	**Earnings per equity share (Face value of Re. 1 each)**	2.33		
	Basic & Diluted in Rs.		0.30	6.95
	Basis of preparation, measurement and material accounting policies	1-1.30		
	The accompanying notes are an integral part of consolidated financial statements	(2.01-2.50)		

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration
Number – 105047W/W101187

S. Manikandan
Partner
Membership No.226060

Place : Chennai
Date: May 30, 2026

For and on behalf of the Board of Directors of
Kitex Garments Limited
CIN: L18101KL1992PLC006258

Sabu M Jacob
Chairman &
Managing Director
DIN:00046016
Place : USA
Date: May 30, 2026

Sindhu Chandrasekharan
Whole Time Director
DIN: 06434415

Place : Kizhakkambalam
Date: May 30, 2026

Boby Michael
Chief Financial Officer

Place : Kizhakkambalam
Date: May 30, 2026

CS Dayana Joseph
Company Secretary
ICSI M.No. A61808
Place : Kizhakkambalam
Date: May 30, 2026

Consolidated Statement of Cash Flow

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

Sl No.	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A	**Cash Flows from Operating Activities:**		
	Net Profit before tax	840.16	18,954.22
	Adjustments for:		
	Depreciation and amortisation expense	4,458.04	1,574.50
	Unrealised foreign exchange (gain) / loss (net)	(2,698.20)	(443.85)
	Interest income	(217.73)	(211.64)
	Dividend Income	(0.20)	(0.11)
	Deferred grant income	(2,160.07)	(49.70)
	Loss on sale of property, plant and equipment (net)	-	(9.34)
	Reversal of provision for Expected Crdit Loss	(1,750.00)	-
	Provision for expected credit loss	300.00	1,200.00
	Interest expense	4,522.66	1,401.72
	Operating profit before working capital changes	**3,294.66**	**22,415.80**
	Changes in working capital:		
	(Increase)/ Decrease in trade and other receivables	23,614.02	(14,001.40)
	(Increase) in inventories	3,974.10	(2,539.99)
	Increase / (Decrease) in trade, other payables and provisions	6,720.29	4,551.16
	Cash generated from operating activities before taxes	37,603.07	10,425.56
	Direct taxes paid (net of refunds)	(3,024.74)	(4,997.31)
	Net cash generated from operating activities (A)	**34,578.33**	**5,428.25**
B	**Cash Flows from Investing Activities:**		
	Purchase of property, plant and equipment and intangible assets, CWIP including capital advances	(32,791.84)	(50,514.96)
	Proceeds from sale of property, plant and equipment	-	29.86
	Bank balances not considered as Cash and cash equivalents	(1,521.71)	(888.11)
	Purchase of investment in subsidiary	-	5,735.40
	Dividend Received	0.20	0.11
	Interest received	189.82	170.87
	Net cash used in investing activities (B)	**(34,123.53)**	**(45,466.83)**
C	**Cash Flow from Financing Activities:**		
	Movement of working Capital Loans (net)	(17.02)	8,598.42
	Proceeds from Term Loans	14,976.06	32,727.90
	Repayment of Term Loans	(2,868.33)	-
	Interest paid	(9,877.58)	(1,304.96)
	Dividend paid	(994.32)	(999.32)
	Proceed from issue of shares to minority share holders	5,136.95	-
	Net cash flow from financing activities (C)	**6,355.76**	**39,022.04**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**6,810.56**	**(1,016.54)**

Consolidated Statement of Cash Flow

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

Sl No.	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	Exchange difference on translation of foreign currency cash and cash equivalents	688.71	(25.06)
	Cash and cash equivalents at the beginning of the year	3,939.66	4,981.26
	Cash and cash equivalents at the end of the year (See note 2.09)	11,438.93	3,939.66
	Net increase / (decrease) in cash and cash equivalents	**6,810.56**	**(1,016.54)**
	Components of cash and cash equivalents		
	Cash on hand	13.88	12.50
	Balance with banks		
	on current account and EEFC	11,425.05	3,927.16
	deposits with original maturity of less than three months	-	-
	Total cash and cash equivalents (Refer note - 2.09)	**11,438.93**	**3,939.66**
	Debt reconciliation statement in accordance with Ind AS 7		
	Opening Balance	108,249.68	68,119.67
	Proceeds from Long Term Borrowings	14,976.06	32,727.90
	Proceeds from Short Term Borrowings	71,083.71	108,058.72
	Repayment from Short Term Borrowings	(71,503.41)	(100,656.61)
	Repayment from Long Term Borrowings	(2,868.33)	-
	Closing Balance	**119,937.71**	**108,249.68**

Basis of preparation, measurement and material accounting policies 1-1.30

The accompanying notes are an integral part of consolidated financial statements (2.01- 2.50)

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.

b) There are no non-cash movements arising from investing or financing activities

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration
Number – 105047W/W101187

S. Manikandan
Partner
Membership No.226060

Place : Chennai
Date: May 30, 2026

For and on behalf of the Board of Directors of
Kitex Garments Limited
CIN: L18101KL1992PLC006258

Sabu M Jacob
Chairman &
Managing Director
DIN:00046016
Place : USA
Date: May 30, 2026

Sindhu Chandrasekharan
Whole Time Director
DIN: 06434415
Place : Kizhakkambalam
Date: May 30, 2026

Boby Michael
Chief Financial Officer
Place : Kizhakkambalam
Date: May 30, 2026

CS Dayana Joseph
Company Secretary
ICSI M.No. A61808
Place : Kizhakkambalam
Date: May 30, 2026

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

(All amounts are stated in lakhs unless stated otherwise)

A Equity Share Capital

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the reporting year	1,995.00	665.00
Changes in equity share capital during the year	-	1,330.00
Balance at the end of the reporting year	1,995.00	1,995.00

B Other Equity

Particulars	Reserves and surplus			Others		Equity attributable to the shareholders of the Holding Company	Non controlling interests	Total
	Capital reserve	General reserve	Retained earnings	Exchange difference on translating the share of accumulated reserves of the associate	Equity instrument through other comprehensive income			
Balance as at April 01, 2024	**22.10**	**32,675.00**	**57,118.98**	**(30.37)**	**7.96**	**89,793.66**	**12,754.25**	**102,547.92**
Profit for the year	-	-	13,873.27	-	-	13,873.27	(298.67)	13,574.60
Re-measurements of post employment benefit obligations (net of tax)	-	-	(33.94)	-	-	(33.94)	-	(33.94)
Fair value changes on equity instruments carried through other comprehensive income (net of tax)	-	-	-	-	(1.49)	(1.49)	-	(1.49)
Adjustments on account of consolidation	-	-	-	-	-	0.00	5,222.71	5,222.71
Dividends	-	-	(997.50)	-	-	(997.50)	-	(997.50)
Bonus issue	-	-	(1,330.00)	-	-	(1,330.00)	-	(1,330.00)
Transfer to reserves	-	2,000.00	(2,000.00)	-	-	-	-	-
Balance as at March 31, 2025	**22.10**	**34,675.00**	**66,630.81**	**(30.37)**	**6.47**	**101,304.00**	**17,678.29**	**118,982.30**
Balance as at April 01, 2025	**22.10**	**34,675.00**	**66,630.81**	**(30.37)**	**6.47**	**101,304.00**	**17,678.29**	**118,982.30**
Profit for the year (net of tax)	-	-	590.87	-		590.87	(1,911.46)	(1,320.59)
Re-measurements of post employment benefit obligations (net of tax)	-	-	91.78	-	-	91.78	-	91.78
Fair value changes on equity instruments carried through other comprehensive income (net of tax)	-	-	-	-	0.24	0.24	-	0.24
Adjustments on account of consolidation	-	-	(1.76)	-	-	(1.76)	-	(1.76)
Issue of Shares to NCI	-	-	-	-	-	-	5,136.95	5,136.95
Dividends	-	-	(997.50)	-	-	(997.50)	-	(997.50)
Bonus issue	-	-	-	-	-	-	-	-
Transfer to reserves	-	2,000.00	(2,000.00)	-	-	-	-	-
Balance as at March 31, 2026	**22.10**	**36,675.00**	**64,314.19**	**(30.37)**	**6.71**	**100,987.63**	**20,903.78**	**121,891.41**

Refer note 2.14.1 for nature and purpose of reserves

Basis of preparation, measurement and material accounting policies (1-1.30)

The accompanying notes are an integral part of consolidated financial statements (2.01- 2.50)

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration
Number – 105047W/W101187

S. Manikandan
Partner
Membership No.226060

Place : Chennai
Date: May 30, 2026

For and on behalf of the Board of Directors of
Kitex Garments Limited
CIN: L18101KL1992PLC006258

Sabu M Jacob
Chairman &
Managing Director
DIN:00046016
Place : USA
Date: May 30, 2026

Sindhu Chandrasekharan
Whole Time Director
DIN: 06434415

Place : Kizhakkambalam
Date: May 30, 2026

Boby Michael
Chief Financial Officer

Place : Kizhakkambalam
Date: May 30, 2026

CS Dayana Joseph
Company Secretary
ICSI M.No. A61808
Place : Kizhakkambalam
Date: May 30, 2026

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

1. General Information

Kitex Garments Limited ('the Holding Company'), its subsidiaries (collectively, "the Group") and associate is primarily involved in manufacturer and export of knitted garments for infants and kids. The Holding Company is a Public Company incorporated and domiciled in India having its registered office at Kizhakkambalam, Alwaye, Ernakulam- 683562, Kerala, India. The Holding Company has been incorporated under the provisions of Companies Act; 1956 and its equity shares are listed on the Bombay Stock Exchange Limited and The National Stock Exchange India Limited in India.

1.1 Basis of Consolidation

This consolidated financial statement incorporates the financial statements of the Holding Company, subsidiary companies and entities controlled by the Group (hereinafter referred as "consolidated financial statements").

Consolidation of a subsidiary commences when the Holding Company obtains control over the subsidiary and ceases when the Holding Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Holding Company gains control until the date when the Holding Company ceases to control the subsidiary.

Total net comprehensive income of subsidiaries is attributed to the owners of the Holding Company and to the non-controlling interests

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Investments in associate

An associate is an entity over which the Group has significant influence and results of associate is included in consolidated financial statements to extend of investment held by Group.

Subsidiary companies included in consolidated financial statements are tabled below:

Name of the Company	Relationship	Country of incorporation	Ownership interest March 31, 2026	Ownership interest March 31, 2025
Kitex Babywear Limited	Wholly owned subsidiary	India	100%	100%
Kitex Kidswear Limited	Wholly owned subsidiary	India	100%	100%
Kitex Knits Limited	Wholly owned subsidiary	India	100%	100%
Kitex Littlewear Limited	Wholly owned subsidiary	India	100%	100%
Kitex Packs Limited	Wholly owned subsidiary	India	100%	100%
Kitex Socks Limited	Wholly owned subsidiary	India	100%	100%
Kitex Apparel Parks Limited	Subsidiary	India	70%	70%

The associate company which are included in the Consolidation and the Group's ownership interest are as under:

Name of the body corporate	Relationship	Country of incorporation	Ownership interest March 31, 2026	Ownership interest March 31, 2025
Kitex USA LLC	Associate	United States	50%	50%

Associates are accounted for using the equity method. The Group ceases to recognise its share of losses when the carrying amount of its net investment is reduced to nil, unless it has incurred obligations or made payments on behalf of the associate. Subsequent profits are recognised only to the extent of previously unrecognised losses.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Holding Company's separate financial statements.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

1.2 of Preparation of Consolidated Financial Statements

(i) Statement of compliance

The Consolidated Financial Statements of the Group and its associate which comprise the Balance Sheet, the Statement Basis of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, and the Statement of Changes in Equity (" consolidated financial statements") have been prepared in accordance with Indian Accounting Standard ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules 2015, as amended read with section 133 of the Companies Act ("the Act") and other relevant provisions of the Act.

(ii) Basis of measurement

The Consolidated financial statements have been prepared on a historical cost basis on the accrual basis of accounting, except for the following -

(a) Certain financial assets and liabilities that is measured at fair value;

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.

(iii) Rounding off amounts

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

(iv) Use of estimates and judgements

In the preparation of consolidated 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 ongoing basis.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

(i) Useful lives of property, plant and equipment and intangible assets: (Note 2.01)

As described in the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

(ii) Actuarial valuation: (Note 2.16 and 2.22)

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after considering inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the consolidated financial statements.

(iii) Impairment of assets: (Note 2.01)

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.

(iv) Recoverability of advances/receivables: (Note 2.08)

Management reviews its receivables for objective evidence of impairment at least quarterly. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in.

Where there is objective evidence of impairment, management makes judgements as to whether an impairment loss should be recorded as an expense. In determining this, management uses estimates based on historical loss experience for assets with similar credit risk characteristics.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

(v) Current versus Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Group'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 Group has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

1.3 Material Accounting Policy

1.3.1 Property, Plant & Equipment

Property, plant and equipment (except freehold land) are stated at cost of acquisition less accumulated depreciation and impairment if any. Freehold land is carried at historical cost. The Group is adopting the cost model for determining gross carrying amount. Cost comprises of purchase price, inward freight, duties and taxes that are not refundable net of duty credits and any attributable cost of bringing the assets to its working condition for its intended use.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components). The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the group and the cost of the item can be measured reliably.

Capital work in progress comprises of the cost of property, plant and equipment that are not yet ready for their intended use at the reporting date.

Property, Plant and Equipment are physically verified by the management according to a phased programme designed to cover all items over a period of 3 years.

Depreciation methods, estimated useful lives

Depreciation on Property, plant and equipment is provided on Straight Line Method based on the useful lives as under:

(a) Assets (other than capital spares) - based on useful lives prescribed under Schedule II of the Companies Act, 2013

(b) Capital spares - based on useful life of each replaced part (2 - 5 years).

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income' or 'Other expenses'.

1.3.2 Intangible Assets

Cost of software is capitalised as intangible asset consisting of direct cost incurred for acquisition of intangible asset comprising of purchase cost, non-refundable duties and taxes and any professional charges and amortised on a straight-line basis over the economic useful life of three years.

The residual values, useful lives and methods of depreciation of intangible assets are reviewed by the management at each financial year and adjusted prospectively, if appropriate.

1.3.3 Inventories

Inventories are valued at lower of cost or net realisable value. For this purpose, the cost of bought-out inventories comprises of the purchase cost of the items, net of applicable tax/duty credits and cost of bringing such items into the factory on First-In, First-Out (FIFO) basis. Cost of Inventory comprises Cost of Purchase, Cost of Conversion and other Costs incurred to bring them to their respective present location and condition. The net realisable value of bought out inventories is taken at their current replacement value. The cost of manufactured inventories comprises of the direct cost of production plus appropriate fixed and variable production overheads.

1.3.4 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the consolidated financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Indian Rupees ("INR"), which is the functional currency and presentation currency of the Group.

(b) Transactions and balances

Foreign exchange transactions are recorded at the functional currency adopting the exchange rate prevailing on the dates of respective transactions. Monetary assets and liabilities denominated in foreign currencies existing as on the Balance Sheet date are translated at the functional currency exchange rate prevailing as at the Balance Sheet date. The exchange difference arising from the settlement of transactions during the period and effect of translations of assets and liabilities at the Balance Sheet date are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or profit and loss are also recognised in Other Comprehensive Income or profit and loss, respectively).

1.3.5Leases

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term.

1.3.6 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.

1.3.7 Government Grants

Government grants shall be recognised in profit and loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to depreciable assets are presented in the balance sheet by setting up the grant as deferred income and are recognised in profit and loss over the periods and in the proportions in which depreciation expense on those assets is recognised and are presented under Other Income.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in profit and loss of the period in which it becomes receivable and are presented under Other Income/ deducted from the related heads of expenditure.

1.3.8Financial Instruments

(a) Financial asset

Financial Assets other than trade receivables:

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value. In the case of financial assets not classified as at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset are added to the fair value on initial recognition. Transaction costs directly attributable to the acquisition of financial assets classified as at FVTPL are recognised immediately in the Statement of Profit and Loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

(a) at amortized cost; or

(b) at fair value through other comprehensive income; or at 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).

Fair value through other comprehensive income (FVOCI): A) Debt instruments: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

financial assets is included in other income using the effective interest rate method. B) Equity instruments: For investments in equity instruments that are not held for trading, the Group made an irrevocable election at initial recognition to measure them at FVOCI. Unlike debt instruments, all subsequent changes in fair value are recognized in OCI and are never reclassified to the Statement of Profit and Loss, even upon derecognition. Dividends from such investments are recognized in the Statement of Profit and Loss as other income unless the dividend clearly represents a recovery of part of the cost of the investment. On disposal, the cumulative gain or loss remains within equity and is typically transferred directly to Retained Earnings.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Trade Receivables

Trade receivables are recognised initially at the transaction price as determined under Ind AS 115, since they do not contain a significant financing component. Trade receivables are subsequently measured at amortised cost using the effective interest method, less allowance for expected credit losses (ECL).

(iii) Derecognition of financial assets

The Group 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.

(iv) Impairment of Financial Assets

The Group recognizes loss allowances for Expected Credit Losses (ECL) on financial assets measured at amortized cost. For trade receivables and contract assets, a simplified approach is adopted, recognizing lifetime ECLs from initial recognition using a provision matrix based on historical default rates and forward-looking economic indicators. For other financial assets, a three-stage general approach is applied: Stage 1 (12-month ECL) for assets with no significant increase in credit risk; Stage 2 (Lifetime ECL) where credit risk has increased significantly; and Stage 3 (Lifetime ECL) for credit-impaired assets. Impairment losses and reversals are recognized in the Statement of Profit and Loss, except for FVOCI debt instruments, where the allowance is recognized in Other Comprehensive Income.

(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. Financial guarantees are recognised at fair value.

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.

1.3.9 Revenue Recognition

The Group derives revenues primarily from sale of manufactured yarn, fabric, readymade garments and Job work.

Revenue is recognized at a point in time on satisfaction of performance obligation upon transfer of control of promised products to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products.

Revenue from Job Work is recognized upon the completion of the processing service. Revenue is measured at the fair value of the consideration received or receivable, excluding taxes and duties

Other operating revenue - Export incentives: Export Incentives under various schemes are accounted upon fulfilling the conditions established by respective regulations as applicable to the Group and as amended from time to time.

Income is recognised at the value or rate prescribed by respective regulations.

Interest income is recognised on accrual basis.

1.3.10 Taxes

Current tax is determined as the amount of tax payable in respect of taxable income for the year computed in accordance with the provisions of the Income Tax Act, 1961. The Group 's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period on taxable profits computed in accordance with Income Tax Act, 1961.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or items related to equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.3.11 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(b) Defined contribution plans

The group has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance. The contributions paid/payable to these plans during the year are recognised as employee benefit expense in the Statement of Profit and Loss for the year.

(c) Defined benefit plans: Gratuity

The net present value of the obligation for gratuity benefits is determined by independent actuarial valuation, conducted annually using the projected unit credit method.

The retirement benefit obligations recognised in the Balance Sheet represents the present value of the defined benefit obligations reduced by the fair value of plan assets. All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefits are recognised immediately in Statement of Profit and Loss as past service cost, if any, and net interest on the defined benefit liability/(asset) are recognised in the Statement of Profit and Loss.

Remeasurements of the net defined benefit liability/(asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest), are recognised in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

(d) Long-term employee benefits: Compensated absences

The group has a scheme for compensated absences for employees, the liability of which is determined based on an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

1.3.12 Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group. The Group's operations predominantly relate to one operating segment i.e. Textile – Infant / Kids Apparel manufacturing.

1.3.13 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.

1.3.14 Impairment of Non-financial Assets

The Group assesses at each year end whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. An asset or a cash generating unit is treated as impaired, when the carrying value of assets exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. Based on such assessment, impairment loss if any is recognised in the Statement of Profit and Loss for the period in which the asset is identified as impaired.

1.3.15 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

1.3.16 Provisions and Contingent Liabilities

Provisions are recognised when the group 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.

When the Group expects some or all the provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

Contingent liabilities are disclosed when the Group has a possible obligation, or a present obligation and it is probable that an outflow of resources will not be required to settle the obligation, or the amount of obligation cannot be measured with sufficient reliability.

1.3.17 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 Group are segregated.

1.3.18 Recent pronouncements:

The Ministry of Corporate Affairs ("MCA") notified amendments on 7 May 2025 and 13 August 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after 1 April 2025.

(a) Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement:

The amendments to Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments:

Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The Group does not have any supplier finance arrangements during the reporting period.

(b) Amendment to Ind AS 1 - Classification of liabilities as current or non-current and non-current liabilities with covenants:

The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

a) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.

b) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.

c) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the financial statements of the Group. The Group did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

(c) Amendment to Ind AS 12 – Pillar-Two Tax Reforms

The Group is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdiction in which the Group operates.

(d) Amendment to Ind AS 21-Lack of exchangeability

The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the financial statements of the Group.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

The below amendments are notified but not yet effective

Amendment to Ind AS 1 'Presentation of Financial Statements'- Classification of Liabilities as current or non-current and noncurrent liabilities with covenants:

The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.

b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.

c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The Group does not expect this amendment to have an impact on its operations or financial statements.

When the Group expects some or all the provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent Liabilities are disclosed when the group has a possible obligation, or a present obligation and it is probable that an outflow of resources will not be required to settle the obligation, or the amount of obligation cannot be measured with sufficient reliability.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

2.01 A - Property, Plant and Equipment

(All amounts are stated in lakhs unless stated otherwise)

	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at April 1, 2025	Additions during the year	Disposal	As at March 31, 2026	As at April 1, 2025	Depreciation during the Year	Disposal	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Freehold Land (Refer Note 2.01.A.4)	13,482.35	12.47	-	13,494.82	-	-	-	-	13,494.82	13,482.35
Building	6,850.24	34,582.88	-	41,433.12	1,944.61	836.69	-	2,781.30	38,651.82	4,905.63
Plant & Machinery	19,182.06	51,147.42	-	70,329.48	14,840.15	2,805.41	-	17,645.56	52,683.92	4,341.92
Furniture & Fixtures	240.28	113.61	-	353.89	213.36	16.73	-	230.09	123.80	26.92
Vehicles	646.68	18.05	-	664.73	509.08	51.32	-	560.40	104.33	137.60
Office Equipments	602.99	2,889.43	-	3,492.42	585.88	272.55	-	858.43	2,633.99	17.11
Computers	667.09	279.54	-	946.63	636.18	63.77	-	699.95	246.68	30.91
Electrical Equipments	627.00	6,407.10	-	7,034.10	396.16	409.64	-	805.80	6,228.30	230.84
Total	**42,298.69**	**95,450.50**	**-**	**137,749.19**	**19,125.42**	**4,456.11**	**-**	**23,581.53**	**114,167.66**	**23,173.28**

	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at April 1, 2024	Additions during the year	isposal	As at March 31, 2025	As at April 1, 2024	Depreciation during the Year	Disposal	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Freehold Land	13,482.35	-	-	13,482.35	-	-	-	-	13,482.35	13,482.35
Building	6,850.24	-	-	6,850.24	1,692.27	252.34	-	1,944.61	4,905.63	5,157.97
Plant & Machinery	19,233.67	264.64	316.25	19,182.06	13,973.05	1,166.92	299.82	14,840.15	4,341.92	5,260.62
Furniture & Fixtures	235.72	4.56	-	240.28	198.78	14.58	-	213.36	26.92	36.94
Vehicles	637.79	35.31	26.42	646.68	474.66	56.74	22.32	509.08	137.60	163.13
Office Equipments	596.76	6.23	-	602.99	556.85	29.03	-	585.88	17.11	39.91
Computers	640.74	26.35	-	667.09	625.33	10.85	-	636.18	30.91	15.41
Electrical Equipments	610.06	16.94	-	627.00	356.48	39.68	-	396.16	230.84	253.58
Total	**42,287.33**	**354.03**	**342.67**	**42,298.69**	**17,877.42**	**1,570.14**	**322.14**	**19,125.42**	**23,173.28**	**24,409.91**

Notes:-

2.01.A.1. All immovable property are held in the name of the group except as disclosed in Note 2.01A.4

2.01.A.2 . Refer Note 2.20 for assets pledged as securities against borrowings availed.

2.01.A.3. The Group has not revalued any of its property, plant and equipment.

2.01. A.4: The Subsidiary Company "Kitex Apparel Parks Limited" (KAPL) 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 KAPL 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.

2.01.A.5 The Group does not have any Benami property, where any proceeding has been initiated or pending against the group for holding any Benami property.

2.01 B - Capital Work-in-Progress

Particulars	GROSS BLOCK (at cost)	
	As at April 01, 2025	As at March 31, 2026
Capital Work-in-Progress	139,127.86	94,642.37
Total	**139,127.86**	**94,642.37**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Particulars	GROSS BLOCK (at cost)	
	As at April 01, 2024	As at March 31, 2025
Capital Work-in-Progress	88,597.10	139,127.86
Total	**88,597.10**	**139,127.86**

*Capital work-in-progress includes borrowing costs capitalised in accordance with Ind AS 23 'Borrowing Costs' amounting to Rs.6,183.02 lakh (March 31, 2025: Rs.6,628.03 lakhs) (Refer Note 2.30). Of this, borrowing costs of Rs. 2,589.41 lakhs have been transferred to Property, Plant and Equipment during the year, upon capitalisation of the underlying qualifying assets on completion, and borrowing costs of Rs.3,593.61 lakhs remain included in the closing balance of Capital work-in-progress as at March 31, 2026. Since the borrowings capitalised relate entirely to specific borrowings obtained for the qualifying assets, no general borrowings were used and accordingly, no capitalisation rate has been applied.Other income and expenses netted off against Capital work-in-progress are disclosed in notes 2.25.4, 2.25.5, 2.29.1, 2.30.2 and 2.32.3.

2.01 C Ageing of capital work-in-progress (Tangibles) is as below:

Particulars	Amount in CWIP for a period of				As at March 31, 2026
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	41,887.23	41,584.14	9,279.88	1,828.26	94,579.51
Projects temporarily suspended				62.86	62.86
Total	**41,887.23**	**41,584.14**	**9,279.88**	**1,891.12**	**94,642.37**

Particulars	Amount in CWIP for a period of				As at March 31, 2025
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	50,530.75	59,468.14	28,508.54	557.57	139,065.00
Projects temporarily suspended*	-	-	-	62.86	62.86
Total	**50,530.75**	**59,468.14**	**28,508.54**	**620.43**	**139,127.86**

*Temporarily suspended projects do not include those projects where temporary suspension is a necessary part of the process of getting an asset ready for its intended use.

2.01 D Details of capital-work-in progress whose completion is overdue as compared to its original plan as at 31st March, 2026:

Particulars	Amount in CWIP for a period of				As at March 31, 2026
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Gents Hostel/Warangal Project	90,365.67				90,365.67
Total	**90,365.67**	**-**	**-**	**-**	**90,365.67**

2.01E There are no capital-work-in progress which has exceeded its cost compared to its original plan as at March 31, 2026 and March 31, 2025.

For contractual commitment with respect to property, plant and equipment refer Note 2.42.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

2.01 F - Other Intangible Assets

	GROSS BLOCK				ACCUMULATED AMORTISATION				NET BLOCK	
	As at April 1, 2025	Additions during the year	Disposal	As at March 31, 2026	As at April 1, 2025	During the Year	Disposal	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Computer software	287.13	2.55	-	289.68	285.48	1.93	-	287.41	2.27	1.65
Total	**287.13**	**2.55**	**-**	**289.68**	**285.48**	**1.93**	**-**	**287.41**	**2.27**	**1.65**

	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 01-Apr-24	Additions during the year	Disposal	As at 31-Mar-25	As at 01-Apr-24	During the Year	Disposal	As at 31-Mar-25	As at 31-Mar-25	As at 01-Apr-24
Computer software	287.13	-	-	287.13	281.12	4.36	-	285.48	1.65	6.01
Total	**287.13**	**-**	**-**	**287.13**	**281.12**	**4.36**	**-**	**285.48**	**1.65**	**6.01**

The Group has not revalued any of its intangible assets.

2.02 Investments [Non-Current]

Particulars	As at March 31, 2026	As at March 31, 2025
Unquoted		
Investments carried at cost		
Investments in equity instruments of associate company		
4,250,210.09 (4,250,210.09) fully paid-up membership units of USD 1 each in Kitex USA LLC (Refer Note 2.02.1)	2,776.24	2,776.24
Less:- Share of accumulated reserve	(2,776.24)	(2,776.24)
Total	**-**	**-**
Quoted		
Investments carried at fair value through other comprehensive income		
7,000 (7,000) fully paid-up equity shares of Rs 2/- each in Punjab National Bank Limited	7.04	6.73
Total	**7.04**	**6.73**
Aggregate amount of unquoted investments	-	-
Aggregate amount of quoted investments and market value thereof; (The market value of quoted investments is equal to the carrying value)	7.04	6.73

Refer Note 2.36 for information about credit risk and market risk of investments

2.02.1 As the Group's share of profit in Associate has not exceeded the accumulated losses which was not recognised by Group in excess of the cost of Investment in earlier years, results of the year has not been considered in the consolidated financial statements.

2.03 Other Financial Assets [Non-Current]

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Security deposit (Refer Note 2.03.1)	464.75	228.96
Bank deposits with maturity more than 12 months (Refer Note 2.03.2)	1,282.28	-
Other Financial Assets	200.00	888.47
Total	**1,947.03**	**1,117.43**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

2.03.1 Deposit account includes deposits held as security of Rs 464.75 Lakhs (228.96 Lakhs as on March 31, 2025) which are not expected to be refunded in the next 12 months for the purpose of electricity deposit, gas deposit etc.

2.03.2 Fixed deposits amounting to Rs 2,198.82 Lakhs (Previous Year: Rs 646 lakhs) are under lien with Banks as security against guarantees issued by the bank on behalf of the Kitex Apparel Park Limited. (Refer Note 2.10)

2.04 Non Current Tax Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax receivable	248.91	248.91
Total	**248.91**	**248.91**

2.05 Non Current Deferred Tax Assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
A. Deferred Tax Liability		
On excess of net book value over Income tax written down value of Property, Plant and Equipments	483.25	523.53
On excess of fair value over cost of investments	1.46	0.88
B. Deferred Tax Assets		
On Provisions for Employee Benefits	396.11	413.21
On Provisions for Excepted Credit Loss	379.06	548.34
Non Current Deferred Tax Assets (net)	**290.46**	**437.14**

2.05.1 Refer Note 2.17 for detailed movement of deferred tax assets

2.06 Other Non-Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Capital advances	14,072.40	21,802.16
Balances with government authorities [Refer Note 2.06.02]	325.05	325.05
Government Grant receivable [Refer Note 2.26.1]	26,679.86	-
Total	**41,077.31**	**22,127.21**

2.06.01 The group has not given any advances to directors or other officers of the group or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

2.06.02 Balance with Government authorities include Rs 325.05 Lakhs (March 31, 2025: Rs 325.05 Lakhs) which are deposits paid against ESI, Customs and EPF Cases. group have received favourable orders in all these cases and management is currently in the process of applying for refunds.

2.07 Inventories

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials	4,369.61	5,076.00
Raw materials in transit	6.37	93.15
Work-in-progress	7,458.79	12,577.70
Finished goods	2,809.08	1,095.35
Stores and spares	448.18	173.08
Stores and spares in transit	-	50.85
Total	**15,092.03**	**19,066.13**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

2.07.1 Refer Note 1.3.3 of the Material Accounting Policies for method of valuation of Inventories. No expense has been recognised in the books of account during the current or previous year in respect of write-offs/write-downs of inventory to net realisable value.

2.07.3 See detailed note 2.19 for pari passu charge on the inventory of The Group.

2.08 Trade Receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good [See note 2.08.1]	12,512.71	35,453.52
Less: Allowance for expected credit loss [See note 2.08.4]	(50.00)	(1,500.00)
Credit Impaired	-	-
Less: Allowance for expected credit loss	-	-
Total	**12,462.71**	**33,953.52**

2.08.1 (i) Trade receivables includes amounts due from related parties Rs. 2,109.2 lakhs (March 31, 2025: Rs. 12,912.71 lakhs). See note 2.38.

(ii) Trade receivables are non-interest bearing and are generally on credit terms not exceeding 90 days.

(iii) There are no outstanding receivables due from directors or other officers of The Group. No trade or other receivables are due from directors or other officers of The Group either severally or jointly with any other person.

2.08.2 During 2017-18, TOYS "R" US, Inc., a customer of the Holding Company had filed a petition in the Bankruptcy Court in the United States to wind down its US operation. Provision of Rs. 347.03 lakhs was made for the receivables towards loss, if any on recovery of receivables in the same year. After the hearings at the US Bankruptcy court on September 6, 2018 and November 13, 2018, Plan submitted under Chapter 11 was confirmed. The claim allowed to the Holding Company aggregates to Rs 7,539.29 lakhs. Consequently, the provision carried in the books of Rs. 347.03 lakhs was written back during 2018-19. Later, Holding Company has received interim disbursements of Rs 1904.13 lakhs in earlier years from the liquidator of TOY"R" US, Inc. Trade receivables includes Rs 410.35 lakhs (March 31, 2025: Rs 410.35 lakhs) receivable from TOYS R US as on March 31, 2026 which is considered good and recoverable.

2.08.3 Trade Receivables ageing schedule

Particulars	Outstanding for following periods from Date of Invoice					As at March 31, 2026
	<6 month	6 months -1 year	1-2 years	2-3 years	>3 year	Total
(i) Undisputed Trade receivables – considered good	10,092.28	785.31	1,205.68	0.29	18.80	12,512.71
(ii) Undisputed Trade Receivables – considered doubtful						-
(iii) Disputed Trade Receivables considered good						-
(iv) Disputed Trade Receivables considered doubtful						-
Less: Allowance for expected credit loss					(50.00)	(50.00)
Total						**12,462.71**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

Particulars	Outstanding for following periods from Date of Invoice					As at March 31, 2025
	<6 month	6 months -1 year	1-2 years	2-3 years	>3 year	Total
(i) Undisputed Trade receivables – considered good	24,780.63	1,454.40	1,430.66	7,377.13	410.70	35,453.52
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	-			(1,500.00)	(1,500.00)
Total						**33,953.52**

2.08.4 Movement in allowance for expected credit loss (ECL) on trade receivables

Movement in expected credit loss allowance on trade receivables and other financial assets	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	1,500.00	300.00
Loss allowance measured at lifetime expected credit losses	-	-
Loss allowance Provided during the year	300.00	1,200.00
Loss allowance reversed during the year (Refer Note 2.26A)	(1,750.00)	-
Balance at the end of the year	50.00	1,500.00

2.08.5 Group has accounted receivable denominated in Foreign currency to the tune of Rs. 1,223.54 lakhs (9,218.49 Lakhs as on March 31, 2025) which is outstanding for more than one year. Group has taken adequate measures to regularize the delay with AD Bank for compliance with the provision of Foreign Exchange Management Act, 1999 (FEMA) read with rules notified therewith.

2.08.6 There are no debts due by directors or other officers of the Group or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

2.09 Cash and Cash Equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks:-		
In current accounts	4,746.81	817.73
In EEFC accounts	6,678.24	3,109.43
Cash on hand	13.88	12.50
Total	**11,438.93**	**3,939.66**

2.10 Bank balances other than Cash and Cash Equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with banks		
In deposit accounts [See note 2.03 and 2.10.1]	3,715.80	2,762.93
In earmarked accounts:	0.69	
(a) Unpaid dividend accounts	70.53	67.35
Total	**3,787.02**	**2,830.28**

2.10.1 (i) Balances with banks in deposit accounts held as security against Letter of Credits/ Guarantee, with a maturity period of less than 12 months.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

2.11 Other Financial Assets-At amortised Cost

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Subsidy receivable [see note 2.11.2]	741.95	741.95
Export incentives receivable	792.39	2,427.67
Rent deposits	16.31	16.76
Interest receivable on deposits	61.90	92.68
Total	**1,612.55**	**3,279.06**

2.11.1 There are no other current financial assets as at March 31, 2026 and March 31, 2025 which have significant increase in credit risk or which are credit impaired.

2.11.2 Includes Technology upgradation fund scheme subsidy receivable from Ministry of Textiles Rs. 741.95 Lakhs (31.03.2025: 741.95 Lakhs) due for more than ten years. The Honourable High Court has ruled in favour of The Group, pursuant to which a partial recovery of Rs. 374.56 Lakhs was received during FY 2024–25, with the balance remaining unrealised. The Group has filed a Writ of Contempt before the High Court for non-compliance of the said order, in response to which the Textile Commissioner issued a formal order in February 2026 directing The Group and the concerned banks to respond. The Group is in the process of compiling the requisite documents in coordination with the Bank and the Joint Implementation Team (JIT) for submission to the Textile Commissioner. Based on the favourable court order, partial receipt evidencing operative effect of the order, active contempt proceedings, and direct engagement of the Textile Commissioner, the Management is confident of recovering the balance amount within 12 months and accordingly considers the receivable fully recoverable. No provision has been made against the said receivable

2.12 Other Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Advances recoverable in cash or in kind or for value to be received.	470.25	825.37
Balances with government authorities	3,871.43	3,662.87
Advances to staff	7.78	5.74
Prepaid expenses	75.57	79.44
Export entitlements / rebates receivable on export	-	0.98
Government Grant [Refer Note 2.26.1]	2,605.10	-
Other Current Assets	400.08	4,778.55
Total	**7,430.21**	**9,352.95**

2.12.1 There are no advances to directors or other officers of the group or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

2.13 Equity Share Capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
500,000,000 (250,000,000) equity shares of Re. 1/- each (Refer 2.13.2)	5,000.00	2,500.00
Issued, subscribed and fully paid-up		
199,500,000 (199,500,000) equity shares of Re. 1/- each	1,995.00	1,995.00
Total	**1,995.00**	**1,995.00**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

2.13.1 Terms / rights attached to equity shareholders

The Holding Company has only one class of shares referred to as equity shares with a face value of Re. 1/- each. Each holder of equity share is entitled to one vote per share. The Holding 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 Holding Company, the holders of equity shares will be entitled to receive remaining assets of The Holding Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

2.13.2 Authorised share Capital

During the year, the Board of Directors of the Holding Company, at its meeting held on 4 August 2025, approved the proposal to increase the authorised share capital of the Holding Company from Rs. 2,500 lakhs to Rs. 5,000 lakhs, comprising 250,000,000 additional equity shares of Rs. 1 each, subject to the approval of the shareholders. The shareholders subsequently approved the increase in the authorised share capital. Accordingly, the authorised share capital of the Holding Company was increased from Rs. 2,500 lakhs to Rs. 5,000 lakhs, comprising 250,000,000 additional equity shares of Rs.1 each.

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
No. of shares as at the beginning of the financial year	199,500,000	1,995.00	66,500,000	665.00
Add: Bonus issued during the year	-	-	133,000,000	1,330.00
No. of shares as at the end of the financial year	199,500,000	1,995.00	199,500,000	1,995.00

2.13.4 Particulars of shareholders holding more than 5% shares in the Holding company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of total holding	No. of shares	% of total holding
Mr. Sabu M Jacob	68,192,703	34.18	68,192,703	34.18
Kitex Childrenswear Limited	31,757,466	15.92	31,757,466	15.92
Ms.Renjitha Joseph	12,984,300	6.51	12,984,300	6.51

As per records of The holding 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.

2.13.5 Particulars of promoters' shareholding percentage in the Holding Company is as below:

Particulars	As at March 31, 2026		As at March 31, 2025		Change during the Year	
	No. of shares	%	No. of shares	%	No. of shares	%
Sabu M Jacob	68,192,703	34.18	68,192,703	34.18	-	-
Kitex Childrenswear Limited	31,757,466	15.92	31,757,466	15.92	-	-
Renjitha Joseph	12,984,300	6.51	12,984,300	6.51	-	-
Boby M Jacob	97,917	0.05	97,917	0.05	-	-

2.13.6 Aggregate number of bonus shares Issued during the period of five years immediately preceding the reporting date

Particulars	No. of shares	Rupees in lakhs
Equity shares allotted as fully paid-up bonus shares		
Financial Year 2024-25	133,000,000	1,330.00

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

2.13.7 No shares are reserved for issue under ESOPs, options, or conversion rights as on March 31, 2026 (Nil as on March 31, 2025).

2.13.8 During the year Holding Company have paid dividend to the shareholders amounting to Rs 0.5 per share (Rs 1.5 per share in FY 2024-25). Further, at the Board of Directors' meeting originally held on May 29, 2026, and subsequently adjourned and concluded on May 30, 2026, the Board proposed a final dividend of Rs 0.50 per share in respect of the year ended March 31, 2026 subject to the approval of shareholders at the Annual General Meeting. The proposal if approved, would result in a cash outflow of approximately Rs.997.50 Lakhs (Refer Note 2.33A).

2.14 Other Equity

Particulars	As at March 31, 2026	As at March 31, 2025
Capital reserve		
Investment subsidy	22.10	22.10
General reserve		
Opening balance	34,675.00	32,675.00
Add: Transfer from retained earnings	2,000.00	2,000.00
Closing balance	**36,675.00**	**34,675.00**
Retained earnings		
Opening balance	66,630.80	57,118.98
Add: Profit for the year	(1,320.59)	13,574.60
Add: Adjustments on Account of Consolidation	1,909.70	298.66
Add: Re-measurements of post employment benefit obligations (net of tax)	91.78	(33.94)
	67,311.69	**70,958.30**
Less:		
Transfer to general reserve	2,000.00	2,000.00
Payment of dividends	997.50	997.50
Issue of Bonus Shares	-	1,330.00
Closing balance	**64,314.19**	**66,630.80**
Equity instrument through other comprehensive income		
Opening balance	6.47	7.96
Add : Fair value changes on equity instruments carried through other comprehensive income (net of tax)	0.24	(1.49)
Closing balance	**6.71**	**6.47**
Exchange difference on translating the share of accumulated reserve of the associate		
Opening Balance	(30.37)	(30.37)
Add: Exchange difference on translation relating to associate	-	-
Closing balance	**(30.37)**	**(30.37)**
Total	**100,987.63**	**101,304.00**

2.14.1 Description of nature and purpose of each reserve

(i) Capital reserve : Capital reserve denotes investment subsidy received by The Group amounting to Rs. 22.10 lakhs (31.03.2025: Rs. 22.10 lakhs).

(ii) General reserve : General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General Reserve is created by a transfer from one component of equity to another and is not an item of comprehensive income.

(iii) Equity instruments through other comprehensive income: This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

(iv) Retained Earnings : Retained earnings represent the cumulative profits of The Group, including effects of remeasurement of defined benefit obligations, net of dividend distributions and other appropriations to specific reserves. These earnings are available for distribution to shareholders as dividends and for reinvestment into the business operations.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

2.15 Non Current Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Secured:		
Term loan from Banks (Refer Note 2.19)	103,704.13	91,999.08
(Less: Current maturities shown under short-term) (See note 2.19)	(5,646.31)	-
Total Non-Current Borrowings	**98,057.82**	**91,999.08**

2.16 Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for gratuity [See note 2.16.2]	1,256.58	946.51
Provision for compensated absences [See note 2.16.2]	239.28	222.45
Total	**1,495.86**	**1,168.96**

2.16.1 Short-term provisions of employee benefits is disclosed in note 2.22

2.16.2 Disclosures required under Ind AS 19 - "Employee Benefits"

2.16.2. a Defined contribution plans

During the year, the following amounts have been recognised in the statement of profit and loss on account of defined contribution plans:

Particulars	As at March 31, 2026	As at March 31, 2025
Employers contribution to provident fund	875.38	905.63
Employers contribution to employees' state insurance	187.72	201.11

2.16.2.b Defined benefit plans - gratuity: unfunded obligation

(i) Actuarial assumptions	As at March 31, 2026	As at March 31, 2025
Discount rate (per annum)	7.56%	6.55%
Salary escalation rate*	7.00%	7.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table

*The assumption of future salary escalation takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

(ii) Reconciliation of present value of obligation	As at March 31, 2026	As at March 31, 2025
Present value of obligation at the beginning of the year	1,256.85	1,081.53
Current service cost	250.97	184.65
Past service cost (if applicable)	12.93	0.00
Interest cost	77.81	67.77
Actuarial (gain)/ loss - financial assumptions	(111.44)	42.50
Actuarial (gain)/ loss - experience adjustments	(11.20)	3.35
Benefits paid	(137.86)	(122.94)
Present value of obligation at the end of the year	**1,338.06**	**1,256.86**
Contributions by the employer	137.86	122.94
Benefits paid	(137.86)	(122.94)

Notes to the Consolidated Financial Statements

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	Reconciliation of present value of obligation	As at March 31, 2026	As at March 31, 2025
(iii)	**Expenses recognized in the statement profit and loss**		
	Current service cost	250.97	184.65
	Interest cost	77.81	67.77
	Past service cost (if applicable)	12.93	0.49
	Total expenses recognized in the statement of profit and loss for the year	341.71	252.91
(iv)	**Expenses recognized in other comprehensive income**		
	Opening amount recognised in OCI outside profit and loss account	45.85	(226.57)
	Re-measurements during the period due to		
	(a) Changes in financial assumptions	(111.44)	42.50
	(b) Experience adjustments	(11.20)	3.35
	Total re-measurements included in other comprehensive income (a+b)	(122.64)	45.85
	Closing amount recognised in OCI outside profit and loss account	**(76.79)**	**(180.72)**
(v)	**Sensitivity analysis**		
	Discount rate +50 basis points	(4.26%)	(2.62%)
	Discount rate -50 basis points	4.64%	2.78%
	Salary increase rate +50 basis points	4.52%	2.73%
	Salary increase rate -50 basis points	(4.18%)	(2.60%)

(vi)	Maturity Analysis of the Benefit payments	As at March 31, 2026	As at March 31, 2025
	Year 1	81.50	310.33
	Year 2	71.82	175.35
	Year 3	67.72	147.66
	Year 4	61.00	150.58
	Year 5	75.27	131.70
	Next 5 years and above	190.75	1,045.33

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

2.16.2.c Long term employee benefits

Compensated absences (vesting and non-vesting): unfunded obligation

(i)	Maturity Analysis of the Benefit payments	As at March 31, 2026	As at March 31, 2025
	Discount rate (per annum)	7.56%	6.55%
	Salary escalation rate*	7.00%	7.00%
	Mortality rate	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table

*The assumption of future salary escalation takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

2.16.2.d Refer to Note 2.48 (g) to the consolidated financial statements for details of the revised Labour Codes and the related assessment of their impact on employee benefits.

2.16.2.e Weighted average duration and expected employers contribution for the next year for each of the defined benefit plan

Particulars	Weighted average duration (years)		Expected Employers Contribution for Next Year
	Year Ended 31st March 2026	Year Ended 31st March 2025	
Gratuity Plan	12.89	5.4	137.86
Leave Encashment	12.89	5.4	59.03

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

2.17 A. Tax expense recognised in statement of profit and Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax		
Continuing operations:		
Current Year	2,045.00	6,065.69
Deferred Tax Charge/(Credit)		
Origination and Reversal of temporary differences	115.75	(686.07)
Tax Expense	**2,160.75**	**5,379.62**

Tax expense recognised in other comprehensive Income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Deferred Tax Charge/(Credit)		
On excess of fair value over cost of investments	0.58	(0.50)
On provisions for employee benefits	30.36	(11.41)
Tax Expense	**30.94**	**(11.91)**

B. Deferred Tax Liabilities / (Asset) (Net)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Deferred tax liability:		
On excess of net book value over income tax written down value of property, plant and equipment	483.25	523.53
On excess of fair value over cost of investments	1.46	0.88
B. Deferred tax assets :		
On provisions for employee benefits	396.12	413.21
On provisions for Expected credit loss	379.05	548.34
Deferred tax liabilities/ (Assets) (Net) (A-B)	**(290.46)**	**(437.14)**

C. Movement in deferred tax liabilities / (assets) balances during the year ended March 31, 2026

Particulars	As at April 01, 2025	Recognised in profit or loss	Recognised in other comprehensive income	As at March 31, 2026
A. Deferred tax liability				
On excess of net book value over income tax written down value of property, plant and equipment	523.53	(40.28)	-	483.25
On excess of fair value over cost of investments	0.88	-	0.58	1.46
B. Deferred tax assets				-
On provisions for employee benefits	(413.21)	(13.26)	30.36	(396.12)
On provisions for Expected credit loss	(548.34)	169.29	-	(379.05)
Deferred tax liabilities/ (Assets) (Net) (A-B)	**(437.14)**	**115.75**	**30.94**	**(290.46)**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Movement in deferred tax liabilities / assets balances during the year ended March 31, 2025

Particulars	As at April 01, 2024	Recognised in profit or loss	Recognised in other comprehensive income	As at March 31, 2025
A. Deferred tax liability				
On excess of net book value over income tax written down value of property, plant and equipment	615.84	(92.31)	-	523.53
On excess of fair value over cost of quoted equity investments	1.38		(0.50)	0.88
On foreign exchange forward contracts				-
B. Deferred tax assets	**(356.37)**	**(45.43)**	**(11.41)**	**(413.21)**
On provisions for employee benefits	-	(548.34)	-	(548.34)
	-	-	-	
Deferred tax liabilities/ (Assets) (Net) (A-B)	**260.85**	**(686.08)**	**(11.91)**	**(437.14)**

D. Reconciliation of effective tax rate

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	%	Amount	%	Amount
Profit before tax		7,850.72		20,674.94
Income tax expense calculated at 25.168%	25.17%	1,975.87	25.17%	5,203.47
Effect of income which is taxed at special rate		-		-
Tax effect on non deductible expenses	2.35%	184.88	2.24%	176.15
Tax effect on eligible deductions		-		-
Effect on deferred tax balances due to change in Income Tax rate		0.00		0.00
Total	**27.52%**	**2,160.75**	**27.41%**	**5,379.62**
Tax expense as per statement of profit and loss	**-**	**2,160.75**		**5,379.62**

The tax rate used for reconciliation above is the corporate tax rate of 25.168% (25.168%) payable on taxable profit under the Income Tax Act, 1961.

2.18 Other Non-Current Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred grant on capital subsidy [see note 2.26.1]	46,287.73	15,853.04
Total	**46,287.73**	**15,853.04**

2.19 Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Loans repayable on demand from Banks (Secured)	16,233.58	16,250.60
Current Maturities of Long-Term Borrowings (Refer note 2.15)	5,646.31	-
Total	**21,879.89**	**16,250.60**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Notes to Borrowings :

(a) The Holding Company has availed export packing credit loan for working capital which is secured by first charge over the entire current assets of the Holding Company, both present and future and immovable fixed assets i.e.; equitable mortgage over 25.44 acres of the land and building belonging to the Holding Company also hypothecation charge over the other fixed assets of the Holding Company excluding the value of land & building and vehicles. The short term loans are repayable on demand and are re-drawable subsequently after repayment.

(b) Holding Company has availed Working Capital Term loans which is secured by first charge over the entire current assets of Holding Company, both present and future, second charge over immovable fixed assets i.e.; equitable mortgage over 25.44 acres of the land and building belonging to the Holding Company also hypothecation charge over the other fixed assets of the Holding Company excluding the value of land & building and vehicles. Holding Company have been granted a moratorium period of 12 months for repayment of term loans.

(c) The quarterly returns or statements of current assets filed by the Holding Company with banks are not in agreement with the books of accounts. Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions are as follows:

Name of bank	Quarter	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
State Bank of India/ Axis Bank/UBI	Mar-26	Inventory	13,047.12	13,617.71	(570.59)	Refer Note 2.19 (c).1
State Bank of India/ Axis Bank/UBI	Dec-25	Inventory	13,918.00	18,097.35	(4,179.35)	
State Bank of India/ Axis Bank/UBI	Sep-25	Inventory	16,828.94	18,000.29	(1,171.35)	
State Bank of India/ Axis Bank/UBI	Jun-25	Inventory	16,813.22	21,494.48	(4,681.26)	
State Bank of India/ Axis Bank/UBI	Mar-26	Trade Receivables	12,237.35	10,450.00	1,787.35	
State Bank of India/ Axis Bank/UBI	Dec-25	Trade Receivables	39,487.61	14,135.00	25,352.61	
State Bank of India/ Axis Bank/UBI	Sep-25	Trade Receivables	16,760.27	16,334.00	426.27	
State Bank of India/ Axis Bank/UBI	Jun-25	Trade Receivables	40,529.77	30,425.00	10,104.77	

(c). 1 Provisional figures are submitted to the Banks before finalisation of Books.

(d) The average interest rate is 6.91% per annum (31.03.2025: 6.7%) for loans availed by the Holding Company. Term loan from Banks by the Subsidiary Company "Kitex Apparel Parks Limited" (KAPL) was taken during the financial year 2023-24 and interest is chargeable at six months SBI MCLR Rate (8.15% to 8.90%) (March 31,2025 7.7% to 8.45%). This loan taken by KAPL is repayable in 28 quarterly instalments started from October 1, 2025.

(e) The Group has not been declared as a wilful defaulter by any bank or financial institution or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

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for the year ended March 31, 2026

(f) Terms and Conditions

Nature	Currency	Lenders Name	Repayment	Existing Interest Rate	Security
Export Packing Credit	INR	State Bank of India	Upto 270 days	6.43%	Note 2.20 (a)
Export Packing Credit	INR	Axis bank	Upto 180 days or expiry of contracts/export letters of credit for shipment, whichever is earlier	6.95%	Note 2.20 (a)
Export Packing Credit	INR	Union Bank of India	Upto 270 days	6.75%	Note 2.20 (a)
Working Capital Term Loan	INR	State Bank of India	48 Months	5.38%	Note 2.20 (b)
Working Capital Term Loan	INR	Union Bank of India	48 Months	5.47%	Note 2.20 (b)

(g) The Subsidiary Company "Kitex Apparel Parks Limited" (KAPL) has availed consortium loan to the sanctioned limit of Rs 2,03,394 lakhs 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 sancioned limit of Rs.2,02,300 lakhs. As per the facility Agreement, the said Loan was taken for the purpose of part financing the project cost. KAPL has used such borrowings for the purposes as stated in the Facility agreement.

(h) Details of securities of term loan from Banks by Subsidiary Company ""Kitex Apparel Parks Limited"" (KAPL):

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

(b) First charge over the movable assets of KAPL, 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 KAPL in Project Documents (to which KAPL is a party), as amended, varied or supplemented from time to time,

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

(iii) All the rights, title, interest, benefits, claims and demands whatsoever, of KAPL 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 KAPL, including but Not limited to the goodwill and Intellectual Property Rights, uncalled capital etc of KAPL, 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 eserve and other bank accounts and its sub-accounts of KAPL 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 KAPL, 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 KAPL till the Final Settlement Date.

(j) Till the Final Settlement Date, KAPL undertakes to notify the Facility Agent in writing of all its acquisitions of immoveable properties as soon as practicable and not later than 3 (three) months from the date of acquisition thereafter to make out

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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.

(i) Holding Company Kitex Garments Limited and Promoter Company Kitex Childrenswear Limited have provided guarantee to the Subsidiary Company Kitex Apparel Parks Limited on total borrowings availed from Banks for the Sanctioned amount of Rs 2,02,300 lakhs.

(j) There have been no discrepancies noticed in the utilisation of borrowings availed by the Group from banks and financial institutions vis-à-vis the purpose for which such borrowings were sanctioned.

2.20 Trade Payables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note 2.20.2)	298.87	377.89
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	5,240.40	7,359.10
Total	**5,539.27**	**7,736.99**

2.20.1 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, 2026
		<1 Year	1-2 Year	2-3 Year	>3 Year	Total
(i) MSME	233.33	-	-	-	-	298.87
(ii) Others	5144.64	17.19	16.21	2.97	59.39	5,240.40
(iii) Disputed dues MSME		-	-	-	-	-
(iv) Disputed dues others		-	-	-	-	-
Total	**5,377.97**	**17.19**	**16.21**	**2.97**	**59.39**	**5,539.27**

Particulars	Not due	Outstanding for following periods from due date of payment				As at March 31, 2025
		<1 Year	1-2 Year	2-3 Year	>3 Year	Total
(i) MSME	377.89	-	-	-	-	377.89
(ii) Others	7285.3	16.46	2.67	2.00	52.66	7,359.10
(iii) Disputed dues MSME		-	-	-	-	-
(iv) Disputed dues others		-	-	-	-	-
Total	**7,663.19**	**16.46**	**2.67**	**2.00**	**52.66**	**7,736.99**

2.20.2 The Group has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006. Intimations have been received from some of the suppliers regarding their status under the said Act as at March 31, 2026, based on which, principal amount unpaid to such suppliers as at the year end aggregating to Rs.298.87 lakhs (31.03.2025 :Rs.377.89 lakhs) has been included under Trade payables. In the opinion of the management, the impact of interest, if any, which may be payable in accordance with the provisions of the Act, is not expected to be material.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

Disclosures required under the Micro, Small and Medium Enterprises Development Act 2006 are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
a. Principal amount remaining unpaid but not due as at the year end.	298.87	377.89
b. Interest due thereon and remaining unpaid as at the year end.	-	-
c. Interest paid by The Group in terms of Section 16 of Micro, Small & Medium Enterprises Development Act 2006 along with the amount of payment made to the supplier beyond the appointed day during the year.	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
e. Interest accrued and remaining unpaid as at the year end.	-	-
f. Further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Total	**298.87**	**377.89**

2.20.3 Refer Note 2.36 for information about liquidity risk and market risk relating to trade payables.

2.21 Other Financial Liabilities -Current

Particulars	As at March 31, 2026	As at March 31, 2025
Creditors for Capital Goods	1,575.80	54.16
Retention money payable	173.57	157.02
Unpaid dividend (Refer Note 2.10)	70.53	67.35
Other financial liabilities	814.35	353.09
Total	**2,634.25**	**631.62**

Refer Note 2.36 for information about liquidity risk of other financial liability.

a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as 31st March, 2026 (31st March, 2025: Nil).

b) There is no Corporate Social Responsibility expense related to ongoing projects as at March 31, 2026 (March 31, 2025: Nil). Refer note 2.32.4 for more information about Corporate Social Responsibility expense.

2.22 Short-Term Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for gratuity [See note 2.16.2]	81.48	310.33
Provision for compensated absences [See note 2.16.2]	35.59	143.98
Total	**117.07**	**454.31**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

2.23 Current Tax Liabilities (Net)

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax payable [net of advance tax of Rs. 502.5 lakhs (Rs. 3600 lakhs)	2,133.84	2,955.97
Total	**2,133.84**	**2,955.97**

2.24 Other Current Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues	358.76	213.47
Advance from customers	47.47	68.67
Government Grant [Refer Note 2.26.1]	1,678.71	-
Other Current Liabilities	89.42	351.83
Total	**2,174.36**	**633.97**

2.25 Revenue from operations

Particulars	As at March 31, 2026	As at March 31, 2025
Sale of products		
Sales- Export	51,438.15	77,327.27
Sales- Domestic	11,184.91	13,631.16
A	**62,623.06**	**90,958.43**
Other operating revenues		
Export entitlements	3,064.44	4,960.31
Job work charges	541.93	1,230.05
Scrap sales	427.85	1,009.79
Others**	37.61	121.88
B	**4,071.83**	**7,322.03**
Revenue from operations (A+B)	**66,694.89**	**98,280.46**

*There are no adjustments of revenue recognised with contract price, hence no separate note have been added on the same.

**Others include sample development charges, Sale of samples and discounts received

2.25.1 Timing of revenue recognition

Particulars	As at March 31, 2026	As at March 31, 2025
Revenue recognised at a point in time	66,694.89	**98,280.46**
Revenue recognised over the period of time	-	-
Total	**66,694.89**	**98,280.46**

2.25.2 Contract Balances

The following table provided information about receivables, contract assets and contract liabilities from contracts with customers.

Particulars	Note	For the year ended March 31, 2026	For the year ended March 31, 2025
Trade Receivables (net of provision)	2.08	12,462.71	33,953.52
Contract Liabilities	2.24	47.47	68.67

Notes to the Consolidated Financial Statements

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2.25.3 Contract assets Primarily related to The Group's right to consideration for work completed but not billed at the reporting date, group does not have any contract Assets as on March 31, 2026. Contract liabilities primarily relate to the advance consideration received from customers for which revenue is yet to be recognised

2.25.4 Sale of Products amounting to Rs 2,362.45 lakhs (PY :Nil) pertaining to trail run expense have been capitalised and included under Property, Plant and Equipment as on March 31, 2026.

2.25.5 Other Operational income amounting to Rs 8.25 lakhs (PY:Nil) pertaining to trail run expense have been capitalised and included under Property, Plant and Equipment as on March 31, 2026.

2.25.6 Revenue includes Rs 3,497.73 lakhs (PY:16,237.04 lakhs) made to related parties. Refer Note 2.38

2.25.7 Details of Revenue from Major customers are as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Customer A	35,728.33	51,530.62
Customer B	10,206.43	22,399.81
Customer C	3,854.28	-

2.25.8 For Geographical revenue details, Refer to Note 2.34.2

2.26 Other Income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income :		
(a) From Banks	202.41	211.64
(b) Others	137.88	10.38
Dividend Received	0.20	0.11
Rent received [see note- 2.38.2]	31.81	31.81
Net gain on foreign currency transactions and translations	2,700.89	1,541.13
Deferred grant income [see note 2.26.1]	2,160.07	49.70
Gain on sale of property, plant and equipment (net)	-	9.34
Total	**5,233.26**	**1,854.11**

2.26.1 The Group 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:

(i) Grants in the nature of Merchandise Export Incentive Scheme, Rebate of State & Central Taxes and Levies, Remission on Duties and Taxes on Exported Products and Duty Drawback are disclosed under the head 'Export Entitlements' in other operating revenue.

(ii) Grants in the nature of re-imbursement of expenditure under the ISDS Project is deducted from the heads of related expenses.

(iii) EPCG authorisation is obtained by the Group from Directorate General of Trade as import duty waiver over procurement of capital goods defined in Foreign Trade Policy 2015-20. The Group has deferred the grant in the books and it will be amortised in the books as and when the conditions attached (export obligation) to authorisations are fulfilled. Subsidiary Company "Kitex Apparel Parks Limited" (KAPL) have just commenced its operations during Current year. Accordingly government grant of Rs 20,763.95 lakhs (PY: Rs.15,775.45 lakhs) has been classified as Non current liability relating to KAPL.

(iv) Telangana Government Grants in the nature of re-imbursement of cost towards capital asset which is disclosed as deferred grant. The amount is disclosed under the head 'Other Income' in the proportions in which depreciation expense on those assets is recognised. Current year income is Rs 694.48 Lakhs which is disclosed under Government Grant Income.

(v) Grants in the nature of re-imbursement of interest cost on borrowings from the Government amounting to Rs 1,363.90 lakhs is disclosed as Government Grant Income under Other Income.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(vi) Grants in the nature of re-imbursement of expenditure under the Government Grant for Power and Stamp duty amounting to Rs 96.07 Lakhs is disclosed as Government Grant Income under Other Income.

(vii) Detailed Breakup of Government grant related Assets, liabilities and Income:

Nature	Non Current Assets (Note 2.06)	Current Assets (Note 2.12)	Non Current Liability (Note 2.18)	Current Liability (Note 2.24)	Income (Note 2.26)
Capital Subsidy (Refer Note 2.26.1(iv))	26,679.87	1,145.13	25,451.81	1,678.71	694.48
Interest Subsidy (Refer Note 2.26.1(v))	-	1,363.90	-	-	1,363.90
Expense Subsidy Interest Subsidy (Refer Note 2.26.1(vi))	-	96.07	-	-	96.07
Deferred Grant on EPCG (Refer Note 2.26.1(iii))	-	-	20,835.92		5.62
Total	**26,679.87**	**2,605.10**	**46,287.73**	**1,678.71**	**2,160.07**

2.26 A Exceptional Items

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Reversal of Expected Credit loss on Receivables (Refer Note 2.26A.1)	1,750.00	-
Total	**1,750.00**	**-**

2.26A.1 During the year, The Group has reassessed the measurement of Expected Credit loss allowance on outstanding dues towards Kitex USA LLC and concluded ECL Provision of Rs 1,750 Lakhs is no longer required considering the receipts during the year and accordingly was written back in Statement of Profit and loss. The same has been disclosed as an exceptional item in view of its material and non-recurring nature.

2.27 Cost of Materials Consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventory at the beginning of the year	5,169.15	3,990.50
Add: Purchases	31,426.13	45,102.79
Less: Trail Run Consumed	(1,841.14)	-
Less: Inventory at the end of the year	(4,880.46)	(5,169.15)
Total	**29,873.68**	**43,924.14**

2.27.1 Purchases includes Rs 4,088.02 lakhs (PY:Nil) which is pertaining to trail run

2.27.2 Purchases includes Rs 1,382.22 lakhs made to related parties. Refer Note 2.38

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

2.28 Changes in Inventories of Finished Goods and Work-in-Progress

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the beginning of the year		
Finished goods	1,095.35	1,745.10
Work-in-progress	12,577.69	10,248.42
	13,673.04	**11,993.52**
Less: Inventories at the end of the year		
Finished goods	2,809.06	1,095.35
Work-in-progress	7,378.81	12,577.69
	10,187.87	**13,673.04**
Net decrease / (increase)	**3,485.17**	**(1,679.52)**

2.29 Employee Benefits Expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries & wages (Refer note 2.29.1)	12,044.08	13,155.03
Contribution to provident and other funds (Refer note 2.16.2.a)	1,063.10	1,106.74
Gratuity expenses (Refer note 2.16.2.b)	341.71	252.91
Staff welfare expenses	1,517.96	1,347.51
Total	**14,966.85**	**15,862.19**

2.29.1 Employee benefit expenses amounting to Rs 156.83 Lakhs (PY:Nil) have been capitalised and included under Property, Plant and Equipment as on March 31, 2026.

2.29.2 Refer to Note 2.48 (g) to the consolidated financial statements for details of the revised Labour Codes and the related assessment of their impact on employee benefits.

2.30 Finance Costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on export packing credit	1,294.13	1,086.73
Interest on term loans	2,918.36	
Other borrowing cost	152.55	92.51
Interest on income tax (Refer note 2.30.1)	157.62	222.48
Total	**4,522.66**	**1,401.72**

2.30.1 Interest on income tax represents interest under Sections 234B and 234C of the Income Tax Act, 1961 on account of shortfall in payment of advance tax. No penalties under the Income Tax Act have been levied during the year (Previous year: Nil).

2.30.2 Interest cost amounting to Rs 6,183.02 lakhs (March 31, 2025: Rs. 6,628.03 lakhs) have been capitalised and included under Capital Work in Progress.

2.31 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment [See note 2.01A]	4,456.11	1,570.14
Amortisation of intangible assets [See note 2.01F]	1.93	4.36
Total	**4,458.04**	**1,574.50**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

2.32 Other Expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Processing charges	4,326.53	6,731.27
Consumption of stores and spares	762.71	1,652.21
Power and fuel [See Note 2.33]	4,101.54	4,090.86
Repairs		
- Building	11.66	41.95
- Plant & machinery	440.03	487.05
- Others	491.05	527.95
Other production expenses	293.92	466.14
Testing charges	433.01	393.08
Sitting Fees paid to Directors [See Note 2.38]	15.20	18.95
Forwarding and transport on sales	426.41	551.40
Insurance	393.74	148.05
Rent [See note 2.38 and 2.40]	222.88	211.04
Rates and taxes	98.49	150.56
Travelling and conveyance	259.73	269.15
Payments to auditors [See note 2.32.2]	27.02	29.80
Advertisement and sales promotion	122.87	151.81
Professional and consultancy charges	250.71	432.68
Provision for Expected Credit Loss	1,077.38	1,878.70
Intangible asset under development written off	-	-
Donation [See note 2.32.1]	258.75	174.72
Communication and office expenses	141.20	177.75
Bank Charges	152.38	120.08
Expenses on corporate social responsibility activities [See note 2.32.4 and 2.38]	294.11	239.71
Loss on foreign exchange forward contracts	48.78	75.93
Miscellaneous expenses	881.49	1,076.49
Total	**15,531.59**	**20,097.33**

2.32.1 Contribution to political parties as per section 182 of Companies Act, 2013 (Included in Donation) for the year ended March 31, 2026 is Rs 258 Lakhs (Rs 146 Lakhs as on March 31, 2025)

2.32.2 Payments to auditors (Net of Goods and Service Tax)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Statutory audit fees	25.50	25.50
(b) Other services		
- Others	0.50	2.44
- Reimbursement of expenses	1.02	1.86
Total	**27.02**	**29.80**

2.32.3 Power and Fuel charges amounting to Rs 635.11 lakhs (PY:Nil) have been capitalised to Capital Work in Progress.

2.32.4 Details of expenses on corporate social responsibility activities

(a) Gross amount required to be spent by The Group during the year Rs. 270.53 lakhs (31.03.2025: Rs.237.42 lakhs) towards CSR compliance as per Companies Act.

(b) Amount Unspent from previous years : Nil

(c) Amount approved by the Board to be spent during the year- Rs. 270.53 lakhs (31.03.2025 : Rs.237.42 lakhs)

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for the year ended March 31, 2026

(d) Amount spent during the financial year on :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	294.11	239.71
Total	**294.11**	**239.71**

(e) Details of excess CSR expenditure

Nature of Activity	Balance excess as at 01 April 2025	Amount required to be spent during the year	Amount spent during the year	Balance excess to be carried over as at 31 March 2026*
Infrastructure development assistance	-	270.53	294.11	23.58

*As per records filed with MCA.

(f) CSR Expenditure incurred with Related Parties

Name	Nature of Relationship	For the year ended March 31, 2026	For the year ended March 31, 2025
Twenty 20 Kizhakkambalam Association	Enterprises owned or significantly influenced by key management personal or their relatives	290.00	237.00

There is no Corporate Social Responsibility expense related to ongoing projects as at March 31, 2026 (March 31, 2025: Nil).

2.33 Earnings per equity share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit for the year	590.87	13,873.27
Weighted average number of equity shares of Re. 1/- each (fully paid-up)	199,500,000	199,500,000
Earnings per equity share - Basic & Diluted in Rs. (Refer Note 2.13.6)	**0.30**	**6.95**

2.33A Dividend on Equity Share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Dividend on equity shares declared and paid during the year		
Final dividend of Rs.1.5 per share for FY 2024-25 (Rs 1.5 per share for FY 23-24)	997.50	997.50
Total	**997.50**	**997.50**
Proposed dividend on equity shares not recognised as liability.		
Final dividend of Rs.0.5 per share for FY 2025-26 (2024-25: 1.5 per share)	997.50	997.50
Total	**997.50**	**997.50**
Payout Ratio	**17.53%**	**6.52%**

2.34 Segment Reporting

The Group's operations predominantly relate to one operating segment i.e. Textile – Infant / Kids Apparel manufacturing. The Chief Operating Decision Maker (CODM) reviews the operations of The Group as one operating segment. Hence, no separate segment information has been furnished herewith.

2.34.1 Information about products and services: The Group earns revenue from only a single group of product and service viz. Textile Business comprising of sale of garments and fabrics products / services.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

2.34.2 Information regarding geographical revenue is as follows:

Revenue from external customers	For the year ended March 31, 2026	For the year ended March 31, 2025
India	11,184.91	13,631.16
Outside India		
- The United States (US)	39,700.17	69,185.73
- Others	11,737.98	8,141.54
Sale of products	**62,623.06**	**90,958.43**

2.34.3 All non current assets of The Group are located in India.

2.34.4 The following table gives details in respect of percentage of revenue generated from the top customer and revenue from transactions with customers amounting to more than 10 percent or more of The Group's revenue.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
No of customers who contribute to more than 10 percent of The Group's revenue	2	3
Revenue from top customer	35,728.33	51,530.62
Revenue from customers contributing to more than 10 percent of The Group's revenue	45,934.76	73,930.43

2.35 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).

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

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

Fair value hierarchy of financial instruments measured at fair value on a recurring basis is as follows:

Particulars	Fair value hierarchy (level)	As at March 31, 2026	As at March 31, 2025
Financial assets measured at fair value through other comprehensive income			
Investments in equity shares - Quoted	1	7.04	6.73

There have been no transfers between levels during the period

Category wise classification of financial instruments is as follows:

Particulars	See note	As at March 31, 2026	As at March 31, 2025
Financial assets measured at fair value through other comprehensive income			
Investments in equity shares - Quoted	2.02	7.04	6.73
Financial assets measured at amortised cost			
Non current :			
(i) Security deposits	2.03	464.75	228.96

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Particulars	See note	As at March 31, 2026	As at March 31, 2025
(ii) Other Financial Assets	2.03	1,482.28	888.47
Current :			
(i) Trade receivables	2.08	12,462.71	33,953.52
(ii) Cash and cash equivalents	2.09	11,438.93	3,939.66
(iii) Bank balances other than (ii) above	2.10	3,787.02	2,830.28
(iv) Other financial assets	2.11	1,612.55	3,279.06
Financial assets measured at cost			
Non current			
(i) Investments in equity shares - Unquoted	2.02	-	-
		31,255.28	**45,126.68**
Financial Liabilities measured at amortised cost			
Current			
(i) Borrowings	2.19	21,879.89	16,250.60
(ii) Trade payables	2.20	5,539.27	7,736.99
(iii) Other financial liabilities	2.21	2,634.25	631.62
Non Current			
(i) Other financial liabilities	2.15	98,057.82	91,999.08
		128,111.23	**116,618.29**

2.36 Financial Risk Management - Objectives and Policies

The Group's business activities are exposed to a variety of financial risks, namely liquidity risk, market risk, credit risk and other price risk. The group's senior management has the overall responsibility for establishing and governing the group's risk management framework. The group has constituted a Risk Management Committee, which is responsible for developing and monitoring the group's risk management policies. The group's risk management policies are established to identify and analyse the risks faced by the group, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the group.

1) Liquidity risk

Liquidity risk is the risk that the group will face in meeting its obligations associated with its financial liabilities. The group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The group maintained a cautious liquidity strategy, with a positive cash balance throughout the period ended 31st March, 2026 and 31st March, 2025. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities"

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

Maturities of financial liabilities As at March 31, 2026	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings (net)	21,879.89	64,681.85	33,375.97	119,937.71
Trade payable	5,539.27	-	-	5,539.27
Other financial liabilities (current)	2,634.25	-	-	2,634.25

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Maturities of financial liabilities As at March 31, 2025	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	17,293.60	-	-	17,293.60
Trade payable	7,753.43	57.33	-	7,810.76
Other financial liabilities	1,393.69	-	-	1,393.69

2) Market risk

Market risk is the risk that the fair value or 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 risk, such as equity price risk and commodity risk.

The Group's financial instruments affected by market risk include trade receivables, trade payables and borrowings (including short-term packing credit). The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Group's management committee oversees the management of these risks, supported by a treasury department that identifies, evaluates, and hedges financial risks. The following sections provide a sensitive analysis of the key components of market risk as at the reporting date.

a) Foreign currency risk

The Group undertakes transactions denominated in foreign currency (mainly US Dollar) which are subject to the risk of exchange rate fluctuations. Financial assets and liabilities denominated in foreign currency, are also subject to reinstatement risks.

i) The carrying amounts of The Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Assets		
USD	200.13	443.17
JPY	0.58	0.58
HKD	0.02	0.01
EUR	0.00	0.00
VND	0.26	
Liabilities		
EUR	0.21	5.81
USD	11.29	24.39
GBP	0.28	0.28

ii) Foreign currency sensitivity analysis

The following table details The Group's sensitivity to a 1% increase and decrease in the rupee against the relevant foreign currencies . The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant.

Particulars	Impact in statement of profit and loss for 1% change	
	March 31, 2026	March 31, 2025
INR/USD (Net receivable)	178.75	358.39
INR/EUR (Net payable)	1.00	5.28
INR/GBP (Net Payable)	0.35	0.30
INR/HKD (Net payable)	-	0.00

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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 Group's profit before tax is affected through the impact on floating rate borrowings as follows :

Particulars	As at March 31, 2026	As at March 31, 2025
Variable rate instruments		
Financial liability - Loans repayable on demand from banks	16,233.58	16,250.60
Financial liability - Term Loans from Banks	103,704.13	91,999.08
Financial liability	**119,937.71**	**108,249.68**

Cash flow sensitivity for variable rate instruments

Particulars	Impact on Profit or (Loss)	
	March 31, 2026	March 31, 2025
Sensitivity		
50 BPS increase in rate	599.69	541.25
50 BPS decrease in rate	(599.69)	(541.25)

c) Other Price Risk (Commodity Risk)

The Group is exposed to fluctuations in the prices of raw materials used in its operations. However, such exposure does not arise from financial instruments and, accordingly, no separate commodity price risk sensitivity analysis is presented under Ind AS 107.

3) Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to The Group. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management considers that the demographics of The Group's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of the customers (including related parties) to which The Group grants credit terms in the normal course of the business.

The Group applies the simplified approach for providing expected credit losses prescribed by Ind AS 109, which requires the use of the lifetime expected loss provision for all trade receivables and contract assets. The Group has computed expected credit losses based on a provision matrix which takes into account historical credit loss experience, adjusted for forward-looking information specific to the debtors and the economic environment.

Movement in expected credit loss allowance on trade receivables	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	2,178.70	300.00
Loss allowance measured at lifetime expected credit losses	-	-
Loss allowance Provided during the year	1,077.38	1,878.70
Loss allowance reversed during the year	(1,750.00)	-
Balance at the end of the year	1,506.08	2,178.70

Capital Management

For the purpose of The Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of The Group. The primary objective of The Group 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 Group'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 Group funds its operations through internal accruals. The Group aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

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As at March 31, 2026, The Holding has only one class of equity shares. The Group is not subject to any externally imposed capital requirements. Group manages 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, 2026	As at March 31, 2025
Equity attributable to share holders	102,982.63	103,299.00
Borrowings	119,937.71	108,249.68
Less: Cash and cash equivalents	11,438.93	3,939.66
Net debt	108,498.78	104,310.02
Total capital (equity + debt)	211,481.42	207,609.02
Net debt to capital ratio	0.513	0.502

2.37 Additional information as required under the General Instructions for Preparation of Consolidated Financial Statements to Schedule III Division II to the Companies Act, 2013

Name of the entity	As at March 31, 2026		As at March 31, 2025	
	Net assets, i.e., total assets - total liabilities		Net assets, i.e., total assets - total liabilities	
	As a % of consolidated net assets	Amount in lakhs	As a % of consolidated net assets	Amount in lakhs
Parent	93.11%	115,347.32	91.39%	110,562.82
Subsidiaries	53.44%	66,208.29	46.31%	56,024.02
Non Controlling interest in all subsidiaries	16.87%	20,903.78	14.61%	17,678.27
Elimination on account of consolidation	(63.42)%	(78,573.00)	(52.31)%	(63,287.86)
Total	**100.00%**	**123,886.41**	**100.00%**	**120,977.27**

Name of the entity	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Share in profit or loss		Share in profit or loss	
	As a % of consolidated profit	Amount in lakhs	As a % of consolidated profit	Amount in lakhs
Parent	(430.87%)	5,689.98	112.68%	15,295.33
Subsidiaries	380.56%	(5,025.70)	(11.55%)	(1,567.31)
Non Controlling interest in all subsidiaries	144.74%	(1,911.46)	(2.20%)	(298.67)
Elimination on account of consolidation	5.56%	(73.41)	1.07%	145.25
Total	**100.00%**	**(1,320.59)**	**100.00%**	**13,574.60**

Name of the entity	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Share in other comprehensive income		Share in other comprehensive income	
	As a % of consolidated other comprehensive income	Amount in lakhs	As a % of consolidated other comprehensive income	Amount in lakhs
Parent	100.00%	92.00	100.00%	(35.43)
Wholly owned subsidiaries	-	-	-	-
Associate (Investment as per equity method):				
Kitex USA LLC	-	-	-	-
Non Controlling interest in all subsidiaries		-	-	-
Elimination on account of consolidation	-	-	-	-
Total	**100.00%**	**92.00**	**100.00%**	**(35.43)**

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2.37A Non controlling interests

The subsidiaries of the Group having non-controlling interests, all of which have been included in these consolidated financial statements, are as follows:

Name of entity	Place of business/ country of incorporation	Proportion of Ownership interest held by the group		Proportion of Ownership interest held by non-controlling interests	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Kitex Apparel Parks Limited	India	70%	70.00%	30.00%	30.00%

Information regarding NCI	31-Mar-26	31-Mar-25
Accumulated balances of NCI	20,903.78	17,678.27
loss allocated to NCI	(1,911.46)	(298.67)

Summarised financial information in relation to Kitex Apparel Parks Ltd before intra-group eliminations, is presented below together with amounts attributable to NCI:

Summarised balance sheet	Kitex Apparel Parks Limited	
	March 31, 2026	March 31, 2025
Current Assets	9,177.05	5,507.74
Current Liability	19,448.78	2,638.94
Net Current Assets	(10,271.73)	2,868.80
Non-current Assets	229,150.33	162,806.35
Non-current Liabilities	148,858.26	106,731.53
Net Non-current Assets	80,292.07	56,074.82
Net Assets	70,020.34	58,943.62
Accumulated non-controlling interests	20,903.78	17,678.27

Summarised Statement of Profit or Loss	Kitex Apparel Parks Limited	
	March 31, 2026	March 31, 2025
Other expenses	2,580.85	554.72
Loss before tax	(6,046.50)	(995.56)
Income tax	-	-
Loss for the year	(6,046.50)	(995.56)
Other comprehensive income	-	-
Total comprehensive income	(6,046.50)	(995.56)
Loss allocated to NCI	(1,911.46)	(298.67)

Summarised Cash flows	Kitex Apparel Parks Limited	
	March 31, 2026	March 31, 2025
Cash flow from operating activities	35,716.48	(1,859.66)
Cash flow from investing activities	(33,156.34)	(41,557.03)
Cash flow from financing activities	(1,365.78)	43,508.88
Net increase /(decrease) in cash and cash equivalents	1,194.36	92.19

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

2.37B Investments accounted using equity method

Name of entity	Place of business/ country of incorporation	% Ownership interest		Carrying Value of Investments	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Kitex USA LLC	USA	50%	50%	-	-

Group has 50% investment in Kitex USA LLC, which is considered material to the group

Summarised financial Information in respect of Kitex USA LLC

Movement in expected credit loss allowance on trade receivables	As at / For the year ended March 31, 2026	As at / For the year ended March 31, 2025
Current assets	1,066.47	7,231.62
Non current assets	317.27	531.43
Current liabilities	6,221.59	12,427.64
Revenue from operations	2,731.90	9,050.69
Profit for the period	501.68	740.56
Other comprehensive income	-	-
Total comprehensive income	**501.68**	**740.56**

2.38 Related Party Disclosure

Disclosure of transactions with related parties as required by Ind AS 24 - Related Party Disclosures for the year ended March 31, 2026

2.38.1 List of related parties

A Key managerial personnel

(i) Mr. Sabu M Jacob, Managing Director

(ii) Ms. Sindhu Chandrasekhar, Whole Time Director

(iii) Sumi Francis, Non Executive & Independent Director

(iv) C.P.Philipose, Non Executive & Independent Director

(v) Amprayil Kurien Mathew, Non Executive & Independent Director

(vi) K L V Narayanan, Non Executive Director

(vii) Benni Joseph, Non Executive & Independent Director (Ceased to be Member of Board from January 11, 2025)

(viii) Mr. Boby Michael, Chief Financial Officer

(ix) Ms. Dayana Joseph, Company Secretary

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

(i) Kitex Childrenswear Limited

(ii) Kitex Limited

(iii) Anna Aluminium Company Private Limited

(iv) Anna Aluminium Private Limited

(v) Scoobee Day Garments (India) Limited

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(vi) Anna Aluminium Vessels

(vii) Kitex Herbals Limited

(viii) Kitex Building Systems Limited (earlier Kitex Apparels Limited)

(ix) Kitex Infantswear Limited

(x) Twenty 20 Kizhakkambalam Association

(xi) Kitex Building Systems L.L.C-FZ

(xii) Sara spices Private Limited

C Associate enterprise

(i) Kitex USA LLC

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

A	Enterprises owned or significantly influenced by key management personal or their relatives	For the year ended March 31, 2026	For the year ended March 31, 2025
(i)	**Kitex Childrenswear Limited**		
	Revenue from sale of goods and services (including expenses recovered)	2,638.94	10,574.11
	Rent Paid	2.47	2.41
	Rent Received	31.81	31.81
	Purchases of goods and services (including reimbursements)	3,718.06	5,379.94
(ii)	**Kitex Limited**		
	Revenue from sale of goods and services (including expenses recovered)	212.02	624.85
	Purchases of goods and services (including reimbursements)	357.04	1,049.75
(iii)	**Anna Aluminium Company Private Limited**		
	Revenue from sale of goods and services (including expenses recovered)	-	0.78
	Purchases of goods and services (including reimbursements)	0.05	0.12
(iv)	**Anna Aluminium Private Limited**		
	Revenue from Sale of goods and services (including exp recovered)		
	Purchases of goods and services (including reimbursements)	2.37	
(v)	**Anna Aluminium Vessels**		
	Purchases of goods and services (including reimbursements)	-	0.02
(vi)	**Sara Spices Private Lmited**		
	Purchases of goods and services (including reimbursements)	48.08	51.28
(vii)	**Scoobee Day Garments (India) Limited**		
	Revenue from Sale of goods and services (including exp recovered)	183.96	1,641.23
	Purchases of goods and services (including reimbursements)	1,062.64	2,032.53
(viii)	**Twenty 20 Kizhakkambalam Association**		
	CSR Contribution	290.00	265.00

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for the year ended March 31, 2026

B	Key management personnel	For the year ended March 31, 2026	For the year ended March 31, 2025
	(i) Mr. Sabu M Jacob		
	Remuneration paid	382.52	1,059.67
	(ii) Ms. Sindhu Chandrasekharn		
	Remuneration paid	30.68	28.49
	(iii) Mr. Boby Michael		
	Remuneration paid	48.37	48.37
	(iv) Ms. Dayana Joseph		
	Remuneration paid	18.87	15.08
	(v) Ms. Sumi Francis		
	Sitting Fee Paid	3.80	4.40
	(vi) Mr. C.P.Philipose		
	Sitting Fee Paid	4.10	4.60
	(vii) Mr. Amprayil Kurien Mathew		
	Sitting Fee Paid	4.20	2.85
	(viii) Mr. K L V Narayanan		
	Sitting Fee Paid	3.10	3.85
	(ix) Mr. Benni Joseph		
	Sitting Fee Paid	-	3.25

C	Associate enterprise	For the year ended March 31, 2026	For the year ended March 31, 2025
	(i) Kitex USA LLC		
	Sale of readymade garments	462.81	3,396.85
	Additional ECL Provision created	300.00	1,200.00
	Reversal of Provision no longer required	(1,750.00)	-
	Sales commission paid	1,295.74	1,570.19

2.38.3 Outstanding amounts carried in the balance sheet as at March 31, 2026

A Enterprises owned or significantly influenced by key management personnel or their relatives:

Name of related party	As at March 31, 2026	As at March 31, 2025
(i) Kitex Childrenswear Limited		
Trade receivables	-	603.54
Trade payables	502.90	
(ii) Kitex Limited		
Trade payables	4.55	2.64
(iii) Anna Aluminium Company Private Limited		
Trade receivables	0.73	0.79
Trade payables	-	-
(iv) Anna Aluminium Private Limited		
Trade payables	2.52	-
(v) Sara Spices Private Lmited		
Trade payables	3.93	1.06
(vi) Scoobee Day Garments (India) Limited		
Trade receivables	4.10	30.80

Notes to the Consolidated Financial Statements

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B Key management personnel

Name of related party		As at March 31, 2026	As at March 31, 2025
(i)	**Mr. Sabu M Jacob**		
	Remuneration payable	279.52	956.67
(ii)	**Ms. Sindhu Chandrasekhar**		
	Remuneration payable	3.54	2.45
(iii)	**Mr. Boby Michael**		
	Remuneration payable	4.42	4.34
(iv)	**Ms.Dayana Joseph**		
	Remuneration payable	2.50	2.23
(v)	**Ms. Sumi Francis**		
	Sitting Fee Payable	1.64	1.80
(vi)	**Mr. C.P.Philipose**		
	Sitting Fee Payable	1.64	1.80
(vii)	**Mr. Amprayil Kurien Mathew**		
	Sitting Fee Payable	1.64	1.80
(viii)	**Mr. K L V Narayanan**		
	Sitting Fee Payable	1.01	1.44

C Associate enterprise

Name of related party		As at March 31, 2026	As at March 31, 2025
(i)	**Kitex USA LLC**		
	Trade receivables	2,104.37	12,277.58
	Provision for ECL	50.00	1,500.00
	Kitex USA LLC Trade Payable	805.35	1,936.03
	Net carrying value of investment	2,776.24	2,776.24

Terms and conditions of transactions with related parties

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March, 2026, the Group has recorded impairment of receivables relating to amounts owed by related parties Rs. Nil (2024-25: Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

2.39 Group have stopped undertaking forward contracts to hedge foreign currency exposure.

2.39.1 The particulars of un hedged items as at Balance Sheet date is as under:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Foreign Currency	INR	Foreign Currency	INR
Assets				
EUR	-	0.33	-	0.28
USD	200.13	18,489.49	443.17	37,927.03
JPY	0.58	0.34	-	-
HKD	0.02	0.25	0.01	0.11
VND	0.26		-	-
Liabilities				
EUR	0.92	100.47	5.81	528.08
USD	11.29	1,069.03	24.39	2,087.54
GBP	0.28	34.55	0.28	28.96

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

2.40 Lease Accounting

Operating Lease

Office premises are hired on operating lease. The lease term is renewable every year at the option of The Group. There is no escalation clause in the lease agreement. All of the material lease agreeements entered by The Group are for term less than one year, hence group 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, 2026	As at March 31, 2025
Amount charged to statement of profit and loss account during the year (Refer Note 2.32)		
Rent for premises	159.21	119.08
Rent for equipment	63.67	91.96
Total	**222.88**	**211.04**

2.41 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, 2026.

2.41.1 Contingent liabilities not provided for:

Particulars	As at March 31, 2026	As at March 31, 2025
1. Claims against The Group not acknowledged as debts being demand raised against The Group, disputed on Appeal before various Appellate authorities.		
(i) Income tax dues [Paid under protest include Rs. 108.57 lakhs (31.03.2024: Rs. 108.57 lakhs)]	1,007.80	1,007.80
2. Bank guarantees/Letter of Credit	4,376.16	2,113.57
Total	**5,383.96**	**3,121.37**

2.41.2 The above demands are disputed by The Group and matters pending in appeal before appellate authorities in various stages. In the opinion of the management and based on legal advice received The Group is hopeful of getting full relief and hence no provision has been made thereof.

2.41.3 The Group has purchased capital assets under Export Promotion Capital Goods license against which The Group has an export obligation of six times of duty saved. Contingent liability, to the extent of duty saved in respect of EPCG is Rs 20,835.92 lakhs (Rs.15,853.04 Lakhs) . The export obligation to be fulfilled as per license is upto six years from date of issue of EPCG licence.

2.42 Capital & Other Commitments

Estimated amount of contract remaining to be executed on capital account (net of advances): Rs.28,576 lakhs (31.03.2025: Rs.1,64,312.36 lakhs).

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

2.44 Subsequent event

Dividends declared by the Holding Company are based on the profit available for distribution. Distribution of dividends out of general reserve and retained earnings is subject to applicable tax deducted at source (TDS). On May 30 ,2026 Board of Directors of the Holding Company have proposed a final dividend of Rs 0.50 per share in respect of the year ended March 31, 2026 subject to the approval of shareholders at the Annual General Meeting. The proposal if approved, would result in a cash outflow of approximately Rs.997.50 Lakhs. The same has not been disclosed as a liability as on March 31, 2026.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

2.45 Note on Ultimate Beneficiaries

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 Group 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 party identified by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

2.46 Note on Audit Trail

The Holding Company and its subsidiary Companies incorporated in India have used accounting softwares for maintaining their respective books of accounts and payroll records during the year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility. The audit trail feature was enabled and has been operated throughout the year for all relevant transactions recorded except that

a. In respect of Holding Company and one of the Subsidiary Company, for one of the software the database is maintained by third party service provided and in absence of independent auditors report, management is unaware whether audit trail feature is enabled in database maintained by the third party.

b. In respect to Holding Company and one of the subsidiary company, audit trail feature was not enabled for the software used for maintaining payroll records throughout the year.

Additionally, the audit trail of prior years has been preserved by The Group as per the statutory requirements for record retention to the extent it was enabled and recorded in previous years

2.47 Note on Backup

The Group maintains its books of account and other statutory records in electronic mode through various software applications. In respect of one of the software used for maintaining books of account and other books and papers in electronic mode, The Group has not been able to demonstrate that daily back-up of such records is being maintained on servers physically located in India, as required under the Companies (Accounts) Rules, 2014, as amended.

The Group is in the process of reviewing and strengthening its data backup policies and infrastructure to ensure full compliance with the applicable regulatory requirements. The management does not expect this to have any material impact on the integrity or accuracy of the financial statements or the underlying records.

2.48 Other Disclosures

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

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

(c) Undisclosed income - The Group 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 Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(e) Crypto currency / Virtual Digital Assets: The Group has not traded, invested in, or held any crypto currency or Virtual Digital Assets (as defined under Section 2(47A) of the Income Tax Act, 1961 inserted by the Finance Act 2022) during the financial year ended 31 March 2025 and in any prior year. No gains or losses in relation to virtual digital assets have been recognised in the financial statements. No amounts have been paid to any person for transfer of virtual digital assets.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(f) Compliance with approved Scheme(s) of Arrangements - The Group 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 - On November 21, 2025, the Government of India has consolidated 29 existing labour legislations into a united framework comprising four Labour codes viz Code on wages 2019, Code on Social Security 2020, Industrial Relation Code 2020 and Occupational Safety, Health and Working Condition Code 2020 (collectively referred to as the New Labour Codes). The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Group is already in compliance with the basic wages criteria as prescribed under New Labour Codes for own employees and there is no material impact on The Group. The Group will continue to monitor the finalisation of Central and state rules and government clarifications to recognise any financial impact as appropriate.

(h) Compliance with number of layers of companies - The Group 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.

2.49 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 disclosure. The impact of such reclassification/ regrouping is not material to the consolidated financial statements.

2.50 Board of Directors of the Holding Company has adopted and approved the Consolidated Financial Statements on the board meeting dated May 30, 2026.

As per our report of even date attached

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration
Number – 105047W/W101187

S. Manikandan
Partner
Membership No.226060

Place : Chennai
Date: May 30, 2026

For and on behalf of the Board of Directors of
Kitex Garments Limited
CIN: L18101KL1992PLC006258

Sabu M Jacob
Chairman &
Managing Director
DIN:00046016
Place : USA
Date: May 30, 2026

Sindhu Chandrasekharan
Whole Time Director
DIN: 06434415

Place : Kizhakkambalam
Date: May 30, 2026

Boby Michael
Chief Financial Officer

Place : Kizhakkambalam
Date: May 30, 2026

CS Dayana Joseph
Company Secretary
ICSI M.No. A61808
Place : Kizhakkambalam
Date: May 30, 2026

Notes

Notes

KITEX

Registered Office & Factory

Kitex Garments Limited
(CIN: L18101KL1992PLC006528)
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Kizhakkambalam, Vilangu P.O,
Aluva, Ernakulam - 683561, Kerala, India

Phone: 91 0484 2585000

Website: www.kitexgarments.com

E-mail: sect@kitexgarments.com