



Kitex Garments Limited

21st Annual Report 2012-13



Mr. M.C. Jacob (22.4.1933 - 5.6.2011)
Illustrious Founder - Chairman of Kitex Group of Companies

Board of Directors	Mr. Sabu M Jacob, Chairman & Managing Director Prof. E.M. Paulose Mr. Benni Joseph Mr. M. P. Kuriakose (up to 31.03.2013) Mr. K.L.V. Narayanan (from 4.04.2013) Mr. C. Mohan, Director - Finance/Company Secretary
Auditors	M/s. Kolath & Co. Chartered Accountants 41/3951 A, O.R.S. Road Kacheripady, Kochi - 682018
Legal Advisors	M/s. Dandapani Associates Advocates Thirupathi, T.D.Road North End Kochi -682035
Bankers	State Bank of India The Federal Bank Ltd
Registered Office	Building No.9/536A Kitex House Kizhakkambalam Kochi -683562
Share Transfer Agents	M/s. Cameo Corporate Services Ltd Subramanian Building No.1 Club House Road, Chennai -600 002 Tel No.:044 - 28460390 Fax No.044 - 28460129 E-mail Id: Cameo@cameoindia.com

<i>Contents</i>	<i>Page</i>
1. Notice	5
2. Directors' Report and Annexure	9
3. Management Discussion and Analysis	13
4. Report on Corporate Governance	14
5. Secretarial Compliance Certificate	19
6. Auditors' Report	23
7. Balance Sheet	28
8. Statement of Profit and Loss	29
9. Notes to Financial Statements	30
10. Cash Flow Statement	49
11. Attendance Slip & Proxy Form	51

NOTICE

Notice is hereby given that the 21st Annual General Meeting of the Members of Kitex Garments Limited will be held at the Factory Premises of the Company at Building No. 9/536A, Kizhakkambalam, Kochi – 683 562 on Tuesday, the 14 th May, 2013 at 10 AM . to transact the following business:-

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Directors' Report for the year ended 31st March 2013, audited Statement of Profit and Loss for the year, Balance Sheet as at that date, and the Report of the Auditors thereon.
- 2) To consider declaration of dividend for the year.
- 3) To appoint a Director in the place of Mr. C Mohan, who retires by rotation and, being eligible, offers himself for reappointment.
- 4) To appoint Auditors who shall hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration. The retiring Auditors, M/s. Kolath & Co, Chartered Accountants are eligible for re-appointment and have given a written certificate to the effect that the re-appointment, if made, will be in accordance with the limits specified in Section 224(1B) of the Companies Act, 1956.

Kizhakkambalam
4 th April, 2013

By Order of the Board of Directors
For KITEX GARMENTS LIMITED
Sd/-
SABU M JACOB
Chairman & Managing Director

Notes:-

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member.
- 2) The instrument appointing a proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- 3) Members /proxies should bring the attendance slips duly filled in and PHOTO ID Proof for attending the meeting. Transport facility will be provided to the shareholders from Kizhakkambalam to the Factory premises and back for attending the meeting.
- 4) Request for any clarification needed on the accounts should be lodged in writing at the Registered Office of the Company on or before 5 P.M. on 9th May, 2013.
- 5) The Share Transfer Books and the Register of Members shall remain closed from 9th May, 2013 to 14th May, 2013 both days inclusive.
- 6) The Board of Directors have recommended a dividend at 80%(80 Ps per Share of face value Re 1/-) of the paid up capital for the year. If declared at the Annual General Meeting, the same will be paid to the share holders, whose names are on the Register of Members as on 14th May, 2013.

DETAILS OF DIRECTOR SEEKING REAPPOINTMENT AT THE ANNUAL GENERAL MEETING

(In pursuance of clause 49 of the Listing Agreement)

Re-appointment of Mr. C Mohan as Director :

- (a) Brief Resume of the Director: Mr. C Mohan is a Graduate in commerce and Fellow Member of the Institute of Company Secretaries of India as well as the Institute of Cost Accountants of India. He has industrial experience in reputed companies for 25 years and professional experience as a practicing Cost Accountant for 15 years. He was an Independent Director of the Company and also Chairman of the Audit Committee from 19th August, 2002 to 3rd July 2011. He has been holding the position as Director – Finance from 4th July, 2011.

- | | |
|---|--|
| (b) Nature of his expertise in specific functional areas: | Finance Management, Accounts, Costing, Taxation and Corporate & Allied Laws. |
| (c) Names of companies in which he holds directorship and membership of committees of the Board : | 1. Karl Kubel Foundation for Child and Family
2. RNS Techno Solutions P Ltd |
| (d) Shares held by him (both own or held/for other persons on a beneficial basis): | Nil |
| (e) Relationship with other directors: | Nil |

By Order of the Board of Directors
For KITEX GARMENTS LIMITED

Sd-
SABU M JACOB
Chairman & Managing Director

Kizhakkambalam
4th April, 2013

FOR THE ATTENTION OF THE MEMBERS:

- Members are requested to send intimations of any changes in their addresses, applications for demat of shares, applications for transfer of shares and any related correspondence to the Company's share transfer agents M/s Cameo Corporate Services Limited, Subramanian Building, No. 1, Club House Road, Chennai - 600002. Ph: 044-28460390 (5 Lines) Email: investor@cameoindia.com

- Sending notices and documents to shareholders through email:**

As a part of "Green Initiative" in Corporate Governance, the Ministry of Corporate Affairs has allowed sending communication to the shareholders through electronic mode. Accordingly, we propose to send documents like notices convening general meetings, Annual Reports, etc to the email addresses of the shareholders. For this purpose, shareholders holding shares in physical form are requested to register their email addresses and any changes therein from time to time with the Share Transfer Agents of the Company M/s. Cameo Corporate Services Limited at their postal / email address given above. Please give the details in the attached format for registering your email ID. Those holding shares in demat form are requested to register their email IDs with their Depository Participants.

- Making payment of dividend through NECS / NEFT:**

In order to enable payment of dividend by direct credit to the bank accounts of the shareholders through National Electronic Clearing Service (NECS) / National Electronic Fund Transfer (NEFT), those holding shares in physical form are requested to furnish their mandates for the same in the attached format along with the specified details / documents to M/s Cameo Corporate Services Limited. Those holding shares in demat form are requested to update their records with DPs in this respect.

- Payment of unpaid dividends of previous years.**

The company has so far declared dividends and issued warrants to the shareholders as below:

Year	% of share paidup value	Year	% of share paidup value
2005-06	10	2008-09	25
2006-07	15	2009-10	30
2007-08	20	2010-11	40
		2011-12	60

The amount of unclaimed / unpaid dividend for 2005-06 Rs. 194375 was remitted into the Investor Education and Protection Fund on 1/12/2012. In respect of dividends for other years mentioned above, those shareholders who have not encashed their warrants so far are requested to send their claims for payment, by giving the details in the attached format to the Company. Lists of shareholders to whom dividends remain unpaid are available on the website of the Ministry of Corporate Affairs.

Please note that any dividend amount for 2006-07 remaining unclaimed / unpaid as on 29/10/2014 shall be transferred to the Investor Education and Protection Fund account.

(1) FORMAT FOR REGISTERING EMAIL ID

DP/Client ID / Folio No :

Name of the sole / first holder :

Postal Address :

Email Address :

Signature

(2) FORMAT OF MANDATE FOR PAYMENT OF DIVIDEND BY NECS / NEFT

Folio No :

Name of the sole / first holder :

Postal Address :

Email Address :

I hereby authorize M/s Kitex Garments Limited to make payment of dividend by direct credit to my bank account the details of which are furnished below:

Bank Name :

Branch Name :

Branch Address :

MICR code :

IFSC code :

Account Type :

Account No :

I enclose herewith the following documents in proof of the above details:

Photocopy of Bank Pass Book / Bank Statement

Photocopy of a Blank cheque leaf of the account

Signature

(3) FORMAT FOR CLAIMING UNPAID DIVIDENDS OF PREVIOUS YEARS

DP / Client ID / Folio No :

Name of the sole / first holder :

Postal Address :

Years for which dividend not received:

Signature

