



**Globe Textiles**  
**( India ) Ltd.**  
Superior Quality



# ANNUAL REPORT 2021-22

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### **IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circular stating that service of notice/documents including annual report can be sent by e-mail to its members. To support this Green Initiative of the Government, Members who have not registered their e-mail address, so far, are requested to get their e-mail addresses, in respect of electronic holding with depository through their concerned depository participants. Members, who hold shares in physical form, are requested to get their shares dematerialized.

## CHAIRMAN'S MESSAGE



*“To attain customer satisfaction by delivering nothing but the best, by means of utilizing the highest quality of resources and world-class systems.”*

## Dear Stakeholders,

It gives me immense pleasure to welcome you all at the 27<sup>th</sup> Annual General Meeting of your Company. I trust your family and you are keeping well in the midst of unprecedented pandemic COVID-19. The Government and industries are fighting to revive and rebuild the economy in the challenging situations. The pandemic followed by the ongoing war have been economic dampeners that also create the inflationary pressure on the commodity prices. In spite of the headwinds, India is certain for steady progress. India's recent entry in Indo-Pacific Economic Framework (IPEF) along with member nations has been a great move pegged to boost our bilateral trade relationships and global economic growth.

The key factor behind the growth of every organization is expansion. Globe has acquired the existing manufacturing unit of a private company and enhanced its the garments stitching capacity. The Company is now also having own process house for dying, print and processing of fabrics. This enables to generate the employment to the people and healthy revenue to the Company.

Despite of the challenged faced by the Company, FY 21-22 closed on a high note with the highest revenue in last seven years and highest EBITDA in last seven years. The revenue of the Company stood at Rs. 383.42 crores as compared to 259.09 crores in previous year. Net profit of the company was having fantastic up move and stood at Rs. 5.14 crores as compare to Rs. 0.25 Crore in the previous year. The profitability and working capital management have helped the Company in generating cash flows.

In the conclusion, my sincere thanks to the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. Also paying the sincere appreciation to the Directors and all stakeholders of the Company viz. members, customers, dealers, vendors, banks, and other business partners for the excellent support received from them during the year. I also would like to show my sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company's well-being.

Thank you.

Warm regards,

***Bhavik Suryakant Parikh***  
***Chairman & Managing Director***



**Bhavik Suryakant Parikh**  
**Chairman & Managing Director**  
**(DIN: 00038223)**

Mr. Bhavik Suryakant Parikh is Chairman and Managing Director and also the Promoter of our Company. He holds a degree of Bachelor of Science from the City University of New York. He is actively engaged in managing the company since his appointment as a Director. He has more than 25 years of experience in the textile industry. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

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**Nilaybhai Jagdishbhai Vora**  
**Whole-time Director**  
**(DIN: 02158990)**

Mr. Nilaybhai Jagdishbhai Vora holding the degree of Bachelor of Commerce from the Gujarat University. He is entrusted with the responsibility to look after the marketing of our Company.

He is young and dynamic person, having more than 18 years of experience in textile industry and he is presently looking into the marketing and production related matters of the Company.

**Bharat Shamjibhai Patel**  
**Independent Director**  
**(DIN: 00243783)**

With formal Engineering degree in Electronics and Communication from Gujarat University, pursued research at Bhabha Atomic Research Centre, Trombay and Operational Research Group, (ORG) and Space Application Centre, ISRO for designing of microcomputers and Integrated Circuits based designs. He is a fellow at IEI and IETE. Member of CSI, International Red Cross, Association of British Scholars (a Division of British Council), British Business Group, GCCI, ,GESIA IT Association, founder member with Gujarat Innovation Society (GIS), ASSOCHAM and many more. He was the Past Chairman of CSI, Ahmedabad, and Past Chairman of Gujarat State Centre of IEI.

Currently President with ABS (div. of British Council), Chairman – Startups Mission , ASSOCHAM for West region, Jt. Secretary with GESIA, Board Member with Gujarat Innovation Society and Council Member & Chairman CPDB, at The Institution of Engineers (India).

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**Rajatkumar Dineshbhai Patel**  
**Independent Director**  
**(DIN: 09124295)**

Mr. Rajatkumar Dineshbhai Patel has joined Board on March 30, 2021. He holds the degree of Bachelor of Computer Application from Gujarat University. He also has good experience of accounts, audit, taxation and finance and having more than 3 years of experience in the audit and taxation field.

**Purvi Bhavin Parikh**  
**Non-Executive Non-Independent Director**  
**(DIN: 07732523)**

Mrs. Purvi Bhavin Parikh is Non-Executive Non-Independent Director of the Company having more than 8 year of experience in the field of Textiles Industry. She is having profound knowledge of designing the textiles products like voile, denims, shirting etc.

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**Yogesh Kanhiyalal Vaidya**  
**Independent Director**  
**(DIN: 00468732)**

Mr. Yogesh Kanhiyalal Vaidya is Non-Executive Independent Director of our Company appointed on Board since March 2017. He holds a Master of Textiles Engineering. He is having more than 50 years of experience in textiles, yarns, fabrics and related business filed.

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## PRODUCTS PORTFOLIO

### JEANS (MEN & WOMEN)



Our hot selling brands AFFORD, INDIGIRL and INDIGEN, INDIGEN X, ORIJEAN have made a mark in domestic markets with massive demands coming in from all over India through our online partners like Snapdeal, Flipkart, Voonik, Myntra. Jeans manufactured by the Company come with a precautionary warning which says- “They are so comfortable there is a risk you won’t want to get out of them.”

### PRINTED FABRIC (POLYESTER PRINT FABRIC, CHADRI VOILE, COTTON PRINTS, COTTON DYED)

This bestseller Globe Chadri Voile is highly specialized product available in 44” and 58” in both; voile and lacquer prints. Our highquality Chadri Voiles will attract and enamors one and all what with flowers, leaves, petals and other complex object patterns on display, very fashionably. Exclusively Printed Cotton Fabrics which can be used for a variety of applications are supplied. These printed cottons are both in printed and solids where the fabric is recognized for their attributes like color contrasts, latest designs, smooth looks and vivacious patterns.



## PERSONAL PROTECTIVE EQUIPMENT (PPE) SUIT – THE SAFETY ESSENTIAL IN COVID



The Company is manufacturing PPE Suit in the times when it is very important to take extreme care of health due to risk of Corona virus, people are avoiding stepping out. This non-woven PPE suit is made using polypropylene fabric which makes it durable. Being a light weight kit and available in free size, almost everyone can use the kit whenever needed. Personal Protective Equipment (PPE) suit is one of such safety essential that will minimize the risk of your body contact with the virus by covering all parts of your body. Not just frontline doctors and support staff are using these kits but people who are travelling by flights or trains for long journeys are using the kit for an added

protection. Since the body suit has elastic on the lower back, there is a good grip when suit is on. With a universal design, the suit can be used by almost everyone irrespective of the body type.

### Face Mask

Globe Textiles is also manufacturing face mask from denim & printed fabric as an essential for protection against the dust and virus. Fabric face masks tend to be more comfortable and breathable. They are also reusable and washable. A denim face mask is also reusable and fits properly on the face. The Company is also having face mask with hair band for girls in their products portfolio.



### T-SHIRTS



Globe Textiles is also manufacturing T-shirts and doing knitting works. Screen Printing with Plastisol, Feelless Pigment, Discharge, Flock, High Density, Foil, Glitter, Non-PVC options. Digital Photo Printing on T-Shirts with DTG Printers, Embroidery, All over Printing, Canvas Printing etc.



## DENIM AND NON-DENIM FABRICS

Globe Textiles (India) Limited is manufacturing Denim as well as Non-Denim fabrics. The Company is constantly striving to develop new products in order to meet the expectations of the customer with the technology development. The Company is equipped with the top of the line and finest machinery and having manufacturing complying national and international standards.



## SHIRTING FABRIC (PRINTED LINENS, SUITING PRINTS, DYED SHIRTING FABRICS)



Globe Textiles is one of the finest shirting fabric suppliers in India. Our shirting is one most popular product in the international as well as domestic markets. What gives us an edge over the competition is our in-house design studio, which keeps abreast of the latest trends in international and domestic apparel markets. Our designers create designs which are in tune with the latest fashion/trends and help us to offer fresh new developed fabrics every season. At Globe, we are suppliers of Linen Fabrics, in India. 100% quality linen fabrics are supplied from quality yarns and are tested on well-defined parameters before being delivered to our clients. We also meet customized requirement for our client's benefit and offer these at competitive prices.

## HOME TEXTILES (BED SHEET, COMFORTERS, CURTAINS, TABLE LINENS)

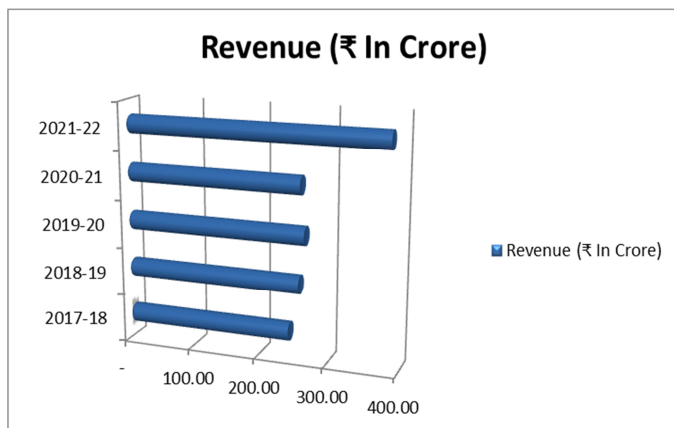


Make your beds a cosy and comfortable with these soft and welcoming comforters. These 100% Cotton comforters shall guarantee the users a sound and comfortable sleep every day. Available in a variety of colours and prints these comforters not only bring you comfort while sleeping but also add the decorative aspect to your bedroom.

Globe Textiles (India) Limited offers the assortment of bed sets and sheets, bed spreads, flat in cotton and microfiber fitted sheets alongside other furnishings and accessories like curtains, table linen/runner, napkins and tray cloth. We also supply cotton knitted jersey fabric bed sheets, fitted sheets, pillow covers and duvet covers and also export it to Germany, Israel and other countries. Turn your house into a 'Home Sweet Home' by decorating it with Globe home textiles and furnishings.

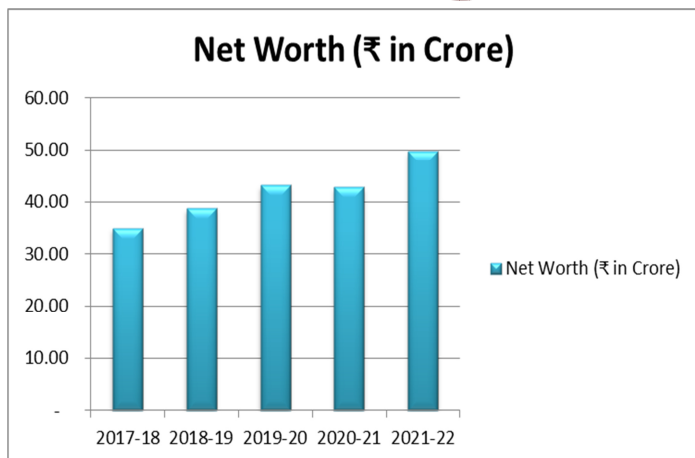
Transform the experience of eating at home into one a luxurious one. Whether it is to add a bit of colour or to create a calm and rich ambiance the crisp table linens of GTIL will enhance your house in every possible way.

# FINANCIAL SNAPSHOTS

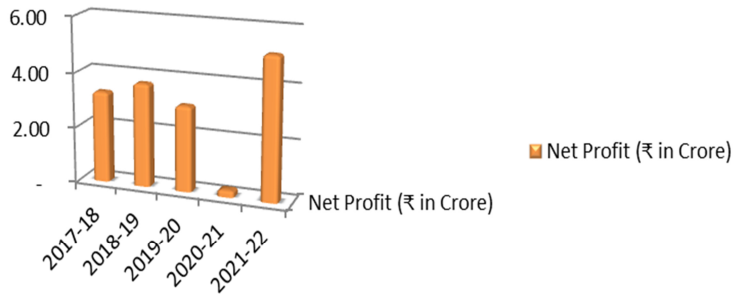


**Revenue**  
Rs. 383.42  
Crore

**Networth**  
Rs. 49.74  
Crore



### Net Profit (₹ in Crore)



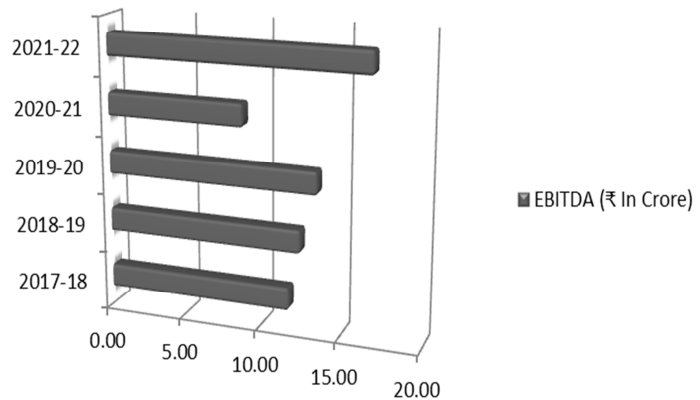
Net Profit

Rs. 5.14  
Crore

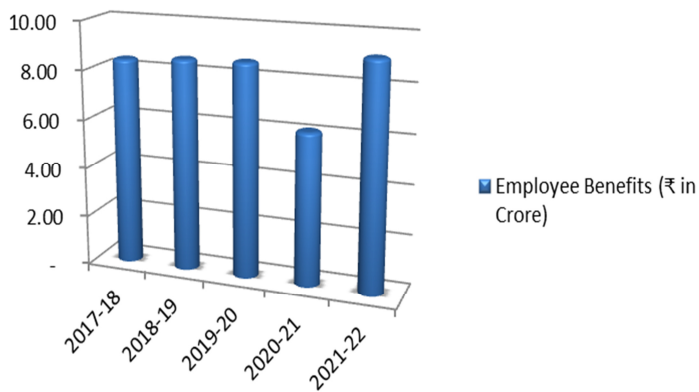
EBITDA

Rs. 16.89  
Crore

### EBITDA (₹ In Crore)



### Employee Benefits (₹ in Crore)



Employee  
Benefits

Rs. 9.13 Crore

## CORPORATE INFORMATION

### Board of Directors

**Mr. Bhavik Suryakant Parikh**  
Chairman & Managing Director  
(DIN: 00038223)

**Mr. Nilaybhai Jagdishbhai Vora**  
Whole-Time Director  
(DIN: 02158990)

**Mr. Yogesh Kanhiyalal Vaidya**  
Independent Director  
(DIN: 00468732)

**Mr. Bharat Shamjibhai Patel**  
Independent Director  
(DIN: 00243783)

**Mr. Rajatkumar Dineshbhai Patel**  
Independent Director  
(DIN: 09124295)

**Mrs. Purvi Bhavin Parikh**  
Woman Director  
(DIN: 07732523)

### CEO & CFO

**Mr. Bhavin Suryakant Parikh**

### Registered Office

Plot No. 38 to 41, Ahmedabad Apparel Park,  
GIDC Khokhra, Ahmedabad – 380008  
Gujarat.  
Phone: 079-2293 1881 to 1885  
Email: [cs@globetextiles.net](mailto:cs@globetextiles.net)  
Website: [www.globetextiles.net](http://www.globetextiles.net)

### Company Secretary & Compliance Officer Mr. Faruk Diwan

### Statutory Auditors

**M/s. Shah Dhandharia & Co LLP**  
807, Abhijeet-1, Mithakhali Six Roads,  
Navrangpura, Ahmedabad,  
Gujarat – 380 009

### Bankers

Bank of Maharashtra  
Karur Vysya Bank Limited  
Union Bank of India

### Registrar & Share Transfer Agent

**Bigshare Services Private Limited**  
A-802, Samudra Complex, Nr. Girish  
Cold Drinks, Off. C. G. Road,  
Navrangpura, Ahmedabad – 380 009  
Phone: 079-40024135  
Email: [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

### Secretarial Auditor

**M/s. K. Jatin & Co.**  
307, Abhijyot Square, B/h. Divya Bhaskar  
S. G. Highway, Ahmedabad,  
Gujarat - 380 051

## NOTICE

Notice is hereby given that the **Twenty-seventh (27<sup>th</sup>) Annual General Meeting** of the Members of **Globe Textiles (India) Limited** will be held on **Friday, September 30, 2022 at 04:30 p.m. IST** through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”), to transact the following businesses:

### ORDINARY BUSINESSES:

1. **To consider and adopt the audited standalone financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolutions:**

a) the audited standalone financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

2. **To appoint a Director in place of Mrs. Purvi Bhavin Parikh (DIN: 07732523) who retires by rotation and being eligible, offers herself for reappointment**

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, Mrs. Purvi Bhavin Parikh (DIN: 07732523), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company.”

### SPECIAL BUSINESS:

3. **To approve material related party transactions to be entered into by the Company**

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

“**RESOLVED THAT** pursuant to Section 188 and other applicable provisions of the Companies Act, 2013 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 as amended from time to time read with Company’s policy on materiality of and dealing with Related Party transaction 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 a contract(s)/ Transaction(s)/ arrangement(s) with the related parties as mentioned below within the meaning of Sec 2(76) of the Act and Reg 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, upto a maximum aggregate amount as mentioned below, provided that contract(s)/ Transaction(s)/ Arrangement(s) so carried out shall at all times be in the ordinary course of Company's business and also at arm's length basis."

Sr. No.	Name of the related Party	Maximum aggregate amount (Rs. In Crores)
1	Globe Denwash Private Limited	100.00
2	Kunthunath Impex LLP	25.00

**"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 of Directors of the Company be and are hereby severally authorized to determine the actual quantum to be involved in the proposed transactions and the terms & conditions related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution."

**Registered Office:**

Plot No. 38 to 41, Ahmedabad Apparel Park,  
GIDC Khokhra, Ahmedabad,  
Gujarat – 380 008  
Date: 02/08/2022  
Place: Ahmedabad

By Order of the Board of Directors  
**For, GLOBE TEXTILES (INDIA) LIMITED**

Bhavik Suryakant Parikh  
Chairman & Managing Director  
(DIN: 00038223)

## NOTES:

1. In view of the continuing COVID-19 global pandemic, the Ministry of Corporate Affairs vide its Circular No.20/2020 dated May 05, 2020 read with Circular No.14/2020 dated April 08, 2020 read with Circular No.17/2020 dated April 13, 2020 read with Circular No.02/2021 dated January 13, 2021 read with Circular No. 21/2021 dated December 14, 2021 and Circular No. 02/2022 dated May 05, 2022 allows conducting of Annual General Meeting of the Company through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the members for the meeting at a common venue. In terms of the said Circulars and in compliance with the provisions of the Companies Act, 2013 and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the AGM through VC / OAVM only. The deemed venue for the AGM shall be the Registered Office of the Company. The detailed procedure for participating in the meeting through VC / OAVM is appended herewith and also available at the Company's website [www.globetextiles.net](http://www.globetextiles.net).
2. In accordance with the Secretarial Standard - 2 on General Meetings issued by the ICSI read with Clarification / Guidance on applicability of Secretarial Standards - 1 and 2 dated 15<sup>th</sup> April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company i.e. Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC, Khokhra, Ahmedabad - 380 008 which shall be the venue of the AGM. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
3. Disclosure pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard - 2 (SS-2) with respect to the Directors seeking appointment / re-appointment at the forth coming Annual General Meeting is appended to this Notice.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
5. Register of Directors and Key Managerial Personnel of the Company and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts and Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection by the members in electronic mode. Members can send an e-mail to [cs@globetextiles.net](mailto:cs@globetextiles.net) requesting for inspection of the Registers.
6. 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 pursuant to the MCA Circulars 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 and Attendance Slip are not annexed to this Notice.



7. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. Friday, 23<sup>rd</sup> September, 2022 only shall be entitled to avail the remote e-voting facility as well as voting in the AGM.
9. The business set out in the Notice will be transacted through an electronic voting system and the Company is providing facility for voting by electronic means. The details of e-voting procedure are given under Note No.23.
10. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified true copy of Board Resolution duly authorizing their representative to our Registered Office to attend and to vote on their behalf at the meeting.
11. The shareholders can also access the Annual Report 2021- 22 of the Company circulated to the Members and other information about the Company on the Company's website, i.e., on [www.globetextiles.net](http://www.globetextiles.net) and on websites of NSE on which the Company's shares are listed viz., [www.nseindia.com](http://www.nseindia.com).
12. Members desirous of obtaining any information as regards Accounts and Operations of the Company are requested to write at least one week before the meeting so that the same could be complied in advance.
13. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition and re-lodged transfers of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/ CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, M/s. Bigshare Services Private Limited ("Bigshare") at A-802, Samudra Complex, Nr. Girish Cold Drinks, Off. C. G. Road Navrangpura , Ahmedabad – 380 009, Phone: 079-40024135, Email: [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com) for assistance in this regard.
14. In compliance with the MCA circulars mentioned above and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice along with the Annual Report will also be made available on the Company's website at [www.globetextiles.net](http://www.globetextiles.net) and website of the stock exchange [www.nseindia.com](http://www.nseindia.com) where the Company's shares are listed. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

15. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) Circular No.14/2020 dated April 08, 2020 read with Circular No.17/2020 dated April 13, 2020 read with Circular No.20/2020 dated May 05, 2020 the forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. Mr. Jatinbhai Harishbhai Kapadia, Practicing Company Secretary (FCS No 11418 & CP No. 12043) has been appointed as the Scrutinizer to scrutinise the e-voting (Insta Poll) during the AGM and remote e-voting process in a fair and transparent manner.
16. 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 MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 14, 2021 and May 05, 2022 the Company shall provide the 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, as the authorized e-Voting agency. 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.
17. 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 Chairperson 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.
18. 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.
19. 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.
20. 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.globetextiles.net](http://www.globetextiles.net). The Notice can also be accessed from the websites of the Stock Exchange i.e. NSE at [www.nseindia.com](http://www.nseindia.com). 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) i.e. [www.evotingindia.com](http://www.evotingindia.com).

21. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

22. In continuation of this Ministry's General Circular No. 20/2020, dated 05<sup>th</sup> May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2021, or become due in the year 2022, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January, 13, 2021. Further MCA by Circular No. 2/2022 dated 5th May 2022 and SEBI vide its Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated 13<sup>th</sup> May 2022 have extended the above exemptions till 31<sup>st</sup> December 2022.

**23. THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>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 URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>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 &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode	<ol style="list-style-type: none"> <li>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: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> 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'</li> </ol>

with <b>NSDL</b>	<p>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 &amp; voting during the meeting.</p> <p>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> 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 &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>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 &amp; voting during the meeting.</p>

- (i) The voting period begins on September 27, 2022 (Tuesday) 9.00 a.m. and ends on September 29, 2022 (Thursday) 5.00 p.m. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 23, 2022 (Friday) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) 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.

- (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:

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.

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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (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](http://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](http://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 Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
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. <ul style="list-style-type: none"> <li>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 as mentioned in instruction (v).</li> </ul>

- (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 of the Company – **GLOBE TEXTILES (INDIA) 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 Board Resolution / POA, if any uploaded, which will be made available for scrutiniser 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](http://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](mailto: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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - 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 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; [cs@globetextiles.net](mailto:cs@globetextiles.net), 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 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. 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.
10. 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 shall 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 email id.
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](mailto:helpdesk.evoting@cdslindia.com) or contact at +91-22-23058738 and +91-22-23058542/43 or toll free number 1800225533.

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](mailto:helpdesk.evoting@cdslindia.com) or call on +91-22-23058542 / 43 or toll free number 1800225533.

24. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “remote e-voting” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
25. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
26. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.globetextiles.net](http://www.globetextiles.net) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the NSE Limited, Mumbai.

**Registered Office:**

Plot No. 38 to 41, Ahmedabad Apparel Park,  
GIDC Khokhra, Ahmedabad,  
Gujarat – 380 008  
Date: 02/08/2022  
Place: Ahmedabad

By Order of the Board of Directors  
**For, GLOBE TEXTILES (INDIA) LIMITED**

Bhavik Suryakant Parikh  
Chairman & Managing Director  
(DIN: 00038223)

## CONTACT DETAILS

<b>Company</b>	<b>GLOBE TEXTILES (INDIA) LIMITED</b>
<b>CIN</b>	L65910GJ1995PLC027673
<b>Registered Office</b>	Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad – 380008
<b>Phone</b>	079-2293 1881 to 1885
<b>Email</b>	<a href="mailto:cs@globetextiles.net">cs@globetextiles.net</a>
<b>Registrar and Share Transfer Agent</b>	<b>Bigshare Services Private Limited</b> A-802, Samudra Complex, Near Klassic Gold Hotel, Off C.G Road, Navrangpura, Ahmedabad – 380009 Phone: 079-40024135 Email : <a href="mailto:bssahd@bigshareonline.com">bssahd@bigshareonline.com</a> Web: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>
<b>E-voting Agency</b>	<b>Central Depository Services (India) Limited</b> Email: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> Phone: 022-22723333/8588
<b>Scrutinizer</b>	<b>M/s. K. Jatin &amp; Co.,</b> 307, Abhijyot Square, B/h. Divya Bhaskar House, S. G. High-Way, Ahmedabad – 380 051 Tel. No.: 079 – 4894 4655 Email: <a href="mailto:cskjco@gmail.com">cskjco@gmail.com</a> COP: 12043 FCS: 11418

**STATEMENT SETTING OUT MATERIAL FACTS IN RESPECT OF THE SPECIAL BUSINESSES PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (THE ACT), SECRETARIAL STANDARD-2 ON GENERAL MEETINGS AND REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (THE LISTING REGULATIONS)**

**Item No. 3**

Your Company is involved in the business of purchase/sale of garments, fabrics and garments washing job work contracts with M/s. Globe Denwash Private Limited, the Company promoted by Mr. Bhavik Parikh, Mr. Bhavin Parikh and Mr. Nilaybhai Vora, Managing Director, CEO & CFO and Whole-time Director of this Company respectively. Further, your Company is also involved in the business of purchase/sale of fabrics, garments and job work contracts with M/s. Kunthunath Impex LLP, the LLP promoted by Mr. Bhavin Parikh and Mrs. Purvi Parikh, CEO & CFO and Director of this Company respectively. The transactions enter into / to be entering into with both of these related parties are in ordinary course of business.

Your company has noted that M/s. Globe Denwash Private Limited and M/s. Kunthunath Impex LLP fall under the category of related parties of the Company in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified and amended from time to time. The provisions of this regulation read with Policy on Related Party Transactions approved and notified by the Board of Directors of the Company consider a transaction with a related party material if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year exceeds 10% of the Annual consolidated turnover of the company as per the last audited financial statements of the Company. Further, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time require all material related party transactions to be approved by the shareholders through special resolution and the related parties shall abstain from voting on such resolutions.

The Company envisages that the transactions entered into with M/s. Globe Denwash Private Limited and/or M/s. Kunthunath Impex LLP whether individually and/or in aggregate would exceed the stipulated threshold limit, therefore requires the approval of the shareholders by special resolution for entering into such transaction(s)/ Contract(s)/ arrangement(s) with M/s. Globe Denwash Private Limited and/or M/s. Kunthunath Impex LLP upto a maximum amount as mentioned in the resolution.

All related parties shall abstain from voting on this resolution.

The relevant information is as follows:

<b>Name of Related Parties</b>	<b>Globe Denwash Private Limited</b>	<b>Kunthunath Impex LLP</b>
<b>Name of the Director or KMP who is related and Nature of relationship</b>	Mr. Bhavik Parikh, Mr. Bhavin Parikh & Mr. Nilay Vora are Directors and Shareholders in the Company	Mrs. Purvi Parikh and Mr. Bhavin Parikh are Designated Partners in LLP
<b>Monetary Value</b>	The estimated aggregate contract value for the matters proposed in the resolution shall	The estimated aggregate contract value for the matters proposed in the resolution

	not exceed Rs. 100 Crores	shall not exceed Rs. 25 Crores
<b>Nature, material terms and particulars of arrangements</b>	Purchase and sale of all type of fabrics, garments, job work contracts and other arrangements incidental thereto and relating to the job work contracts.	Purchase and sale of all type of fabrics, garments, job work contracts and other arrangements incidental thereto and relating to the job work contracts.
<b>Any advance paid or received for the arrangement if any</b>	As per industry norms, custom and uses	As per industry norms, custom and uses
<b>Tenure of Contract</b>	1 year (FY 2022-23)	1 year (FY 2022-23)
<b>Any other information relevant or important for the members to take a decision on the proposed resolution</b>	Nil	Nil

The Audit committee and the Board of the Directors of the Company have considered these proposed arrangements and limits at their meeting held on May 16, 2022, have approved the proposed arrangements with the Related Parties i.e. M/s. Globe Denwash Private Limited and M/s. Kunthunath Impex LLP and have also decided to seek approval of shareholders by way of special resolution pursuant to section 188 of the Companies Act 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time.

None of Directors except, Mr. Bhavik Suryakant Parikh, Mr. Nilaybhai Jagdishbhai Vora, Mr. Bhavin Suryakant Parikh & Mrs. Purvi Bhavin Parikh along with their relatives are interested in the said resolution except to the extent of their Shareholding.

The Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the Shareholders.

**Registered Office:**

Plot No. 38 to 41, Ahmedabad Apparel Park,  
 GIDC Khokhra, Ahmedabad,  
 Gujarat – 380 008  
 Date: 02/08/2022  
 Place: Ahmedabad

By Order of the Board of Directors

**For, GLOBE TEXTILES (INDIA) LIMITED**

Bhavik Suryakant Parikh  
 Chairman & Managing Director  
 (DIN: 00038223)

## ANNEXURE TO THE NOTICE

### BRIEF PROFILE OF DIRECTOR RETIRE BY ROTATION / SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 27<sup>th</sup> ANNUAL GENERAL MEETING OF THE COMPANY

(In pursuance of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

<b>Name of Director</b>	<b>Mrs. Purvi Bhavin Parikh</b>
<b>DIN</b>	<b>07732523</b>
<b>Date of Birth</b>	July 13, 1978
<b>Date of Appointment / Re-Appointment / Change in Designation</b>	February 28, 2017
<b>Qualification and Expertise in Specific functional area</b>	Bachelor of Arts with Economics from Gujarat University having experience of more than 10 years in the field of Textiles Industry. Mrs. Purvi Bhavin Parikh is Non-Executive Non-Independent Director of the Company having more than 8 year of experience in the field of Textiles Industry. She is having profound knowledge of designing the textiles products like voile, denims, shirting etc.
<b>Terms and Conditions of appointment</b>	As per the resolution at Item No. 2 of the Notice convening ensuing Annual General Meeting
<b>Remuneration Last Drawn</b>	Nil
<b>Remuneration proposed to be paid</b>	Nil
<b>Directorships of other Boards as on March 31, 2022</b>	Nil
<b>Membership / Chairmanship of Committees of other Boards as on March 31, 2022</b>	Nil
<b>Shareholding in the Company as on March 31, 2022</b>	13062150 Equity Shares
<b>Relationship with other Directors / Key Managerial Personnel</b>	Mrs. Purvi Parikh is wife of Mr. Bhavin Suryakant Parikh (CEO & CFO) and sister-in-law (bhabhi) of Mr. Bhavik Suryakant Parikh (Managing Director).
<b>Number of meetings of the Board attended during the financial year (2021-22)</b>	Eight (8)

**Registered Office:**

Plot No. 38 to 41, Ahmedabad Apparel Park,  
GIDC Khokhra, Ahmedabad,  
Gujarat – 380 008  
Date: 02/08/2022  
Place: Ahmedabad

By Order of the Board of Directors  
**For, GLOBE TEXTILES (INDIA) LIMITED**

Bhavik Suryakant Parikh  
Chairman & Managing Director  
(DIN: 00038223)

# BOARD'S REPORT

## Dear Shareholders

We have pleasure in presenting the 27<sup>th</sup> Annual Report of the Company along with the audited statement of accounts for the year ended March 31, 2022. The business of the company demonstrated resilience on the back of improved market sentiment, conducted efficient business operations and adopted best practices. Overall, the Company saw better performance as compared to the previous year, despite disruptions caused due to 2<sup>nd</sup> wave and 3<sup>rd</sup> waves of Covid-19 pandemic. As the threat of reoccurrence of pandemic is still looming, the Company continues to assess and monitor the business operations regularly and is taking all possible precautions in terms of safety of its staff and workers at all the manufacturing units and offices.

The summarized financial results are given below.

### 1. SUMMARISED FINANCIAL RESULTS

During the year under review, your Company has achieved a net revenue from operation of Rs. 38556.23 Lakhs and achieved total comprehensive income of Rs. 523.84 Lakhs. There is significant growth in the revenue as well as profit in comparison to the previous year. Your directors are more optimistic about the performance of the Company in the coming years. The financial highlights for the year 2021-22 are as under:

Particulars	(Rs. in Lakhs)	
	March 31, 2022	March 31, 2021
Revenue from Operations (Net)	<b>38556.23</b>	<b>26359.70</b>
Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense	1688.75	885.4
<b>Less:</b> Depreciation/ Amortization/ Impairment	122.63	124.42
Profit before Finance Costs, Exceptional items and Tax Expense	1566.12	760.98
Less: Finance Costs	912.84	625.64
Profit /loss before Exceptional items and Tax Expense	653.28	135.34
Exceptional items	Nil	Nil
Profit before Tax Expense	653.28	135.34
Less: Net Tax Expense (Current & Deferred)	139.73	110.22
Profit After Tax for the year	<b>513.55</b>	<b>25.12</b>
Other Comprehensive Income	9.69	23.80
Total Comprehensive Income for the year	<b>523.84</b>	<b>48.92</b>
<b>EPS:</b>		
EPS (Basic)	0.50	0.02
EPS (Diluted)	0.50	0.02

The Company discloses financial results on a quarterly basis of which results are subjected to limited review and publishes audited financial results on an annual basis. The Financial Statements as stated above are also available on the website of the Company at [www.globetextiles.net](http://www.globetextiles.net).

## 2. DIVIDEND

Your Director feel that it is prudent to plough back the profits of the Company for future growth of the Company and therefore do not recommend any dividend for the year ended March 31, 2022.

## 3. RESERVES

During the year under review, the Company has not transferred any amount to reserve.

## 4. CORPORATE ACTIONS & SHARE CAPITAL

In the Extra-Ordinary General Meeting of the company held on July 27, 2021, the Company has approved the sub division of Equity Shares from the face value of Rs. 10/- each to face value of Rs. 2/- each and altered the capital clause of Memorandum of Association. Further, the Company has also declared the bonus issue of Equity Shares in the ratio of 2:1 i.e. 2 Bonus Equity Shares against the 1 Equity Shares to the equity shareholders on the cut-off date August 04, 2021. Consequently, the Share Capital of the Company has been stand at Rs. 30,22,83,000/- divided into 151141500 Equity Shares of Rs. 2/- each.

## 5. SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture or Associate Company.

## 6. EXPORTS

The total exports of the Company amounted to Rs. 9367.73 Lakhs (Previous year Rs. 5899.44 Lakhs) representing about 24.43% of the total income.

## 7. EXPANSION OF THE BUSINESS

The Board of Directors in their meeting held on March 25, 2022, considered to execute the Business Transfer Agreement for acquiring the existing manufacturing unit of M/s. Vivaa Tradecom Private Limited, which is engaged in the business of manufacturing/job work of garments and processing of fabrics. The Company has acquired with proper due diligence. Consequence to this acquisition, the company is having enhanced garments stitching capacity as well as its own process house.

## 8. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

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

Due to spread of Novel Corona Virus (COVID-19) and nationwide lockdown announced to curb the COVID-19 virus, the plant was closed for the month of April, 2020. However, the Company has received the permission to reopen the plant partially w.e.f. May 01, 2021 with the compliance of COVID-19 guidelines issued by the Government of India. Operations and revenue have been impacted due to COVID-19.

## 9. ANNUAL RETURN

The Annual Return of the Company as on March 31, 2022 is available on the Company's website and can be accessed at <http://globetextiles.net/wp-content/uploads/2022/08/Annual-Return-Form-MGT-7-FY-2021-22.pdf>.

## 10. FIXED DEPOSIT

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing the details of deposits which are not in compliance with Chapter V of the Act is not applicable.

## 11. PARTICULARS OF LOAN, GUARANTEES OR INVESTMENT MADE UNDER SECTION 186

During the year, the Company has not given loans and advances covered under the provisions of Section 186 of the Companies Act, 2013. However, the company has provided security through its properties for the borrowing of Globe Denwash Private Limited.

## 12. SECRETARIAL STANDARDS

The Company has followed applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

## 13. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS

Separate reports on Corporate Governance compliance and Management Discussion and Analysis as stipulated by the SEBI Listing Regulations forms part of this Annual Report as **Annexure-"A"** and **Annexure-"B"** respectively along with the required Certificate from Practising Company Secretary regarding Compliance of the conditions of Corporate Governance as stipulated.

In Compliance with Corporate Governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Business Conduct and Ethics for all Board Members and Senior Management Personnel of the company, who have affirmed the compliance thereto.

## 14. DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 134(3)(c) read with sub-section (5) of the Companies Act, 2013, to the best of their knowledge and ability state that

(a) In the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at March 31, 2022 and of the profit and loss of the Company for that period under review;

(c) The directors have 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;



(d) The directors have prepared the annual accounts on a going concern basis;

(e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;

(f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

- A.** Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Purvi Bhavin Parikh (DIN: 07732523) retires by rotation, as Director, at the ensuing Annual General Meeting of the Company and being eligible, offers herself for reappointment.

The Board recommends his re-appointment.

Further, on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on March 25, 2022, considered the re-appointment of Mr. Yogesh Kanhiyalal Vaidya (DIN: 00468732) as an Independent Director of the Company for a second term of four (4) years and Mr. Bharat Shamjibhai Patel (DIN: 00243783) as an Independent Director of the Company for a second term of five (5) years with effect from March 25, 2022, subject to the approval of members of the Company.

Brief details of Directors proposed to be appointed/re-appointed as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Notice of Annual General meeting.

### **B. PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR Regulations, the Board has carried out an annual performance evaluation of its own performance; that of the Directors individually; as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees of the Board.

At the meeting of the Board, all the relevant factors that are material for evaluating the performance of individual Directors, the Board and its various Committees, were discussed. A structured questionnaire, each in line with the circular issued by SEBI, for evaluation of the Board, its various Committees and individual Directors, was prepared and recommended to the Board by the Nomination & Remuneration Committee, for conducting the required evaluation, after taking into consideration the inputs received from the Directors, covering various aspects of the Board's functioning, such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance, etc. A separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority Shareholders, etc.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. Independent Directors fulfil the criteria of independence, and they are independent of management. The performance evaluation

of the Chairman and non-independent Directors was also carried out by the Independent Directors at their separate meeting. The Directors expressed their satisfaction with the evaluation process.

#### **C. MEETING OF BOARD OF DIRECTORS**

During the year, 8 (Eight) Board meetings were convened and held. The details thereof are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

#### **D. FAMILIARISATION PROGRAMME FOR THE INDEPENDENT**

The Company has developed familiarisation process for the newly appointed Directors with respect to their roles and responsibilities. The process has been aligned with the requirement under the Companies Act, 2013. The process, inter alia, includes providing an overview of the Textile (garments) businesses of the Company and the risks, and opportunities, etc., associated with the business.

#### **E. DECLARATION BY INDEPENDENT DIRECTORS**

Necessary declarations have been obtained from all the Independent Directors that they meet the criteria of independence under sub-section (6) of Section 149 of the Companies Act, 2013 and as per Regulation 25 read with Regulation 16 of SEBI LODR Regulations. In the opinion of the Board there has been no change in the circumstances which may affect the status of independent directors of the Company and the Board is satisfied of the integrity, expertise and experience (including proficiency in terms of Section 150(1) of the Companies Act, 2013 and applicable rules thereunder) of all Independent Directors on the Board. In terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 Independent Directors of the Company have already undertaken requisite steps towards the inclusion of their names in the databank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

### **16. AUDITORS AND AUDITORS' REPORT**

#### **Statutory Auditors**

M/s. Shah Dhandharia & Co LLP (Firm Registration No. 118707W/W100724), Chartered Accountants, the Statutory Auditors of the Company, were appointed at the 24<sup>th</sup> Annual General Meeting held on September 30, 2019 to hold office for a period of 5 (Five) years i.e. from the conclusion of 24<sup>th</sup> Annual General Meeting (AGM) till the conclusion of 29<sup>th</sup> Annual General Meeting to be held in the year 2023-24 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

The Notes to the financial statements referred in the Auditors Report are self-explanatory. There are no qualifications or reservations or adverse remarks or disclaimers given by Statutory Auditors' of the Company and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in this Annual Report.

#### **Cost Auditors**

The Company has not appointed the Cost Auditor as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit is not applicable to the Company.

### **Secretarial Auditor**

The Board had appointed M/s. K. Jatin & Co., Practising Company Secretary, to conduct Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed herewith and marked as **Annexure-“C”** to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark except prior intimation for the Board Meeting held on June 30, 2021, in which proposal for declaration of bonus securities is not given to NSE. Board explained that, there was no proposal for issue of bonus shares while intimating for the board meeting held on June 30, 2021 but, during the meeting, one of the board member proposed to issue the bonus shares to the equity shareholders with the approval of chairperson, the said agenda was put on vote and unanimously passed by the Board of Directors of the Company.

During the year under review, the Statutory Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

### **17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All the transactions entered with related parties as defined under the Companies Act, during the financial year, were in the ordinary course of business and on an arm's length pricing basis. All Related Party Transactions are placed before the Audit Committee. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee for its approval, on a quarterly basis. The policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website. The particulars of Contracts or Arrangements made with related parties required to be furnished under section 134(3) are disclosed in the prescribed form (**Form AOC-2**) which is attached to this Report as **Annexure- “D”**.

### **18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 has been annexed as **Annexure – “E”**.

### **19. PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION**

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Report and marked as **Annexure-“F”**. No employee of the Company was in receipt of the remuneration exceeding the limits prescribed in the rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **20. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

There has not been an occasion in case of the Company during the year to transfer any sums or shares to the Investor Education and Protection Fund.

## 21. DISCLOSURES

### Meetings of the Board

Eight (8) Meetings of the Board of Directors were held during the year. The particulars of the meetings held and attended by each Director are detailed in the Corporate Governance Report.

### Committees of the Board

Details of various committees constituted by the Board of Directors as per the provision of the SEBI Listing Regulations and the Companies Act, 2013 are given in the Corporate Governance Report which forms part of this Annual Report.

### Audit Committee

The Audit Committee comprises Mr. Yogesh Kanhiyalal Vaidya (Chairman), Mr. Bhavik Suryakant Parikh and Mr. Rajatkumar Dineshbhai Patel. During the year, all the recommendations made by the Audit Committee were accepted by the Board.

### Corporate Social Responsibility (CSR)

In Accordance with section 135 of the Act and Rules framed thereunder, the Company has constituted a Corporate Social Responsibility (“CSR”) Committee of Directors. The details of composition of CSR Committee are given in the Corporate Governance Report.

The policy can be accessed at <http://globetextiles.net/wp-content/uploads/2021/06/Corporate-Social-Responsibility-Policy.pdf>. The details of CSR policy and CSR spending by the Company have been provided as **Annexure-“G”** to this report, as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

### Internal Financial Controls

The Company maintains adequate and effective Internal Control Systems commensurate with its size and complexity. It believes that these systems provide, among other things, a reasonable assurance that transactions are executed with management authorization. It also ensures that they are recorded in all material respect to permit preparation of financial statements in conformity with established accounting principles along with the assets of the Company being adequately safeguarded against significant loss or misuse. An independent Internal Audit function is an important element of Company’s Internal Control System. This is supplemented through an extensive internal audit program and periodic review by the management and the Audit Committee of Board.

### Vigil Mechanism & Whistle Blower Policy

The Company has a Vigil mechanism & Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be reported to the Vigilance & Ethics Officer which operates under the supervision of the Audit Committee, as protected disclosures through an e-mail, or dedicated telephone line or a written letter. Employees may also report directly to the Chairman of the Audit Committee. The said Policy is available on the website of the Company At <http://globetextiles.net/wp-content/uploads/2021/05/Vigil-Mechanism.pdf>.

### Policy on Directors’ Appointment and Remuneration

The Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and

other employees of the Company. The policy is available on the Company's website at <http://globetextiles.net/wp-content/uploads/2021/06/Nomination-and-Remuneration-Policy.pdf>.

#### **Risk Management Policy**

The Board of Directors of the Company has put in place a Risk Management which aims at enhancing shareholders' value and providing an optimum risk-reward trade off. The risk management approach is based on a clear understanding of the variety of risks that the organisation faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

#### **Prevention of Insider Trading**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

#### **Prevention of Sexual Harassment of Women at Workplace**

During the year under review, the Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with the provisions relating to the constitution of an Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The policy of the "Prevention of Sexual Harassment of Women at Workplace" of the Company is available on the website of the Company at <http://globetextiles.net/wp-content/uploads/2021/06/Sexual-Harassment-Policy.pdf>

## **22. OTHER REPORTINGS**

Your directors state that no disclosure or reporting is required in respect to the following items, as there were no transactions pertaining to these items during the year under review:

- a. There was no revision in the financial statements.
- b. The Company has not issued any sweat equity shares.
- c. The Company has not issued any shares with differential voting rights.
- d. There has been no change in nature of business.
- e. The Company has not made any application during the year under Insolvency and Bankruptcy Code, 2016 and there is no proceeding pending under the said Code as at the end of the financial year.
- f. During the year, the Company has not undergone any one-time settlement and therefore the disclosure in this regard is not applicable.
- g. The Company is not having any Employee Stock Option Scheme under Section 62(1) of the Companies Act, 2013.

### 23. CODE ON SOCIAL SECURITY

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified.

### 24. ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. members, customers, 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's well-being.

**Registered Office:**

Plot No. 38 to 41, Ahmedabad Apparel Park,  
GIDC Khokhra, Ahmedabad,  
Gujarat – 380 008  
Date: 02/08/2022  
Place: Ahmedabad

By Order of the Board of Directors  
**For, GLOBE TEXTILES (INDIA) LIMITED**

Bhavik Suryakant Parikh  
Chairman & Managing Director  
(DIN: 00038223)

## CORPORATE GOVERNANCE REPORT

A report on Corporate Governance is set out in compliance with the Corporate Governance requirements as stipulated in Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

### (1) STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Globe Textiles (India) Limited believes that good corporate governance enshrines the goal of achieving the highest level of transparency, accountability and ethical behaviour in all spheres of its operations. Your Company continuously endeavours for excellence and at the same time focuses on enhancement of long - term stakeholder's value viz. shareholders, employees and customers through adoption of best governance, sound management and disclosure practices.

Corporate governance broadly refers to the mechanisms, processes and relations by which company are controlled and directed. Corporate governance includes the processes through which company's objectives are set and pursued in the context of the social, regulatory and market environment. Governance mechanisms include monitoring the actions, policies, practices, and decisions of companies, their agents and affected stakeholders.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable to the Company, with regard to corporate governance.

### (2) BOARD OF DIRECTORS

#### (a) Composition of Board:

The Company has a balanced board with optimum combination of Executive and Non-Executive Directors, including independent professionals, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance. As on March 31, 2022, Board comprises 6 (six) Directors out of which 2 Directors are Executive, 1 Director is Non-Executive Non Independent and 3 Directors are Non-Executive Independent.

The maximum tenure of the independent directors is in compliance with the Companies Act, 2013. All Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time and section 149 of the Companies Act, 2013. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

The composition is as under:-

Name of the Director	Category	Directorships in other Indian Public Limited Companies <sup>§</sup>	Directorship in other listed company(ies) and category of directorship as on 31-03-2022 <sup>@</sup>	Number of Committee positions held in other Public Companies	No. of Shares held & % holding (of the Company) (As on March 31, 2022)
Bhavik Suryakant Parikh	Chairman & Managing Director	Nil	Nil	Nil	20382 (13.59%)
Bharat Shamjibhai Patel	Non-Executive Independent Director	Nil	Nil	Nil	Nil
Yogesh Vaidya Kanhiyalal	Non-Executive Independent Director	Nil	Nil	Nil	Nil
Nilaybhai Jagdishbhai Vora	Whole-time Director	Nil	Nil	Nil	18060000 (11.95%)
Purvi Bhavin Parikh	Non-Executive Non Independent Director	Nil	Nil	Nil	13062150 (8.64%)
Rajatkumar Dineshbhai Patel	Non-Executive Independent Director	Nil	Nil	Nil	Nil

<sup>§</sup> Directorship is excluding Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

<sup>@</sup> Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Limited Companies have been considered.

**Notes:**

1. Mr. Bhavik Suryakant Parikh is a brother of Mr. Bhavin Suryakant Parikh (CEO & CFO) and brother in law of Mrs. Purvi Bhavin Parikh. None of other Directors are related to each other.
2. The number of Directorship and Committee Membership and Chairmanship of all Directors are within the respective limits prescribed under the Companies Act, 2013 and the Listing Regulations.

**(b) Board and attendance of Directors**

The members of the Board have been provided with the requisite information mentioned in the Listing Regulations well before the Board Meetings.

Eight (8) meetings of the Board of Directors were held during the year ended March 31, 2022.

The attendance recorded for each of the Directors at the Board Meetings during the year ended as on March 31, 2022 and of the last Annual General Meeting is as under:-



Name of Directors	Jun 30, 2021	Aug 06, 2021	Aug 14, 2021	Nov 02, 2021	Dec 21, 2021	Jan 25, 2022	Mar 05, 2022	Mar 25, 2022	Last AGM on Sep 30, 2021
Bhavik Suryakant Parikh	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Bharat Shamjibhai Patel	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yogesh Vaidya Kanhiyalal	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Nilaybhai Jagdishbhai Vora	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Purvi Bhavin Parikh	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Rajatkumar Dineshbhai Patel	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

### (c) Code of Conduct

The Company has framed a Code of Conduct for the members of the Board of Directors and Senior Management Personnel of the Company. The said Code of Conduct is available on the website of the Company i.e. [www.globetextiles.net](http://www.globetextiles.net). The declaration by Mr. Bhavik Suryakant Parikh, Chairman & Managing Director of the Company regarding compliance by the Board members and Senior Management Personnel, with the said Code of Conduct forms part of this report.

### (d) Core Skills / Expertise / Competencies available with the Board

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- Business Leadership
- Financial Expertise
- Risk Management
- Global Experience
- Strategic Planning
- Research and Development and Innovation
- Corporate Governance

While all the Board members possess the skills identified, their area of core expertise is given below:

Name of Directors	Business Leadership	Financial Expertise	Risk Management	Global Experience	Research and Development Innovation	Corporate Governance
Bhavik Suryakant Parikh	Y	Y	Y	Y	Y	Y
Bharat Shamjibhai Patel	Y	Y	Y	Y	Y	Y
Yogesh Kanhiyalal Vaidya	Y	Y	Y	Y	Y	Y
Nilaybhai Jagdishbhai Vora	Y	Y	Y	Y	Y	Y
Purvi Bhavin Parikh	Y	Y	Y	Y	Y	Y
Rajatkumar Dineshbhai Patel	Y	Y	Y	Y	Y	Y

**Note:** Each Director may possess varied combinations of skills / expertise within the described set of parameters and it is not necessary that all Directors possess all skills / expertise listed therein.

**(e) Confirmation from the Board of Directors in context to Independent Directors**

Board of Directors have confirmed that in the opinion of the board, the Independent Directors fulfill the conditions specified in Listing regulations and are independent of the management.

**(f) Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his / her tenure along with a confirmation by such director that there are no other material reasons other than those provided**

During the year under review, none of the Independent Director has resigned before he expiry of his term.

**(3) COMMITTEES OF THE BOARD**

The Company's guidelines relating to the Board meetings are applicable to the Committee meetings. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its functioning.

Minutes of the proceedings of Committee meetings are circulated to the respective committee members and placed before the Board meetings for noting.

In conformity to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Companies Act, 2013, the composition of these committees of Board are constituted and reconstituted. As on date, the Board has established the following Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee

**A. Audit Committee**

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

**Brief description of terms of reference of Audit Committee**

The major terms of reference of the Audit Committee include oversight of financial reporting process, review of quarterly /annual financial statements, ensuring compliance with the applicable regulatory guidelines, review functioning of whistle blower (vigil) mechanism, review and approval of related party transactions including criteria for granting omnibus approval, review of internal audit reports, evaluation of internal financial controls and risk management systems, scrutiny of inter corporate loans and investments, recommending appointment/re-appointment and

remuneration of auditors to the Board of Directors, review of internal control system and internal audit function and also the adequacy and performance of auditors.

### Composition, Meetings and Attendance of the Audit Committee

During the Financial Year 2021-22, Four (4) meetings of the Audit Committee were held on June 30, 2021, August 14, 2021, November 02, 2021 and January 25, 2022. The intervening gap between two meetings did not exceed one hundred and twenty days.

The details of the Audit Committee meetings attended by its members during the financial year 2021-22 are given below:

Name	Designation	Jun 30, 2021	Aug 14, 2021	Nov 02, 2021	Jan 25, 2022
Yogesh Kanhiyalal Vaidya	Chairman	Yes	Yes	Yes	Yes
Bhavik Suryakant Parikh	Member	Yes	Yes	Yes	Yes
Rajatkumar Dineshbhai Patel	Member	Yes	Yes	Yes	Yes

All members of the Audit Committee have accounting and financial management knowledge and expertise/exposure.

The representatives of Internal and Statutory Auditors are invitees to Audit Committee meetings and the Company Secretary acts as the Secretary of the Audit Committee.

### **B. Nomination and Remuneration Committee**

The Constitution and terms of reference of Nomination and Remuneration Committee of the Company are in compliance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. The roles of Nomination and Remuneration Committee include:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. To recommend to the Board, all remuneration, in whatever form, payable to senior management.
7. To perform such other functions as may be necessary or appropriate for the performance of its duties.

### Composition, Meetings and Attendance of the Nomination and Remuneration Committee

During the Financial Year 2021-22, three (3) meetings of the Nomination and Remuneration Committee were held on June 30, 2021, August 14, 2021 and March 25, 2022.

The details of the Nomination and Remuneration Committee meetings attended by its members during the financial year 2021-22 are given below:

Name	Designation	Jun 30, 2021	Aug 14, 2021	Mar 25, 2022
Yogesh Kanhiyalal Vaidya	Chairman	Yes	Yes	Yes
Bharat Shamjibhai Patel	Member	Yes	Yes	Yes
Rajatkumar Dineshbhai Patel	Member	Yes	Yes	Yes

The Quorum of the Committee is of two members. The Board of Directors review the Minutes of the Nomination and Remuneration Committee Meetings at its subsequent Board Meetings. The Company Secretary acts as a Secretary to the Committee.

### Performance Evaluation Criteria for Directors

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provide certain parameters like attendance, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, and compliance with code of conduct, vision and strategy, benchmarks established by global peers etc., which is in compliance with applicable laws, regulations and guidelines.

### Remuneration Policy

The Company has adopted and implemented the Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 which is available on the website of the Company accessed at <http://globetextiles.net/wp-content/uploads/2021/06/Nomination-and-Remuneration-Policy.pdf>.

### **C. Stakeholders' Relationship Committee**

The constitution and terms of reference of Stakeholders' Relationship Committee of the Company are in compliance with provisions of the Companies Act, 2013 and Listing Regulations.

### Terms of Reference

1. To look into various aspects of interest of shareholders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Reviewing the measures taken for effective exercise of voting rights by shareholders.
3. Reviewing of adherence to the service standards adopted in respect of various services being rendered by the Registrar and Share Transfer Agent.

4. Reviewing of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

5. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

#### Composition, Meetings and Attendance of the Stakeholders' Relationship Committee

During the Financial Year 2021-22, one (1) meeting of the Stakeholders' Relationship Committee were held on August 06, 2021.

Faruk Diwan, Company Secretary is the Compliance Officer of the Company for requirements of the SEBI Listing Regulations for complying with requirements of Securities Laws.

The details of the Stakeholders' Relationship Committee meetings attended by its members during the financial year 2020-21 are given below:

Name	Designation	Aug 06, 2021
Yogesh Kanhiyalal Vaidya	Chairman	Yes
Bharat Shamjibhai Patel	Member	Yes
Nilaybhai Jagdishbhai Vora	Member	Yes

#### **Redressal of Investor Grievances**

The Company and its Registrar and Share Transfer Agent addresses all complaints, suggestions and grievances expeditiously and replies are sent usually within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavours to implement suggestions as and when received from the investors.

#### **Details of Investors Complaint received during the financial year 2020-21:**

Complaints received	Complaints disposed	Complaints Pending
2	2	Nil

No instruments of transfer were pending as on March 31, 2022.

#### **D. Corporate Social Responsibility Committee**

The Corporate Social Responsibility (CSR) Committee comprises Mr. Yogesh Kanhiyalal Vaidya as the Chairman and Mr. Bhavik Suryakant Parikh and Mr. Nilaybhai Jagdishbhai Vora as the members of the Committee.

#### The terms of reference of the Committee

1. To formulate and recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
2. To recommend the amount of expenditure to be incurred on the activities.
3. To monitor the corporate social responsibility policy of the Company from time to time.

During the year, the Committee met one (1) time on June 30, 2021. As the provisions of Section 135 of the Companies Act, 2013 is not applicable to Company; the company does not need to spend CSR Expenditure for the year.

#### Meeting and attendance during the year

Name	Designation	Jun 30, 2021
Yogesh Kanhiyalal Vaidya	Chairman	Yes
Bhavik Suryakant Parikh	Member	Yes
Nilaybhai Jagdishbhai Vora	Member	Yes

#### Meeting of Independent Directors

The Company's independent directors shall meet at least once in a financial year without the presence of executive directors and management personnel to review the performance of Non-Independent Directors and Board as whole. 1 (one) such meeting was held on March 25, 2022.

#### **(4) DETAILS OF REMUNERATION TO DIRECTORS**

The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee. The Company pays remuneration by way of salary, perquisites and allowances (fixed component), incentive remuneration and/or commission (variable components) to its Executive Directors within the limits prescribed under the Companies Act, 2013 and approved by the shareholders. The Executive Directors are not being paid sitting fees for attending meetings of the Board of Directors and its Committees.

**Details of remuneration to all Directors for the Financial Year 2021-22 are as under:**

**(Rs. in Lakhs)**

Sr. No.	Name of Director	Salary and Bonus	Retirement & Leave Benefits	Sitting Fees	Commission	Stock Option
1	Bhavik Suryakant Parikh	35.08	Nil	Nil	Nil	Nil
2	Nilaybhai Jagdishbhai Vora	9.50	Nil	Nil	Nil	Nil
3	Yogesh Kanhiyalal Vaidya	Nil	Nil	Nil	Nil	Nil
4	Bharat Shamjibhai Patel	Nil	Nil	Nil	Nil	Nil
5	Purvi Bhavin Parikh	Nil	Nil	Nil	Nil	Nil
6	Rajatkumar Dineshbhai Patel	Nil	Nil	Nil	Nil	Nil

## (5) GENERAL BODY MEETINGS

### a) ANNUAL GENERAL MEETINGS

The Day, Date and Time of the Annual General Meetings (AGMs) held during last three years and the special resolution(s) passed thereat, are as follows:

Financial Year	Date of AGM	Time	Venue	Special Resolution(s) passed
2020-21	26 <sup>th</sup> AGM on September 30, 2021	4.00 PM	Through Video Conferencing (VC)/ Other Audio Visual Means (OVAM)	1. Re-appointment of Mr. Bhavik Suryakant Parikh (DIN: 00038223) as a Chairman & Managing Director for the period of three years 2. Re-appointment of Mr. Nilaybhai Jagdishbhai Vora (DIN: 02158990) as a Whole-time Director for the period of three years 3. Approval of Loans, Investments, Guarantee or Securities under Section 185 of the Companies Act, 2013 4. To approve material related party transactions to be entered into by the Company with related parties
2019-20	25 <sup>th</sup> AGM on September 30, 2020	2.30 PM	Through Video Conferencing (VC)/ Other Audio Visual Means (OVAM)	1. Approval of Loans, Investments, Guarantee of Securities under Section 185 of the Companies Act, 2013
2018-19	24 <sup>th</sup> AGM on September 30, 2019	12.30 PM	Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad – 380 008	None

All resolutions as set out in the respective notices were duly passed by the shareholders in the meeting.

### b) EXTRA ORDINARY GENERAL MEETINGS

The Day, Date and Time of the Extra Ordinary General Meetings (EGM) held during last three years and the special resolution(s) passed thereat, are as follows:

Financial Year	Date of EGM	Time	Venue	Special Resolution(s) passed
2021-22	July 27, 2021	3.30 PM	Through Video Conferencing (VC)/ Other Audio Visual Means (OVAM)	1. Authorisation under section 186 of the Companies Act, 2013 2. Increasing the borrowing powers under section 180(1) (c) of the Companies Act, 2013 up to 300 cr 3. Creation of security on the properties of the company, both present and future, in favour of lenders
2020-21	October 29, 2020	3.30 PM	Through Video Conferencing (VC)/ Other Audio Visual Means (OVAM)	Approval of Loans, Investments, Guarantee of Securities under Section 185 of the Companies Act, 2013

All resolutions as set out in the respective notices were duly passed by the shareholders in the meeting.

**c) WHETHER SPECIAL RESOLUTIONS WERE PUT THROUGH POSTAL BALLOT LAST YEAR, DETAILS OF VOTING PATTERN**

No Special Resolution was passed last year through Postal Ballot.

**d) PERSON WHO CONDUCTED THE POSTAL BALLOT EXERCISE**

Not Applicable.

**e) WHETHER ANY SPECIAL RESOLUTION IS PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT**

No Special Resolution is proposed to be passed at the ensuing Annual General Meeting of the Company. However, for other special resolutions, if any, in the future, the same will be decided at the relevant time.

**f) PROCEDURE FOR POSTAL BALLOT**

The procedure for postal ballot is as per the provisions contained in this behalf in the Companies Act, 2013 and rules made thereunder namely the Companies (Management and Administration) Rules, 2014 as amended from time to time.

**(6) MEANS OF COMMUNICATION**

<b>a</b> <b>Quarterly results</b>	The Company's Quarterly / Half-Yearly / Annual Financial Results were submitted to the Stock Exchanges immediately after the conclusion of the Board meetings and were also published in two newspapers namely, in Free Press Gujarat (English) and Lok Mitra (Gujarati). The Company regularly puts latest information and financial data on the website of the Company and can be accessed at <a href="http://globetextiles.net/financials">http://globetextiles.net/financials</a> .
<b>b</b> <b>Website</b>	The Company's website ( <a href="http://www.globetextiles.net">www.globetextiles.net</a> ) contains a separate dedicated section 'Investors' where shareholders' information is available.
<b>c</b> <b>Annual Report</b>	The Annual Report containing, Audited Financial Statements, Board's Report, Auditors' Report and other important information is circulated to the members and others entitled thereto. The Management's Discussion and Analysis Report forms a part of the Annual Report. The Annual Report is also available in downloadable form on the website of the Company.
<b>d</b> <b>SEBI        Complaints Redress       System (SCORES)</b>	Investor complaints are processed at SEBI in a centralized web-based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaints and their current status.
<b>e</b> <b>Designated exclusive email-IDs</b>	The Company has designated the following email-IDs exclusively for investor servicing: - For queries on Annual Report: <a href="mailto:cs@globetextiles.net">cs@globetextiles.net</a> - For queries in respect of shares: <a href="mailto:bssahd@bigshareonline.com">bssahd@bigshareonline.com</a>



## (7) GENERAL SHAREHOLDER INFORMATION

a	<b>Company Registration Details</b>	The Company is registered in the State of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65910GJ1995PLC027673.						
b	<b>Annual General Meeting</b>	Day & Date: Friday, September 30, 2022 Time: 04:30 p.m. Mode: Through Video Conferencing / Other Audio Visual Means						
c	<b>Registered Office</b>	Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC, Khokhra, Ahmedabad, Gujarat - 380 008						
d	<b>Financial Year</b>	Starting on 1 <sup>st</sup> April and ending on 31 <sup>st</sup> March every year.						
e	<b>Financial Calendar for FY 2022-23 (Tentative Schedule, subject to change)</b>	Quarter ending June 30, 2022 : Mid-August, 2022 Quarter and Half-year ending September 30, 2022 : Mid November, 2022 Quarter ending December 31, 2022 : Mid February, 2023 The year ending March 31, 2023 : End May, 2023						
f	<b>Date of Book-Closure</b>	Not Applicable						
g	<b>Dividend Payment Date</b>	Not Applicable						
h	<b>Listing on Stock Exchange</b>	The Equity Shares of the Company is listed with the following Stock Exchange: <table border="1" data-bbox="590 952 1404 1142"> <thead> <tr> <th>Name of Stock Exchange</th> <th>Symbol</th> <th>Address</th> </tr> </thead> <tbody> <tr> <td>National Stock Exchange of India Limited</td> <td>GLOBE</td> <td>Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra(E), Mumbai – 400051</td> </tr> </tbody> </table>	Name of Stock Exchange	Symbol	Address	National Stock Exchange of India Limited	GLOBE	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra(E), Mumbai – 400051
Name of Stock Exchange	Symbol	Address						
National Stock Exchange of India Limited	GLOBE	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra(E), Mumbai – 400051						
i	<b>Depositories</b>	<ol style="list-style-type: none"> <li>National Securities Depository Limited (NSDL) TradeWorld, 4th Floor, kamala Mills Compound, Sanapati Bapat Marg, Lower Parel, Mumbai – 400013</li> <li>Central Depository Services (India) Limited (CDSL) Marathon Futurex, A-Wing, 25th Floor, N M Joshi Marg, Lower Parel, Mumbai – 400013</li> </ol>						
j	<b>ISIN Details</b>	The Shares of the Company are traded compulsorily in Demat Segments. The ISIN allotted to the Company's Equity Shares under the depository system is <b>INE581X01021</b> .  <b>Note:</b> The Company has approved sub divided the equity share from the face value of Rs. 10/- each to face value of Rs. 2/- each in the EGM held on July 27, 2021. The ISIN Code has been changed w.e.f. August 03, 2021 pursuant to approval of NSE vide NSE letter NSE/CML/49073 dated July 28, 2021.						
k	<b>Annual Listing Fees</b>	An annual Listing fee has been paid to the NSE Limited for the FY 2022-23.						

### l) Market price Data: High, Low during each month in Financial Year 2021-22

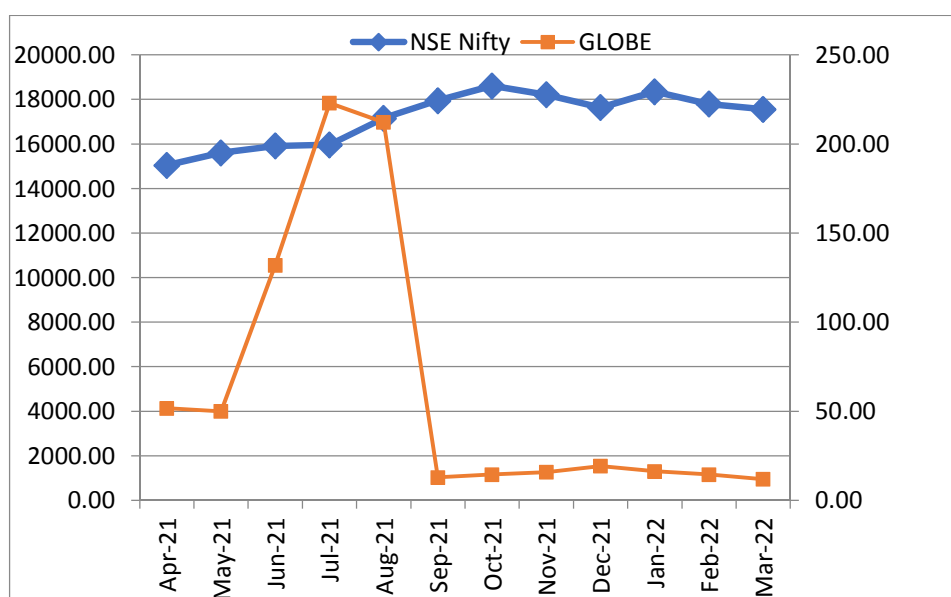
Monthly Share Price Movement during the financial year 2021-22 at NSE:

Month	High INR	Low INR	Volume (in lakhs)
April, 2021	51.70	44.60	0.04
May, 2021	49.95	42.60	0.28
June, 2021	132.00	49.20	10.34
July, 2021	222.95	138.60	9.46
August, 2021	212.20	9.10*	56.30
September, 2021	12.90	10.05	71.67
October, 2021	14.45	11.75	95.93
November, 2021	15.85	13.80	75.69
December, 2021	19.20	14.65	274.30
January, 2022	16.30	12.35	547.89
February, 2022	14.50	9.25	398.14
March, 2022	11.90	8.70	438.72

(Source: This information is compiled from the data available from the website of NSE)

\* The Company has approved sub divided the equity share from the face value of Rs. 10/- each to face value of Rs. 2/- each in the EGM held on July 27, 2021. Therefore, there are significant changes in high and low price of share in August 2021.

### m) Performance in comparison to broad-based indices such as NSE Nifty



In the Extra-Ordinary General Meeting of the company held on July 27, 2021, the Company has approved the sub division of Equity Shares from the face value of Rs. 10/- each to face value of Rs. 2/- each, therefore, there is a significant change in the price of equity share of the Company.

### n) Suspension from trading

No Security of the Company has been suspended from trading on any of the Stock Exchanges where they are listed.

### o) Registrar and Transfer Agents

Bigshare Services Private Limited has been appointed as Registrar and Transfer Agents of the Company for both Physical and Demat Shares. The address is given as below:

Bigshare Services Private Limited (SEBI Registration Number: INRO00001385)  
 A-802, Samudra Complex, Off C G Road, Navrangpura, Near Girish Cold Drinks, Ahmedabad - 380009

Contact Person: Mr. Ramesh Nair  
 Tel: +91 79 40024135  
 Email: [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com)

Shareholders are requested to correspond directly with the Registrar and Transfer Agent for transfer/transmission of shares, change of address, queries pertaining to their shares, dividend etc.

#### p) Share Transfer System

During the year, the Company has obtained a certificate for financial year 2021-22, from a Company Secretary in Practice, certifying that all certificates have been issued within thirty days of the date of lodgement of the transfer, sub-division, consolidation and renewal as required under Regulation 40(9) of the Listing Regulations and filed a copy of the said certificate with the Stock Exchanges.

Trading in equity shares of the Company is permitted only in dematerialised form.

#### q) Distribution of Shareholding as on March 31, 2022 is as follows:

Range (No of Shares)	Number of Shareholders		Equity Shares held in each category	
	Shareholders	% of total	Total Shares	% of total
Up to 500	47068	94.2699	17149718	11.3468
501 to 1000	1676	3.3568	6160900	4.0762
1001 to 2000	689	1.3800	5110729	3.3814
2001 to 3000	207	0.4146	2577433	1.7053
3001 to 4000	80	0.1602	1441059	0.9535
4001 to 5000	35	0.0701	777821	0.5146
5001 to 10000	97	0.1943	3209276	2.1234
Above 10000	77	0.1542	114714564	75.8988
<b>Total</b>	<b>49929</b>	<b>100.00</b>	<b>151141500</b>	<b>100.00</b>

#### r) Shareholding Pattern as on March 31, 2022 is as follows:

Category	No of Shares held	% of Total
Promoters and Promoter Group	95881500	63.44%
Individuals	44505180	29.45%
Bodies Corporate	8468573	5.60%
HUF	1778566	1.18%
Clearing member	297171	0.20%
Non-Resident Indian (NRI)	210510	0.13%
<b>Total</b>	<b>151141500</b>	<b>100.00</b>

#### s) Dematerialisation of Shares and Liquidity

The Company's shares are available for dematerialization on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shares of the Company are compulsorily to be delivered in the demat form on Stock Exchanges by all

investors. As on March 31, 2022, 151141500 Equity Shares (constituting 100.00%) were in dematerialized form.

#### t) Outstanding GDRS / ADRS /Warrants / Any Other Convertible Instruments

The Company does not have any outstanding instruments of the captioned type.

#### u) Proceeds from Public Issue / Rights Issue / Preferential Issue /Warrant Conversion

During the year, the Company has not raised any fund through Public Issue / Rights Issue / Preferential Issue / Warrant Conversion.

#### v) Plant Locations

1. Unit 1 (SEZ Unit): Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC, Khokhra, Ahmedabad – 380 008
2. Unit 2: Shed No. 13 to 15, Shri Shakti Estate and Warehouse, Piplej-Pirana Road, Piplej, Ahmedabad – 382415
3. Unit 3: Shed No. 16 to 18, Shri Shakti Estate and Warehouse, Piplej-Pirana Road, Piplej, Ahmedabad – 382415
4. Unit 4: Shed No. 19, 22 to 24, Shri Shakti Estate and Warehouse, Piplej-Pirana Road, Piplej, Ahmedabad – 382415
5. Unit 5: Shed No. 20, Shri Shakti Estate and Warehouse, Piplej-Pirana Road, Piplej, Ahmedabad – 382415
6. Unit 6: Shed No.2, Ground to Third Floor, Sharnam Estate-3, Opp. Anupam Cinema, Khokhra, Ahmedabad - 380008

#### w) Details of Unpaid/Unclaimed Dividend Amounts

Not applicable as the Company has not declared any dividends.

#### x) Address for Correspondence

<b>a</b>	<b>Globe Textiles (India) Limited (Registered Office)</b>	Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC, Khokhra, Ahmedabad – 380008 Tel: +91 79 2293 1881 to 1885   Email: <a href="mailto:cs@globetextiles.net">cs@globetextiles.net</a> CIN: L65910GJ1995PLC027673 Website: <a href="http://www.globetextiles.net">www.globetextiles.net</a>
<b>b</b>	<b>Registrar and Share Transfer Agent</b>	Bigshare Services Private Limited (SEBI Registration Number: INRO00001385) A-802, Samudra Complex, Off C G Road, Navrangpura, Near Girish Cold Drinks, Ahmedabad – 380009 Contact Person: Mr. Ramesh Nair Tel: +91 79 40024135 Email: <a href="mailto:bssahd@bigshareonline.com">bssahd@bigshareonline.com</a>

## **(8) OTHER DISCLOSURES**

### **a) Related Party Transaction**

All Related Party Transactions during the year have been disclosed in notes on financial statements as per the requirement of “Ind AS 24 - Related Party Disclosure issued by Institute of Chartered Accountants of India (ICAI)”. All the transactions entered into with Related Parties as defined under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the Ordinary Course of business and on arm’s length pricing basis. Prior approval of members as well as the Audit Committee is obtained for all Related Party Transactions.

Transactions with related parties are disclosed in detail in Note No. 33 in “Notes forming part of the Accounts” annexed to the financial statements for the year.

The Board has approved a policy for related party transactions which is available on the website of the Company at <http://globetextiles.net/wp-content/uploads/2021/06/Policy-on-Related-Party-Transaction.pdf>.

### **b) Details of Non-Compliance by the Company, Penalties, and Strictures imposed on the Company by Stock Exchange or SEBI, or Any Statutory Authority, on Any Matter Related to Capital Markets, during the Last Three Years**

During the year 2021-22, NSE has imposed the fine for noncompliance of Regulation 29 of SEBI (LODR) Regulations, 2015 for prior intimation for the Board Meeting held on June 30, 2021 in which proposal for declaration of bonus securities. Except this, no strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

### **c) Vigil Mechanism**

The Company has implemented a Vigil Mechanism / Whistle Blower Policy covering the employees. The Policy enables the employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company’s code of Conduct. Employees can lodge their Complaints through anonymous e-mails besides usual means of communications like written complaints. The Vigil Mechanism / Whistle Blower Policy as approved by the Board are available on the website of the Company at <http://globetextiles.net/wp-content/uploads/2021/05/Vigil-Mechanism.pdf>.

### **d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements**

During the year, the Company has complied with the mandatory requirements as stipulated under SEBI (LODR) Regulations, 2015.

The status of compliance with discretionary recommendations and adoption of the non-mandatory requirements as specified in Regulation 27(1) of the SEBI (LODR) Regulations, 2015, is provided below:

**e) Subsidiary Companies**

The Company doesn't have any subsidiary Company.

**f) Web-links**

Sr. No.	Particulars	Web-link
1	Policy on dealing with related party transactions	<a href="http://globetextiles.net/wp-content/uploads/2021/06/Policy-on-Related-Party-Transaction.pdf">http://globetextiles.net/wp-content/uploads/2021/06/Policy-on-Related-Party-Transaction.pdf</a>
2	Policy for determining 'material' subsidiaries	<a href="http://globetextiles.net/wp-content/uploads/2021/06/Policy-for-Determining-Material-Subsidiary.pdf">http://globetextiles.net/wp-content/uploads/2021/06/Policy-for-Determining-Material-Subsidiary.pdf</a>

**g) Commodity Price Risks or Foreign Exchange Risk and Commodity Hedging Activity**

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' reputation for quality, product differentiation and service, coupled with existence of brand image mitigates the impact of price risk on finished goods. Business risk evaluation and Management is an on-going process within the Company. The Assessment is periodically examined by the Board. Disclosure on risks is forming part of Management Discussion and Analysis Report during the period under review.

**h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 – Not Applicable**

**i) Certificate from Practicing Company Secretary**

The Company has obtained a certificate from Mr. Jatinbhai Harishbhai Kapadia, Practicing Company Secretary, Membership no. FCS 11418 and CP No. 12043, that none of the directors on the board of the company has 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.

**j) Recommendation of any Committee of the Board which is mandatorily required**

Any recommendations given by the Committees of the Board are required to be placed before the Board. The Board has accepted all the recommendations by various Committees of the Board during the financial year March 31, 2022.

#### k) Fees Paid to the Statutory Auditors

Details relating to fees paid to the Statutory Auditors are given in Note 25(a) to the Financial Statements.

#### l) Prevention of Sexual Harassment of Women at Workplace

The Company is committed to provide a work environment that ensures every employee is treated with dignity, respect and afforded equal treatment. There were no complaints pertaining to sexual harassment during the year under review, in terms of the provisions of the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013 and Rules made there under. The details of the complaints are as under:

No. of complaints filed during the financial year	Nil
No. of complaints disposed-off during the financial year	Nil
No. of complaint pending as on end of the financial year	Nil

m) All Accounting Standards mandatorily required have been followed without exception in preparation of the financial statements.

#### n) Risk Management

The Audit Committee has to review the adequacy of the risk management framework of the Company, the key risks associated with the business and to measure the steps to minimize the same.

o) No money was raised by the Company through public issue, rights issue etc. in the last financial year.

p) All pecuniary relationships or transactions of the Executive and Non-Executive Directors of the Company have been disclosed in point 4 (i.e details of Remuneration to Directors) of this report.

q) Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required by Regulation 34(3) of the Listing Regulations.

r) **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: Nil**

#### (9) NON-COMPLIANCE

There is no non-compliance of any of the requirements of Corporate Governance report as required under the Listing Regulations.

## **(10) DISCRETIONARY REQUIREMENTS**

### **a) The Board**

The Chairman of the Company is Executive Director.

### **b) Shareholders Right**

The Quarterly, Half-yearly and Annual Financial Results of the Company are published in newspapers and posted on Company's website [www.globetextiles.net](http://www.globetextiles.net). The same are also available on the site of the stock exchange where the shares of the Company are listed i.e. [www.nseindia.com](http://www.nseindia.com).

### **c) Modified Opinion(s) Audit Report**

The Company already has a regime of un-qualified financial statements. Auditors have not raised any qualification on financial statements.

### **d) Reporting of Internal Auditor**

The Internal Auditor reports to the Audit Committee.

## **(11) DISCLOSURE OF COMPLIANCES**

The Company has disclosed about the compliance of regulations in respect of Corporate Governance under the Listing Regulations on its website i.e. [www.globetextiles.net](http://www.globetextiles.net).

## **(12) COMPLIANCE CERTIFICATE OF COMPANY SECRETARY IN PRACTICE**

Mr. Jatinbhai Harishbhai Kapadia, Proprietor of M/s. K. Jatin & Co., Practicing Company Secretaries, has issued a certificate confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

## **(13) CEO AND CFO CERTIFICATION**

The Managing Director (MD) and the Chief Financial Officer (CFO) of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations, copy of which is attached to this Report. The MD and the CFO also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

## **(14) RECONCILIATION OF SHARE CAPITAL AUDIT**

As stipulated by the Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out Reconciliation of Share Capital Audit. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors.



### (15) NON DISQUALIFICATION CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

Mr. Jatinbhai Harishbhai Kapadia, Proprietor of M/s. K. Jatin & Co., Practicing Company Secretaries, has issued a certificate as required under the SEBI (LODR) Regulations, 2015, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

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### CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, the affirmation that they have complied with the 'Code of Conduct' in respect of the financial year 2021-22.

Date: August 02, 2022  
Place: Ahmedabad

**Bhavik Suryakant Parikh**  
Managing Director

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### DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To,  
**The Board of Directors**  
**Globe Textiles (India) Limited**  
Ahmedabad

The Company has a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company in terms of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to further strengthen corporate governance practices of the Company. All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non-compliance thereof during the year ended March 31, 2022.

Date: August 02, 2022  
Place: Ahmedabad

**Bhavik Suryakant Parikh**  
Managing Director

## CEO / CFO CERTIFICATE

To,  
**The Board of Directors**  
**Globe Textiles (India) Limited**  
**Ahmedabad**

**Re: Financial Statements for the year 2021-22 - Certification by CEO and CFO**

We, Bhavik Suryakant Parikh, Chairman & Managing Director and Bhavin Suryakant Parikh, Chief Executive Officer and Chief Financial Officer of Globe Textiles (India) Limited, certify that:

1. We have reviewed financial statements and the cash flow statement of Globe Textiles (India) Limited (“the Company”) for the year ended March 31, 2022 and to the best of our knowledge and belief:
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) 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
2. 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.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company’s internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee that:
  - a) there are no significant changes in internal controls over financial reporting during the year;
  - b) there are no significant changes in accounting policies during the year; and
  - c) there are no instances of significant fraud of which we have become aware.

Date: August 02, 2022  
Place: Ahmedabad

**Bhavik Suryakant Parikh**  
**Managing Director**

**Bhavin Suryakant Parikh**  
**Chief Financial Officer**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
 The Members  
**Globe Textiles (India) Limited**  
 Plot No. 38 to 41, Ahmedabad Apparel Park,  
 GIDC, Khokhra, Ahmedabad – 380008

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Globe Textiles (India) Limited having CIN: L65910GJ1995PLC027673 and having registered office at Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC, Khokhra, Ahmedabad – 380 008 (hereinafter referred to as “the Company”), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub Clause (10)(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 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 other Statutory Authority.

Sr. No.	Name of Director	Director Identification Number	Date of Appointment in the Company*
1	BHAVIK SURYAKANT PARIKH	00038223	03/04/2012
2	BHARAT SHAMJIBHAI PATEL	00243783	26/05/2017
3	YOGESH KANHIYALAL VAIDYA	00468732	27/03/2017
4	NILAYBHAI JAGDISHBHAI VORA	02158990	31/03/2008
5	PURVI BHAVIN PARIKH	07732523	28/02/2017
6	RAJATKUMAR DINESHBHAI PATEL	09124295	30/03/2021

*\* As per website of Ministry of Corporate Affairs.*

Ensuring the eligibility of 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 on these 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.

Date: August 02, 2022  
 Place: Ahmedabad

**For, K Jatin & Co.**  
**Jatin H. Kapadia**  
 Company Secretary  
 FCS No.: 11418 C P No.: 12043  
 UDIN: F011418D000856856  
 Peer Review Cert. No: 1753/2022

## CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

(Refer Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members  
**Globe Textiles (India) Limited**  
Plot No. 38 to 41, Ahmedabad Apparel Park,  
GIDC, Khokhra, Ahmedabad – 380008

The Corporate Governance Report prepared by Globe Textiles (India) Limited (“the Company”), contains details as stipulated in regulations 17 to 27, clauses (b) to (i) of sub- regulation (2) of regulation 46 and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the Listing Regulations”) (‘applicable criteria’) with respect to Corporate Governance for the year ended March 31, 2022. This report is required by the Company for annual submission to the Stock exchange.

### Management’s Responsibility

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### Auditor’s Responsibility

Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the Listing Regulations.

The procedures selected depend on the auditor’s judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedure includes but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.

The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve me performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

### Opinion

Based on the procedures performed by me as referred above and according to the information and explanations given to me, I am of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2022, referred above.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

#### Other Matters and Restriction on use

This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, I do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. I have no responsibility to update this report for events and circumstances occurring after the date of this report.

**For, K Jatin & Co.**

**Jatinbhai Harishbhai Kapadia**

Company Secretary

ACS No.: 11418 C P No.: 12043

UDIN: F011418D000857109

Peer Review Cert. No: 1753/2022

Date: August 02, 2022

Place: Ahmedabad

## MANAGEMENT’S DISCUSSION AND ANALYSIS



### OVERVIEW

During the year under review, earnings before interest, tax and depreciation (EBIDTA) of the Company stands at Rs. 1688.75 Lakhs which has improved considerably as compared to the previous year, despite disruptions caused due to 2<sup>nd</sup> and 3<sup>rd</sup> waves of Covid-19 pandemic. Operational parameters at all the units of the Company were satisfactory.

We have pleasure to inform that the Company has acquired the running unit of Vivaa Tradecom Private Limited on March 31, 2022. Consequently, the Company is having enhances garment stitching capacity as well as having its processing house for dyeing, printing of grey. This Management's Discussion and Analysis Report should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Integrated Report.

### INDUSTRY STRUCTURE AND DEVELOPMENTS

The global textile industry has been facing exceptionally challenging conditions since the last two years due to the restrictions imposed because of the Covid-19 pandemic. Further, the global supply chain had seen unprecedented levels of pressure and disruption due to logistical impasse. This led to delayed delivery resulting into reduced products life and increased inventory at importer / retailer level which resulted in reduction in export orders / delayed picking of confirmed orders. Additionally, there was sharp increase in vessel shipping cost. The commodity prices were also affected globally. Positively, from the beginning of Q2 of FY 2021-22 post relaxations in Covid-19 induced restrictions, domestic market is showing an uptake in demand.

## OPPORTUNITIES



Company keeps on improving its manufacturing and technical capabilities as part of a systematic approach and hence it is better equipped to take advantage of business opportunities. The economic and business scenario has been quite volatile during the recent period and is likely to offer more such opportunities.

**Buyer attention on the Asian market:** Many of the international buyers are being more interested in the Asian section of the market. This may be a golden opportunity for the Asian industries to take the market by storm. It will also be a huge turning point for this industry in general.

**Open costing facility for the international buyer:** Many international customers find their interest in this field being renewed by the open costing facility. This gives them a huge advantage to draw more buyers in.

**Government and non-government training programs:** There are a lot of people who work in this field. Even though they have curiosity, they often lack the skills that are needed. So, these government and non-government training programs can help them to enhance their skill-set. This provides the chance of improvement to this sector.

**Buyer initiatives for productivity:** In this field, many times buyers take responsibility to initiate the push for productivity. This shows that the buyers are actually interested in the said products. So, this gives a huge boost to the morale.

## THREATS

- Emergence of international brands
- International labour and environmental laws
- Outbreak of pandemic like COVID-19, affecting manufacturing and sales
- Inventory pile ups due to COVID-19
- A prolonged lockdown due to COVID-19 in many parts where the Company operates can have a significant impact on its business. Consumer will be cautious in purchase of wearing apparels due to CoVID-19 pandemic
- Increase in the commodities (i.e, Coal, PNG, Dyes etc.) prices
- Elimination of Quota system will lead to fluctuations in Export Demand

- Threat for Traditional Market for Power loom and Handloom Products and forcing them for product diversification
- Geographical disadvantages

### SEGMENT-WISE OR PRODUCT WISE PERFORMANCE

The Company has determined its business as Textiles Trading and Manufacturing. Since there is no other business segment in which the Company operates, there are no other primary reportable segments. For the period under review, the Company has noted the export sales of Rs. 93.68 Cr and domestic sales of Rs. 284.29 Cr.

### OUTLOOK

In FY23, the Company expects the overall demand to remain soft to stable. Coming year will be challenging with respect to pricing. We must focus more on offering new products meeting customer retail price points. The pressure on margins is forcing textile players to either absorb or pass on the price hikes wherever possible. The geo-political situations and increased freight costs are likely to further adversely affect companies operating in the export markets.

### RISKS AND CONCERNS

The Management has also put in place effective measures to monitor the Risk Management System and appropriate steps are taken to strengthen the existing business practices and policies to the overcome the challenges.

The Company always ensures that the risk management process is also an integral part of business plan and it involves a systematic approach to identify, assess, manage and monitor risks that can affect the organisation's ability to achieve its objectives. The Company identifies major risks and concerns affecting its business which are mainly associated with various external factors. Major external risk may arise because of the price variation, liquidity, demand and supply, change in government policies, banking regulations, taxation etc.

### HEALTH, SAFETY AND ENVIRONMENT

Company considers its Human Resources as a very important asset and a key in achieving operational performance. Company continues to provide them with a safe and comfortable working environment. During the difficult pandemic times, the company has taken numerous precautions to protect its staff and workers. The company regularly complies with all stipulated environmental and safety norms.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains adequate and effective Internal Control Systems commensurate with its size and complexity. It believes that these systems provide, among other things, a reasonable assurance that transactions are executed with management authorization. It also ensures that they are recorded in all material respect to permit preparation of financial statements in conformity with established accounting principles along with the assets of the Company being adequately safeguarded against significant loss or misuse. An independent Internal Audit function is an important element of Company's Internal Control System. This is supplemented through an



extensive internal audit program and periodic review by the management and the Audit Committee of Board.

## PERFORMANCE

Key Highlights of the Company's financial performance for the year ended March 31, 2022 is summarized below:

Particulars	(INR in Lakhs)	
	March 31, 2022	March 31, 2021
Revenue from Operations (Net)	<b>38556.23</b>	<b>26359.70</b>
Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense	1688.75	885.4
<b>Less:</b> Depreciation/ Amortization/ Impairment	122.63	124.42
Profit before Finance Costs, Exceptional items and Tax Expense	1566.12	760.98
Less: Finance Costs	912.84	625.64
Profit /loss before Exceptional items and Tax Expense	653.28	135.34
Exceptional items	Nil	Nil
Profit before Tax Expense	653.28	135.34
Less: Net Tax Expense (Current & Deferred)	139.73	110.22
Profit After Tax for the year	<b>513.55</b>	<b>25.12</b>
Other Comprehensive Income	9.69	23.80
Total Comprehensive Income for the year	<b>523.84</b>	<b>48.92</b>
<b>EPS:</b>		
EPS (Basic)	0.50	0.02
EPS (Diluted)	0.50	0.02

The Financial Statements as stated above are also available on the website of the Company at [www.globetextiles.net](http://www.globetextiles.net).

## MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

As on March 31, 2022, we have 517 employees across in our businesses. The industrial relations remained cordial throughout the year. The employees of the Company have extended a very productive cooperation in the efforts of the management to carry the Company to greater heights. Continuous training down the line is a normal feature in the Company to upgrade the skills and knowledge of the employees and workmen of the Company.

## DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS AND RETURN ON NETWORTH

The changes in the key financial ratios for the financial year 2021-22 as compared to the immediately previous financial year are provided under Note 34 to the Standalone Financial Statements and hence not repeated here for the sake of brevity.

The Operating Profit Margin (%) as on year ended March 31, 2022 was 4.06% as compared to 2.89% as on the corresponding date of previous year.

The Return on Net Worth for the year 2021-22 was 11.10% (P.Y. 0.59%). The change is in view of remarkable growth in profitability.

## CAUTIONARY STATEMENT

Statement in Management Discussion and Analysis report describing the Company's objectives, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could make a difference to the Company's operations include finished goods prices, raw materials costs and its availability, domestic as well as global demand supply conditions, fluctuations in exchange rates, changes in Government policies, tax changes, economic developments within India and the countries with which the Company has business contacts. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future based on subsequent developments, information, or events.

## SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31 March, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members  
GLOBE TEXTILES (INDIA) LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Globe Textiles (India) Limited** (hereinafter called “the Company”). Secretarial Audit was conducted, in a manner that provided us with 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 the secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial period ended on March 31, 2022 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 March 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External commercial Borrowings; **Not applicable**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 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, 2009;
  - d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - e) 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;
  - f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not applicable**

- g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not applicable**
- h) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; and
- i) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. - **Not applicable**

vi. Compliances/processes/systems under other specific applicable Laws (as applicable to the industry) to the Company are being verified on the basis of periodic certificate under internal Compliance system submitted to the Board of Directors of the Company.

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

- i. Secretarial Standards, as amended from time to time, issued by the Institute of Company Secretaries of India. - Generally complied with.
- ii. The Listing Agreements and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc, except specified as under:

- (a) *Prior intimation for the Board Meeting held on June 30, 2021, in which proposal for declaration of bonus securities is not given to NSE as per Regulation 29 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

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.

Generally, adequate notice is given to all Directors to schedule the Board Meetings, the 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. All the decisions made in the Board/Committee meeting(s) were carried out with the unanimous consent of all the Directors/Members present during the meeting.

We further report that there are adequate systems and processes in the Company commensurate with the 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, except for the following no specific events/actions having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc. referred to above have occurred in the Company.

1. The Face Value of Equity Shares of the Company was split from Rs. 10/- to Rs. 2/- on August 04, 2021, as per provision of Section 61 of the Companies Act, 2013 read with The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

2. 100761000 Equity Shares were issued as bonus shares on August 04, 2021, as per provision of the Companies Act, 2013 read with The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

**K. JATIN & CO.,  
(COMPANY SECRETARY)  
(UCN: S2017GJ508600)**

**DATE: AUGUST 02, 2022  
PLACE: AHMEDABAD  
UDIN: F011418D000421311**

**JATINBHAI HARISHBHAI KAPADIA  
PROPRIETOR  
COP: 12043  
FCS: 11418  
Peer Review Cert. No: 1753/2022**

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*Note: This Report is to be read with my letter of even date which is annexed as Annexure - I and forms an integral part of this report.*

**Annexure I**

**To**  
**The Members**  
**GLOBE TEXTILES (INDIA) LIMITED**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.
2. 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 test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes 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 and our report is not covering observations/ comments/ weaknesses already pointed out by the other Auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**K. JATIN & CO.,**  
**(COMPANY SECRETARY)**  
**(UCN: S2017GJ508600)**

**JATINBHAI HARISHBHAI KAPADIA**  
**PROPRIETOR**  
**COP: 12043**  
**FCS: 11418**  
**Peer Review Cert. No: 1753/2022**

**DATE: AUGUST 02, 2022**  
**PLACE: AHMEDABAD**  
**UDIN: F011418D000421311**

## Form 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 transaction under third proviso thereto.

### 1. Details of Contracts or arrangements or transactions not at arm's Length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of The Contracts/ Arrangements/ Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of Approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	(a)	(b)	(c)	(d)	(e)	(f)	(h)

### 2. Details of contracts or arrangements or transactions at Arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of The Contracts/ Arrangements/ Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any:
	(a)	(b)	(c)	(d)	(e)	(f)
1	Bhavin Suryakant Parikh	Royalty paid	On yearly basis with terms of renewal	Paid Rs. 3/- towards the royalty payment	25/01/2022	NIL
2	Globe Denwash Private Limited	Purchase of Goods	On yearly basis with terms of renewal	Paid Rs. 103.01 Lakhs for Purchase of goods/jobwork	30/06/2021	NIL
		Sale of Goods	On yearly basis with terms of renewal	Received 188.27 Lakhs against sale of goods	30/06/2021	NIL

**Registered Office:**

Plot No. 38 to 41, Ahmedabad Apparel Park,  
 GIDC, Khokhra, Ahmedabad,  
 Gujarat – 380 008  
 Date: 02/08/2022  
 Place: Ahmedabad

By Order of the Board of Directors

**For, GLOBE TEXTILES (INDIA) LIMITED**

Bhavik Suryakant Parikh  
 Chairman & Managing Director  
 (DIN: 00038223)

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(The information under section 134 (3) (m) of the Companies Act, 2013 read with rule 8 (3) of the Companies (Accounts) Rules, 2014)

### A. CONSERVATION OF ENERGY

**I. *Steps taken or impact on conservation of energy:***

Manufacturing unit of the Company has taken various initiatives for saving energy consumption. Power consumption monitoring is regularly done at the manufacturing facility, resulting in optimum energy consumption and conservation. Energy cost is one of the key components of cost element of conversion cost. All efforts are made to use more natural lights in the premises to optimise the conservation of energy. Installation of LED Lights in place of conventional lights. Continues usage of LED Lights. Continues usage of 5 (Five) Star Motor which reduce power consumption. Continues uses panel censor for energy consumption. Continues services the machines every month so that the machine run efficiently and reduce power consumption.

**II. *Steps taken by the Company for utilizing alternate sources of energy:***

The Company is exploring potential of using alternate source of energy, which may be considered implementation in future.

**III. *The Capital investment on energy conservation equipment:*** Nil

**IV. *Total energy consumption:***

Power and fuel consumption	F.Y. 2021-22	F.Y. 2020-21
<b>1. Electricity</b>		
(a) Purchased Units KWH	285224	178520
Total Amount (Rs. in Lakhs)*	24.3624	14.6451
Rate / Unit (Rs. / KWH)	8.54	8.20
<b>2. Gas</b>		
Quantity (MMBTU)	233.82	236.64
Total Amount (Rs. in Lakhs)	2.8159	3.3775
Average Rate (Rs.)	1204.31	1427.27

**V. TECHNOLOGY ABSORPTION**

**I. *The efforts made towards technology absorption:***

The Company has been putting emphasis to train its technical personnel by way of providing training to them for the latest technology available. Company regularly monitors the technical advancements which can help in reducing cost and make the existing processes more eco-friendly and result in minimization of environmental hazards. The Company is well versed with the indigenous technology.

**II. *The benefits derived like product improvement, cost reduction, product development or import substitution:***

Benefits like quality improvements, waste reduction, product diversification; cost reduction etc. has been derived.



**III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

- a. Technology Imported : NIL  
 b. Year of Import : N.A  
 c. Has technology been fully absorbed? : N.A  
 d. If not fully absorbed, areas where this has not taken place, and the reasons: N.A

**IV. The expenditure incurred on Research & Development: Nil**

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

- a) The Company has taken various steps to increase the exports of the products during the year.  
 b) Foreign exchange earnings and outgo during the year:

(₹ in Lakhs)			
Sr. No.	Particulars	F.Y. 2021-22	F.Y. 2020-21
1	Foreign Exchange Earnings	9388.21	5917.28
2	Foreign Exchange Outgo	210.87	88.13

**Registered Office:**

Plot No. 38 to 41, Ahmedabad Apparel Park,  
 GIDC, Khokhra, Ahmedabad,  
 Gujarat – 380 008  
 Date: 02/08/2022  
 Place: Ahmedabad

By Order of the Board of Directors  
**For, GLOBE TEXTILES (INDIA) LIMITED**

Bhavik Suryakant Parikh  
 Chairman & Managing Director  
 (DIN: 00038223)

**Annexure-“F”**

The ratio of the remuneration of each director to the median employee’s remuneration and other details in terms of sub-section 12 of Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr.No.	Requirements	Disclosure	
I.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	Mr. Bhavik Suryakant Parikh (MD)	33.88 times
		Mr. Nilaybhai Jagdishbhai Vora (WTD)	9.18 times
II.	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	There is no increase in remuneration of directors, CFO and CEO. There is an increase of 24% in remuneration of CS during the financial year.	
III.	The percentage increase in the median remuneration of employees in the financial year	There is 11% increase in the median remuneration of employees in the financial year.	
IV.	The number of permanent employees on the rolls of the Company as on 31 <sup>st</sup> March, 2022	517	
V.	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 made in the salaries of the employees other than the managerial personnel in the last financial year is 0.66 and there is no increment in the remuneration of Managerial Personnel. Hence, no comparison is provided.	
VI.	Affirmation that the remuneration is as per the remuneration policy of the company	Yes, it is confirmed	

**Registered Office:**

Plot No. 38 to 41, Ahmedabad Apparel Park,  
 GIDC, Khokhra, Ahmedabad,  
 Gujarat – 380 008  
 Date: 02/08/2022  
 Place: Ahmedabad

By Order of the Board of Directors  
**For, GLOBE TEXTILES (INDIA) LIMITED**

Bhavik Suryakant Parikh  
 Chairman & Managing Director  
 (DIN: 00038223)

## Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2021-22



**1. Brief outline on CSR Policy of the Company:**

The Companies Act, 2013 has introduced the idea of CSR which your Company is voluntarily following it since last many years. Your Company believes the policy which is more and more beneficial to the society at large by promoting and encouraging economic, social and educational development and also giving active support to local initiatives around its area of operation thereby promoting upliftment of people in varied arenas of life.

Pursuant to the Section 135 of the Companies Act, 2013 (hereinafter refer as “the Act”) read with the Companies (Corporate Social Responsibility Policy) Rule, 2014, the Company is required to adopt the Corporate Social Responsibility (CSR) policy in the organization to add sense of responsibility and contribution among corporate which is expected to be Beneficial to different class of people such as children, women, uneducated, unemployed etc. towards which such CSR activities may be focused. The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013.

**2. Composition of CSR committee:**

The CSR Committee of the Board is responsible for overseeing the execution of the Company’s CSR Policy. The CSR Committee comprises Independent director as Chairman, Managing Director and Whole Time Director of the Company. During the year, the Committee met one (1) time on June 30, 2021.

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
Yogesh Kanhiyalal Vaidya	Chairman / Independent Director	1	1
Bhavik Suryakant Parikh	Member / Managing Director	1	1
Nilaybhai Jagdishbhai Vora	Member / Whole-time Director	1	1

3. Web link on the website of the company where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed:  
 Composition of CSR committee: <http://globetextiles.net/wp-content/uploads/2021/05/Committees-of-Board-of-Directors.pdf>.  
 CSR Policy and Projects: <http://globetextiles.net/wp-content/uploads/2021/06/Corporate-Social-Responsibility-Policy.pdf>.
4. Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:  
 Not Applicable for the financial year under review.
5. Details of the amount available for set-off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any: Nil
6. Average net profit of the Company as per Sec 135 (5): Not Applicable
7. a. Two percent of average net profit of the Company as per Section 135(5): Not Applicable  
 b. Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil  
 c. Amount required being set-off for the financial year, if any: Nil  
 d. Total CSR obligation for the financial year (7a+7b-7c): Nil
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the financial year (INR in Lakhs)	Amount Unspent (INR in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Total Amount transferred to 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
Nil	Not Applicable		Not Applicable		

(b) Details of CSR amount spent against on-going projects for the financial year: NIL

(c) Details of CSR amount spent against other than on-going projects for the financial year:

(1) Sr. No.	(2) Name of the project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local Area (Yes/No)	(5) Location of Project		(6) Amount spent for the project (INR in Lakhs)	(7) Mode of implementation-Direct (Yes/No)	(8) Mode of implementation-Through Implementing Agency
				State	District			Name
Not Applicable								

(d) Amount spent in administrative overheads: NIL

(e) Amount spent on impact assessment, if applicable: Not applicable

(f) Total amount spent for the financial year (8b+8c+8d+8e): Nil

(g) Details of excess amount for set-off are as follows:

Sr. No.	Particulars	Amount (INR in Lakhs)
I	Two percent of average net profit of the company as per section 135(5)	-
II	Total amount spent for the financial year	-
III	Excess amount spent for the financial year [(ii)-(i)]	-
IV	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	-
V	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of unspent CSR amount for the preceding three financial years : NIL  
 (b) Details of CSR amount spent in the financial year for on-going projects of the preceding financial year(s):

Not applicable, as the concept of 'on-going projects' has been introduced in the CSR Amendment Rules, relevant from fiscal 2021. Details of spend on all on-going projects during fiscal 2021 are covered under 8(b) above.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:  
 No capital asset was created / acquired for fiscal 2021 through CSR spend.

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5): Not Applicable

**Yogesh Kanhiyalal Vaidya**  
 (Chairman, CSR Committee)

**Bhavik Suryakant Parikh**  
 (Managing Director)

Date: August 02, 2022

Place: Ahmedabad

## INDEPENDENT AUDITOR'S REPORT

To the Members of Globe Textiles (India) Limited

Report on the audit of the Standalone Ind AS Financial Statements

### Opinion

We have audited the accompanying Standalone Financial Statements of **Globe Textiles (India) Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, 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 the 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 31st March, 2022, the Profit and total comprehensive Income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matters	Procedures Performed / Auditor's Response:
1.	<p><b>Evaluation of pending tax litigations</b></p> <p>The Company has pending litigation for demand in dispute under various tax statutes which involve significant judgment to determine the possible outcome of these disputes.</p>	<p><b>Principal Audit Procedures</b></p> <p>We have obtained details of tax litigations under various statutes for the year ended 31st March 2022 from the management.</p> <p>We have reviewed the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. We have also reviewed the legal precedence and other rulings provided for review by the management in evaluating its position in various matters.</p> <p>We have also reviewed the assumptions made by the management as at 31st March 2022 and valued whether any change was required on account of information and updates made available during the year.</p>

#### Information other than the Standalone Ind AS Financial Statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

#### Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting

frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Standalone Ind AS 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.

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 Ind AS 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 financial controls 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 system 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.
- Conclude on the appropriateness of management'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 Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS 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 Ind AS Financial Statements of the current year 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.

#### 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 the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e. on the basis of written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified

as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;

- f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting
- 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:
- B. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 28 to the Standalone Ind AS Financial Statements;
- C. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- D. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- E. (i) The management of the company has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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, whether, 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;
- (ii) The management of the company has represented that, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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, whether, 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; and
- (iii) Based on the audit procedures 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) above contain any material misstatement.
- F. There was no amount of dividend declared or paid during the year by the company.

3. **With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended**

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197 (16) which are required to be commented upon by us.

Place: Ahmedabad  
Date: 16/05/2022

For, **SHAH DHANDHARIA & CO LLP**  
Chartered Accountants  
Firm Reg. No. 118707W/W100724

**Karan Amlani**  
Partner  
Membership No. 193557  
UDIN - 22193557AKYLG9543

## **ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in Paragraph 1 of our Report of even date)

- (i) (a) (A) In our opinion and according to the information and explanation given to us and the records produced to us for our verification, the company is maintaining proper records showing full particulars, including quantitative details and situation of the Property, Plant and Equipment.
- (B) In our opinion and according to the information and explanation given to us and the records produced to us for our verification, the company is maintaining proper records showing full particulars of intangible assets.
- (b) In our opinion and according to the information and explanation given to us and the records produced to us for our verification, the Company has a regular programme of physical verification of its Property, Plant and Equipment's by which all Property, Plant and Equipment's are verified by the management in a phased manner over a period of three years. In accordance with this programme, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Based on our verification, no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and the records produced to us for our verification, the title deeds of all the immovable properties. (Other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the provision of paragraph 3(i)(d) of the Order are not applicable.
- (e) According to the information and explanation given to us and the records produced to us for our verification, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) According to the information and explanation given to us and the records produced to us for our verification, the inventory, other than stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the coverage and procedure of verification by management is appropriate. The discrepancies noticed on verification between the physical stock and the book records were not material and have been appropriately dealt with in the books of accounts.
- (a) According to the information and explanation given to us and the records produced to us for our verification, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks or financial institutions on the basis of security of current assets and the quarterly returns filed by the company with such banks or financial institutions are not in agreement with the books of account, due to the company is providing the submission to the bank on the provisional books of accounts before the books of accounts were finalized.

- (iii) During the year the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3 (iii) (a) to (f) of the Order are not applicable.
- (iv) In our opinion and according to information and explanations given to us and representations made by the Management, the Company has not made investments, given any loans, or provided guarantees or securities, to the parties covered under section 185 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to investments made, loans given and guarantees provided by the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of the Company's product/ services to which the said rules are made applicable and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.
- (vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Income-Tax, Provident fund, Employees' State Insurance, Goods and Service Tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Income-Tax, Provident fund, Employees' State Insurance, Goods and Service Tax and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2022, for a period of more than six months from the date they became payable.  
  
b) According to the information and explanations given to us, there are no undisputed dues of provident fund, employees' state insurance, Goods and Service tax, cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax have not been deposited by the Company on account of disputes.

Name of the Statute	Nature of the Dues	Forum Where dispute is pending	Amount (INR In Lakhs)*	Amount Paid Under Protest (INR In Lakhs)	Period to which the amount Relates
Income Tax Act	Income Tax	Appellate Authority upto Commissioner 's Level	923.20	50.00	AY 2006-07, AY 2012-13 to AY 2014-15, AY 2017-18, AY 2018-19 & AY 2019-20

\* Amount as per Demand orders excluding interest and penalty wherever applicable.

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) a) According to the information and explanations given to us and based on our examination of the records of the company, the company has not defaulted in repayment of loans or other borrowings or in the 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 or any other lender.
- c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the 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. Accordingly, the provisions of clause 3(ix)(d) of the Order are not applicable to the Company.
- e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix)(e) of the Order are not applicable to the Company.
- 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, joint ventures or associate companies. Accordingly, the provisions of clause 3(ix)(f) of the Order are not applicable to the Company.
- (x) a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

b) The Company has not made any preferential allotment or private placement or not issued any fully or partly convertible debenture during the year under review. Accordingly, the provisions of paragraph 3(x) (b) of the Order are not applicable.

(xi) a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees has been noticed or reported during the year.

b) No report on any matter under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

(xii) In our opinion, the Company is not a nidhi Company. Accordingly the provisions of Clauses 3 (xii) of the Order are not applicable.

(xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013 where applicable and all the details have been disclosed in Standalone Ind AS Financial Statements as required by the applicable Indian 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) According to the information and explanations given to us and based on our examination of the records of the Company, We have considered the internal audit reports of the company issued till date, for the period under audit.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions, within the meaning of Section 192 of the Act, with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order are not applicable to the Company.

(xvi) a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) 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 has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.

c) In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of paragraph 3(xvi) (c) & (d) of the Order are not applicable to the Company.

- (xvii) The Company has not incurred any cash losses during the financial year covered under audit and the immediately preceding financial year.
- (xviii) There is no resignation of the statutory auditors during the year in the company. Accordingly, clause 3(xviii) of the Order are not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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 examination of the records of the Company, section 135 is not applicable on the company. Accordingly, clause 3(xx) of the order are not applicable to the Company.

Place: Ahmedabad  
Date: 16/05/2022

For, **SHAH DHANDHARIA & CO LLP**  
Chartered Accountants  
Firm Reg. No. 118707W/W100724

**Karan Amlani**  
Partner  
Membership No. 193557  
UDIN - 22193557AKYLG9543



## **ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our Report of even date)

### **Report on the Internal Financial Controls under Clause i of sub-section 3 of section 143 of the Companies Act 2013 (the Act).**

#### **Opinion**

We have audited the internal financial controls over financial reporting of the Company as of 31st March, 2022 in conjunction with our audit of the Standalone Ind AS Financial Statements of the company for the year ended on that date.

In our opinion the Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022, based on the internal control over financial reporting 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.

#### **Management’s Responsibilities for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. 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 Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 Ind AS 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 Ind AS Financial Statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Place: Ahmedabad  
Date: 16/05/2022

For, **SHAH DHANDHARIA & CO LLP**  
Chartered Accountants  
Firm Reg. No. 118707W/W100724

**Karan Amlani**  
Partner  
Membership No. 193557  
UDIN - 22193557AKYLG9543

**Balance sheet as at March 31, 2022**
**(Rs. in lakhs)**

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	4A	2,478.43	1,341.73
(b) Right-of-use assets	4B	404.28	422.93
(c) Capital work-in-progress	4C	246.94	-
(d) Financial Assets			
(i) Other financial assets	5	102.52	54.01
(e) Income Tax Asset (net)	26	130.19	132.92
<b>Total Non-current assets</b>		<b>3,362.36</b>	<b>1,951.59</b>
<b>Current assets</b>			
(a) Inventories	7	8,524.65	6,358.38
(b) Financial Assets			
(i) Trade receivables	8	12,443.62	11,163.18
(ii) Cash and cash equivalents	9	15.41	7.33
(iii) Loans	10	14.51	2.39
(iv) Other financial assets	5	156.20	167.57
(c) Other current assets	6	1,359.84	1,745.10
<b>Total Current assets</b>		<b>22,514.23</b>	<b>19,443.95</b>
<b>Total Assets</b>		<b>25,876.59</b>	<b>21,395.54</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	11	3,022.83	1,007.61
(b) Other equity	12	1,951.10	3,267.97
<b>Total Equity</b>		<b>4,973.93</b>	<b>4,275.58</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13	1,829.93	885.40
(b) Deferred tax liabilities (net)	26	83.65	109.50
(c) Provisions	14(a)	119.95	77.70
<b>Total Non-current Liabilities</b>		<b>2,033.53</b>	<b>1,072.60</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13	7,244.51	6,529.38
(ii) Trade payables	15		
(a) Total outstanding dues of micro and small enterprises		4.84	9.18
(b) Total outstanding dues of creditors other than micro and small enterprises		7,092.91	8,388.80
(iii) Other financial liabilities	16	3,662.04	732.01
(b) Other current liabilities	17	700.36	354.60
(c) Provisions	14(c)	54.89	5.16
(d) Income tax liabilities (net)	14(b) & 26	109.58	28.23
<b>Total Current Liabilities</b>		<b>18,869.13</b>	<b>16,047.36</b>
<b>Total Liabilities</b>		<b>20,902.66</b>	<b>17,119.96</b>
<b>Total Equity and Liabilities</b>		<b>25,876.59</b>	<b>21,395.54</b>

The accompanying notes are an integral part of these financial statements.

As per our attached report of even date

**For SHAH DHANDHARIA & CO LLP**  
**Chartered Accountants**  
**(Firm Registration No. - 118707W/W100724)**

**For and on behalf of the Board of Directors of**  
**Globe Textiles (India) Limited**  
**CIN : L65910GJ1995PLC027673**

**Karan Amlani**  
Partner  
(Membership No. - 193557)

**Bhavik Parikh**      **Nilay Vora**  
Managing Director    Whole Time Director  
DIN : 00038223      DIN : 02158990

**Bhavin Parikh**      **Faruk Diwan**  
Chief Financial Officer    Company Secretary  
M No : 41911

Place : Ahmedabad  
Date: May 16, 2022

Place : Ahmedabad  
Date: May 16, 2022

**Statement of Profit and Loss for the year ended March 31, 2022**

(Rs. in lakhs)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>I</b> Revenue from operations	18	38,342.25	25,909.28
<b>II</b> Other income	19	213.98	450.42
<b>III Total Income (I) + (II)</b>		<b>38,556.23</b>	<b>26,359.70</b>
<b>IV Expenses:</b>			
Cost of materials consumed	20	15,225.58	14,929.25
Purchase of Stock-in-Trade		20,097.90	10,472.31
Changes in stock of finished goods and stock-in-trade	21	(431.55)	(1,015.88)
Employee benefits expense	22	913.39	615.27
Finance costs	23	912.84	625.64
Depreciation and amortization expense	24	122.63	124.42
Other expenses	25	1,062.16	473.35
<b>Total expenses (IV)</b>		<b>37,902.95</b>	<b>26,224.36</b>
<b>V Profit before tax (III) - (IV)</b>		<b>653.28</b>	<b>135.34</b>
<b>VI Tax expense</b>	26		
Income tax expense in respect of current year		182.50	48.90
Income tax expense/ (credit) in respect of earlier years		(13.18)	4.62
Deferred tax		(29.59)	56.70
<b>Net tax expenses (VI)</b>		<b>139.73</b>	<b>110.22</b>
<b>VII Profit after tax for the year (V) - (VI)</b>		<b>513.55</b>	<b>25.12</b>
<b>VIII Other Comprehensive Income (OCI)</b>			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of the defined benefit plans		13.42	32.98
(b) Income tax relating to items that will not be reclassified to profit or loss		(3.73)	(9.18)
<b>Total Other Comprehensive Income (VIII)</b>		<b>9.69</b>	<b>23.80</b>
<b>IX Total Comprehensive Income for the year (VII+VIII)</b>		<b>523.24</b>	<b>48.92</b>
<b>X Earnings per equity share (Nominal value of share: Rs. 2 (Rs. 10-P.Y.))</b>	29		
- Basic		0.50	0.02
- Diluted		0.50	0.02

The accompanying notes are an integral part of these financial statements.

As per our attached report of even date

**For SHAH DHANDHARIA & CO LLP**  
**Chartered Accountants**  
**(Firm Registration No. - 118707W/W100724)**
**For and on behalf of the Board of Directors of**  
**Globe Textiles (India) Limited**  
**CIN : L65910GJ1995PLC027673**
**Karan Amlani**  
 Partner

(Membership No. - 193557)

 Place : Ahmedabad  
 Date: May 16, 2022

**Bhavik Parikh**  
 Managing Director

DIN : 00038223

 Place : Ahmedabad  
 Date: May 16, 2022

**Nilay Vora**  
 Whole Time  
 Director

DIN : 02158990

**Bhavin Parikh**  
 Chief Financial  
 Officer

**Faruk Diwan**  
 Company Secretary

M No : 41911

**Statement of Cash Flows for the year ended March 31, 2022**
**(Rs. in lakhs)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>653.28</b>	<b>135.34</b>
<b>Adjustment for</b>		
Less : Interest income	(4.28)	(7.95)
Less : Liabilities no longer required written back	(32.35)	(92.77)
Add : Depreciation and amortization expense	122.63	124.42
Add : Finance costs	912.84	625.64
Less : Mark To Market (Gain)/Loss on Forward Contracts	11.01	(123.40)
Less : Unrealised foreign exchange gain	(57.15)	(78.12)
<b>Operating Profit before working capital changes</b>	<b>1,605.98</b>	<b>583.16</b>
<b>Changes in working capital:</b>		
(Increase) / Decrease in Trade receivables	(451.02)	(1,411.03)
(Increase) / Decrease in Other assets (current and non-current)	385.26	(899.67)
(Increase) / Decrease in Other financial assets (current and non-current)	149.36	44.46
(Increase) / Decrease in Inventories	(1,022.52)	(460.49)
Increase / (Decrease) in Trade payables	(1,688.20)	1,716.35
Increase / (Decrease) in Other Current liabilities	114.03	(79.45)
Increase / (Decrease) in Other financial liabilities (current and non-current)	279.86	(35.35)
Increase / (Decrease) in Provisions (Current and Non - Current)	(160.57)	20.23
<b>Cash generated from / (Used in) Operations</b>	<b>(787.82)</b>	<b>(521.79)</b>
(Less) : Direct Taxes Paid / (Received) - Net	(84.08)	(204.47)
<b>Net cash generated (used in) operating activities (A)</b>	<b>(871.90)</b>	<b>(726.26)</b>
<b>B Cash flow from investing activities</b>		
Purchase of Property, Plant and Equipment	(38.50)	(15.68)
Bank deposits / margin money withdrawn / (placed)	-	(76.00)
Interest received	4.42	2.87
<b>Net cash generated from/(used in) investing activities (B)</b>	<b>(34.08)</b>	<b>(88.81)</b>
<b>C Cash flow from financing activities</b>		
Proceeds from Non- Current Borrowings	1,470.00	925.00
Repayment of Non - Current Borrowings	(354.52)	(272.65)
Proceeds from Current Borrowings	715.13	788.67
Proceeds from Loans (given)/ received back	(12.12)	(0.20)
Finance Costs paid	(904.43)	(635.18)
<b>Net cash generated from financing activities (C)</b>	<b>914.06</b>	<b>805.64</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>8.08</b>	<b>(9.44)</b>
Cash and cash equivalents at the beginning of the year	7.33	16.77
<b>Cash and cash equivalents at the end of the year</b>	<b>15.41</b>	<b>7.33</b>
<b>Cash and cash equivalents comprises of:</b>		
Cash on hand	14.07	4.47
Balances with banks		
In current accounts	1.34	2.86
<b>Total cash and cash equivalents (Refer Note 9)</b>	<b>15.41</b>	<b>7.33</b>

## Statement of Cash Flows for the year ended March 31, 2022

### Notes:

- The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as
- Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities is as below:

### For the year ended on 31 March, 2022

Particulars	Non- Current borrowing	Current borrowing
<b>Balance as at April 01, 2021</b>	<b>885.40</b>	<b>6,529.38</b>
Add: Proceeds	1,470.00	715.13
Less: Repayments	(354.52)	-
Add/(Less): Adjustment due to current maturities of Non - Current borrowings	(170.95)	-
<b>Balance as at March 31, 2022</b>	<b>1,829.93</b>	<b>7,244.51</b>

### For the year ended on 31 March, 2021

Particulars	Non- Current borrowing	Current borrowing
<b>Balance as at April 01, 2020</b>	<b>149.58</b>	<b>5,740.91</b>
Add: Proceeds	925.00	788.67
Less: Repayments	(272.65)	(0.20)
Add/(Less): Adjustment due to current maturities of Non - Current borrowings	83.47	-
<b>Balance as at March 31, 2021</b>	<b>885.40</b>	<b>6,529.38</b>

The accompanying notes are an integral part of these financial statements.  
As per our attached report of even date

**For SHAH DHANDHARIA & CO LLP**  
Chartered Accountants  
(Firm Registration No. - 118707W/W100724)

**For and on behalf of the Board of Directors of**  
**Globe Textiles (India) Limited**  
CIN : L65910GJ1995PLC027673

**Karan Amlani**  
Partner  
(Membership No. - 193557)

**Bhavik Parikh**    **Nilay Vora**    **Bhavin Parikh**  
Managing Director    Whole Time Director    Chief Financial Officer  
DIN : 00038223    DIN : 02158990

**Faruk Diwan**  
Company Secretary  
M No : 41911

Place : Ahmedabad  
Date: May 16, 2022

Place : Ahmedabad  
Date: May 16, 2022

(Rs. in lakhs)

Particulars	Equity Share Capital	Other Equity			Other Comprehensive Income FVTOCI Reserve	Total
		Securities Premium	Retained Earning	Equity Component of Borrowing		
<b>As at April 01, 2020</b>	<b>1,007.61</b>	<b>862.53</b>	<b>2,360.74</b>	-	<b>(4.22)</b>	<b>4,226.66</b>
Profit for the period	-	-	25.12	-	-	25.12
<b>Other Comprehensive Income</b>						
Re-measurement gains/(Loss) on defined benefit plans	-	-	-	-	23.80	23.80
<b>Total Comprehensive Income for the year</b>	<b>1,007.61</b>	<b>862.53</b>	<b>2,385.86</b>	-	<b>19.58</b>	<b>4,275.58</b>
Share Capital issued during the year	-	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>1,007.61</b>	<b>862.53</b>	<b>2,385.86</b>	-	<b>19.58</b>	<b>4,275.58</b>
Profit for the period	-	-	513.55	-	-	513.55
<b>Other Comprehensive Income</b>						
Re-measurement gains/(Loss) on defined benefit plans	-	-	-	-	9.69	9.69
<b>Total Comprehensive Income for the period</b>	<b>1,007.61</b>	<b>862.53</b>	<b>2,899.41</b>	-	<b>29.27</b>	<b>4,798.82</b>
Equity Component of Borrowing	-	-	-	175.11	-	175.11
Issue of shares on account of sub division and Bonus	2,015.22	(862.53)	(1,152.69)	-	-	-
<b>As at March 31, 2022</b>	<b>3,022.83</b>	<b>-</b>	<b>1,746.72</b>	<b>175.11</b>	<b>29.27</b>	<b>4,973.93</b>

The accompanying notes are an integral part of the financial statements

As per our attached report of even date  
For SHAH DHANDHARIA & CO LLP  
Chartered Accountants  
(Firm Registration No. - 118707W/W100724)

For and on behalf of the Board of Directors of  
Globe Textiles (India) Limited  
CIN : L65910GJ1995PLC027673

**Karan Amlani**  
Partner  
(Membership No. - 193557)

Place : Ahmedabad  
Date: May 16, 2022

**Bhavik Parikh**  
Managing Director  
DIN : 00038223

Place : Ahmedabad  
Date: May 16, 2022

**Nilay Vora**  
Whole Time Director  
DIN : 02158990

**Bhavin Parikh**  
Chief Financial Officer

**Faruk Diwan**  
Company Secretary  
M No : 41911

## Notes to the financial statements for the year ended March 31, 2022

### 1 Corporate information

Globe Textiles (India) Limited originally incorporated as a Private Limited Company under the provisions of the erstwhile Companies Act, 1956 (now Companies Act, 2013) and is domiciled in India. The Company is based in Ahmedabad and is primarily involved in trading and manufacturing of textile products.

The financial statements of the Company for the year ended March 31, 2022 have been considered and approved by the Board of Directors at their meeting held on May 16, 2022.

### 2 Basis of preparation and Presentation:

#### A Basis of preparation:

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of schedule III to the Companies Act, 2013 (as amended), on going concern basis under the historical cost convention except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

The financial statements are presented in Indian rupees (INR) which is also Company's functional currency and all values are rounded to the nearest Lac Rupees, except when otherwise indicated.

#### B Basis of Measurement

The financial statements have been prepared on accrual and going concern basis under the historical cost convention except for certain class of financial assets/ liabilities, and net liability for defined benefit plans that are measured at fair value. The accounting policies have been consistently applied by the Company unless otherwise stated.

#### C Functional and Presentation Currency

The financial statements have been prepared and presented in Indian Rupees (INR), which is also the Company's functional currency.

#### D Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs unless otherwise stated.

#### E Key accounting estimates and judgement:

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

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) Depreciation / amortisation and useful lives of property, plant and equipment / intangible assets :-

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

##### (ii) Measurement of defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

##### (iii) Recognition and measurement of provisions and contingencies

The Company recognises a provision if it is probable that an outflow of cash or other economic resources will be required to settle the provision. If an outflow is not probable, the item is treated as a contingent liability. Risks and uncertainties are taken into account in measuring a provision.

##### (iv) Recognition of deferred tax assets/liabilities

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies and future recoverability of deferred tax assets.



## Notes to the financial statements for the year ended March 31, 2022

### (v) Impairment of financial assets

The Company recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

### (vi) Fair Value Measurement

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants. The Company's accounting policies require, measurement of certain financial / non-financial assets and liabilities at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the said financial statements.

The Company is required to classify the fair valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in the financial statements, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The three levels of the fair-value-hierarchy are described below:

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

Level 2: Significant inputs to the fair value measurement are directly or indirectly observable

Level 3: Significant inputs to the fair value measurement are unobservable.

### F Current/non-current classification:

All assets and liabilities are classified into current and non-current.

#### Assets

An asset is classified as current when it satisfies any one of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in entity's normal operating cycle,
- it is held primarily for the purpose of being traded,
- it is expected to be realised within twelve months after the balance sheet, or
- it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

#### Liabilities

A liability is classified as current when it satisfies any one of the following criteria:

- it is expected to be settled in the entity's normal operating cycle,
  - it is held primarily for the purpose of being traded,
  - it is due to be settled within twelve months after the balance sheet date, or
  - the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not effect its classification.

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

### G Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on this, the Company has ascertained 12 months as its operating cycle and hence 12 months has been considered for the purpose of current to non-current classification of assets and liabilities.

## 3 Summary of Significant Accounting Policies

### A Property, Plant and Equipment

Items of property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost is inclusive of freight, duties, taxes or levies (net of recoverable taxes) and any directly attributable cost of bringing the assets to their working condition for intended use.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Items of Property, Plant and Equipment that have been retired from active use and are held for disposal are stated at the lower of their net carrying amount and net realisable value and are shown separately in the financial statements. Any write-down in this regard is recognised immediately in the Statement of Profit and Loss.

## Notes to the financial statements for the year ended March 31, 2022

An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising between sale proceeds and carrying value on derecognition is recognised in the Statement of Profit and Loss.

Depreciable amount for assets is the cost of an assets less its estimated residual value. Based on management's evaluation, useful life prescribed in Schedule II of the Act represent actual useful life of Property, Plant and Equipment. Accordingly, the Company has used useful lives as mentioned in Schedule II of the Companies Act 2013 to provide depreciation of different class of its Property, Plant and Equipment. The Company provides depreciation on straight line method as per the useful life mentioned in Schedule II of the Act. Any change in estimate is accounted on prospective basis.

Depreciation on addition is being provided on pro rata basis from the date of such additions. Depreciation on asset sold, discarded, disabled or demolished during the year is being provided up to the date in which such assets are sold, discarded, disabled or demolished.

### B Intangibles assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

The estimated useful lives of intangible assets are as follows :

Class of assets	Useful Life (in years)
Software	5 years

### C Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets, other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of such asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU ) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Reversal of impairment losses recognised in earlier years is recorded when there is an indication that the impairment losses recognised for the asset/cash generating unit no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for that asset/cash generating unit in earlier years. Reversal of impairment loss is directly recognised in the statement of Profit and Loss.

### D Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

### E Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The financial instruments are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial instruments at initial recognition.

## Notes to the financial statements for the year ended March 31, 2022

### (1) Initial Recognition and Measurements

A financial asset and financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the Statement of Profit and Loss.

Where the fair value of a financial asset or financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial assets or financial liability.

Trade receivables that do not contain a significant financing component are measured at transaction price.

### (2) Subsequent Measurements

#### (a) Financial Assets

For purposes of subsequent measurement, financial assets are classified based on assessment of business model in which they are held. This assessment is done for portfolio of the financial assets. The relevant categories are as below:

#### (i) At amortised cost:

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL):

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### (ii) At fair value through Other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### (iii) At fair value through profit and loss (FVTPL)

Financial assets which are not measured at amortised cost or OCI and are held for trading are measured at FVTPL. Fair value changes related to such financial assets are recognised in the Statement of Profit and Loss.

Based on the Company's business model, the Company has classified its securities held for trade and Investment in Mutual Funds at FVTPL.

#### (iv) Impairment of Financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the Company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

**Notes to the financial statements for the year ended March 31, 2022****(v) Derecognition of Financial Assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

**(b) Financial Liabilities**

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method or at FVTPL.

**(i) At amortised cost:**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

**(ii) At Fair Value through Profit and Loss:**

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management.

Fair value changes related to such financial liabilities are recognised in the Statement of Profit and Loss.

**(iii) Derecognition of Financial Liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

**(iv) Offsetting of financial assets and financial liabilities**

Financial assets and financial liabilities are offset when the Company has a legally enforceable right (not contingent on future events) to off-set the recognised amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**(3) Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Ordinary shares are classified as Equity when the Company has an un-conditional right to avoid delivery of cash or another financial asset, that is, when the dividend and repayment of capital are at the sole and absolute discretion of the Company and there is no contractual obligation whatsoever to that effect.

**(4) Derivative Financial Instruments**

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately.

## Notes to the financial statements for the year ended March 31, 2022

### F Foreign currency transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Monetary assets and liabilities outstanding at the year-end are translated at the rate of exchange prevailing at the year-end and the gain or loss, is recognised in the Statement of Profit and Loss.

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

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

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.

### G Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

**Step 1:** Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step 2:** Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step 3:** Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

**Step 5:** Recognise revenue when (or as) the Company satisfies a performance obligation

Revenue from contracts with customers is recognised when control of the services are transferred to the customer which can be either at a point in time or over time, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.

Revenue recognized are exclusive of goods and service tax.

The Company recognises revenue from the following major sources:

- (i) Sale to domestic customers: Major sale to the domestic customers are made on ex-factory basis and revenue is recognised when the goods are dispatched from the factory gates.
- (ii) Sales outside India: In case of export sales, revenue is recognised on shipment date, when performance obligation is met.
- (iii) Job Work: Revenue is recognised once job work is completed for each specific work order.

Revenues in excess of invoicing are classified as contract assets (referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred to as income received in advance or unearned revenue).

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Statement of Profit and Loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

#### Export Incentive

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

#### Interest Income

Interest income on financial assets is recognised using the Effective Interest Rate (EIR) method. The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument.

#### Dividend Income

Dividend income is recognised when the right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

## Notes to the financial statements for the year ended March 31, 2022

### H Employees Benefit

Employee benefits include short term employee benefits, provident fund, employee's state insurance, gratuity and compensated absences.

#### Short term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

#### Defined Contribution Plan

The Company's contribution to Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Company does not carry any further obligations, apart from the contributions made on a monthly basis.

#### Defined Benefit Plan

The Company provides for the gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment, and is unfunded. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Remeasurements of the net defined benefit liability comprising actuarial gains and losses (excluding amounts included in net interest on the net defined benefit liability), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary.

#### Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits and is unfunded. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

### I Current and deferred tax

Tax on Income comprises current and deferred tax..

#### Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the reporting period in accordance with the Income-tax Act, 1961 enacted in India and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

#### Deferred tax

Deferred tax is recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities in financial statements and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantially enacted as on reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is also recognised in respect of carried forward tax losses and tax credits subject to the assessment of reasonable certainty of recovery. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside with the underlying items i.e. either in the statement of other comprehensive income or directly in equity as relevant.

## Notes to the financial statements for the year ended March 31, 2022

### J Provisions and contingent liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, 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. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

### K Leases: Right-of-use assets and Lease liabilities

#### i) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### The Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### L Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents for the purpose of Statement of Cash Flow comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.

### M Earning per share

Basic earnings per share is computed by dividing the profit / (loss) for the period attributable to equity share holder by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) for the period attributable to Equity Share holders and the weighted average number of shares outstanding during the year are adjusted for effects of all dilutive potential equity shares.

## Notes to the financial statements for the year ended March 31, 2022

### **N Government Grants**

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 are recognised in the Statement of Profit and Loss on a systematic basis over the years in which the Company recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

Government grants, whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets and nonmonetary grants are recognised and disclosed as 'deferred income' under non-current liability in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

The benefit of a government loan at a below-market rate of interest and effect of this favourable interest is treated as a government grant. The loan or assistance is initially recognised at fair value and the government grant is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and recognised to the income statement immediately on fulfillment of the performance obligations. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

### **O Segment Reporting**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108 - Operating Segments, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

### **P Cash flow statement**

Cash flows are reported using the indirect method, whereby net profits after 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. The cash flows from regular operating, investing and financing activities of the Company are segregated based upon the available information.



**Notes to the financial statements for the year ended March 31, 2022**
**4A Property, Plant and Equipment**
**(Rs. in lakhs)**

Particulars	Building	Plant and Machinery	Office Equipment	Furniture and Fixtures	Computer Equipment	Vehicles	Total
<b>Gross Block (at deemed cost)</b>							
As at April 01, 2020	700.23	931.80	38.44	55.43	29.33	115.15	1,870.38
Additions during the year	-	13.88	0.60	-	1.22	-	15.70
Disposals/ Adjustments	-	-	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>700.23</b>	<b>945.68</b>	<b>39.04</b>	<b>55.43</b>	<b>30.55</b>	<b>115.15</b>	<b>1,886.08</b>
As at April 01, 2021	700.23	945.68	39.04	55.43	30.55	115.15	1,886.08
Additions during the year	-	2.12	2.15	2.66	10.39	-	17.32
Addition on account of Slump Sale	314.25	783.12	84.85	32.06	9.08	-	1,223.36
Disposals/ Adjustments	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>1,014.48</b>	<b>1,730.92</b>	<b>126.04</b>	<b>90.15</b>	<b>50.02</b>	<b>115.15</b>	<b>3,126.76</b>
<b>Accumulated Depreciation</b>							
As at April 01, 2020	100.39	207.74	29.15	23.20	23.03	55.07	438.58
Additions during the year	22.15	59.55	3.46	5.27	2.41	12.93	105.77
Disposals/ Adjustments	-	-	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>122.54</b>	<b>267.29</b>	<b>32.61</b>	<b>28.47</b>	<b>25.44</b>	<b>68.00</b>	<b>544.35</b>
As at April 01, 2021	122.54	267.29	32.61	28.47	25.44	68.00	544.35
Additions during the year	22.15	59.93	2.58	5.37	2.87	11.08	103.98
Disposals/ Adjustments	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>144.69</b>	<b>327.22</b>	<b>35.19</b>	<b>33.84</b>	<b>28.31</b>	<b>79.08</b>	<b>648.33</b>
<b>Net Carrying Value as at March 31, 2022</b>	<b>869.79</b>	<b>1,403.70</b>	<b>90.85</b>	<b>56.31</b>	<b>21.71</b>	<b>36.07</b>	<b>2,478.43</b>
<b>Net Carrying Value as at March 31, 2021</b>	<b>577.69</b>	<b>678.39</b>	<b>6.43</b>	<b>26.96</b>	<b>5.11</b>	<b>47.15</b>	<b>1,341.73</b>

(a) Property, Plant and Equipment given as security for various borrowing facilities availed from lenders, refer Note 13.

**Notes to the financial statements for the year ended March 31, 2022**
**4B Right-of-use assets and Intangible Assets**

Particulars	Right-of-use assets		Intangible Assets	
	Leasehold Land	Total	Computer	Total
<b>Gross Block</b>				
<b>As at April 01, 2020</b>	<b>460.23</b>	<b>460.23</b>	<b>13.07</b>	<b>13.07</b>
Additions during the year	-	-	-	-
Disposals/ Adjustments	-	-	-	-
<b>As at March 31, 2021</b>	<b>460.23</b>	<b>460.23</b>	<b>13.07</b>	<b>13.07</b>
<b>As at April 01, 2021</b>	<b>460.23</b>	<b>460.23</b>	13.07	13.07
Additions during the year	-	-	-	-
Disposals/ Adjustments	-	-	-	-
<b>As at March 31, 2022</b>	<b>460.23</b>	<b>460.23</b>	<b>13.07</b>	<b>13.07</b>
<b>Accumulated Depreciation</b>				
<b>As at April 01, 2020</b>	<b>18.65</b>	<b>18.65</b>	<b>13.07</b>	<b>13.07</b>
Additions during the year	18.65	18.65	-	-
Disposals/ Adjustments	-	-	-	-
<b>As at March 31, 2021</b>	<b>37.30</b>	<b>37.30</b>	<b>13.07</b>	<b>13.07</b>
<b>As at April 01, 2021</b>	<b>37.30</b>	<b>37.30</b>	<b>13.07</b>	<b>13.07</b>
Additions during the year	18.65	18.65	-	-
Disposals/ Adjustments	-	-	-	-
<b>As at March 31, 2022</b>	<b>55.95</b>	<b>55.95</b>	<b>13.07</b>	<b>13.07</b>
<b>Net Carrying Value as at March 31, 2022</b>	<b>404.28</b>	<b>404.28</b>	-	-
<b>Net Carrying Value as at March 31, 2021</b>	<b>422.93</b>	<b>422.93</b>	-	-

Notes to the financial statements for the year ended March 31, 2022

4C 3.2 Capital Work in Progress	As at March 31, 2022	As at March 31, 2021
Capital Work in Progress	246.94	-
<b>Total</b>	<b>246.94</b>	<b>-</b>

**CWIP Ageing Schedule**

**As at March 31, 2022**

(Rs. in lakhs)

CWIP	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	246.94	-	-	-	246.94
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>246.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>246.94</b>

**As at March 31, 2021**

(Rs. in lakhs)

CWIP	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	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Notes to the financial statements for the year ended March 31, 2022**
**(Rs. in lakhs)**

5 Other financial assets	As at March 31, 2022	As at March 31, 2021
<i>(measured at amortised cost except for Derivative Assets which is measured at Fair value through profit or loss)</i>		
<i>(Unsecured, considered good unless otherwise stated)</i>		
<b>Non-Current</b>		
Security deposit given	96.51	49.97
Interest accrued but not due on deposits	6.01	4.03
<b>Total</b>	<b>102.52</b>	<b>54.01</b>
<b>Current</b>		
Derivative Assets - Foreign exchange forward contracts	25.49	36.50
Deposits held as Margin Money (Refer Note (a))	128.03	127.92
Security deposit given	1.65	-
Interest accrued but not due on deposits	1.03	3.15
<b>Total</b>	<b>156.20</b>	<b>167.57</b>
(a) Deposits are under lien as security for borrowing facilities given by lenders, refer Note 13.		
6 Other Current Assets	As at March 31, 2022	As at March 31, 2021
<b>Current</b>		
Advances to suppliers (Refer Note (a))	71.91	616.60
Advances to employees	30.07	15.65
Subsidy receivable	121.25	121.25
Export Benefit Receivable	491.94	356.09
Balances with government authorities	629.10	593.35
Other Receivables	1.83	-
Prepaid expenses	13.74	42.16
<b>Total</b>	<b>1,359.84</b>	<b>1,745.10</b>
(a) There are no advances due from directors or other officers of the Company either severally or jointly with any other person. Advances to suppliers include firms or private companies in which any director is a partner, member or director of Rs Nil.(P.Y.Rs. 1.10)		
7 Inventories	As at March 31, 2022	As at March 31, 2021
<i>(at lower of cost or Net realisable value)</i>		
Raw Materials	2,618.09	883.39
Finished Goods	5,906.56	5,475.00
<b>Total</b>	<b>8,524.65</b>	<b>6,358.38</b>
(a) Inventories are given as security for various borrowing facilities availed from lenders, refer Note 13.		
8 Trade receivables	As at March 31, 2022	As at March 31, 2021
<i>(measured at amortised cost)</i>		
Secured Considered Good	-	-
Unsecured Considered Good	12,443.62	11,163.18
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables credit impaired	-	-
	<b>12,443.62</b>	<b>11,163.18</b>
Less: Allowance for credit loss	-	-
<b>Total</b>	<b>12,443.62</b>	<b>11,163.18</b>
(a) Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows. Trade receivables are non-interest bearing and are generally on terms of 60 to 90 days and are conditioned to be recovered purely on passage of time.		
(b) Trade receivables are given as security for various borrowing facilities availed from lenders, refer Note 13		
(c) There are no trade receivables due from directors or other officers of the Company either severally or jointly with any other person. Trade receivables due from firms or private companies in which any director is a partner, member or director is Rs 40.21 Lakhs (P.Y. 63.79 Lakhs ).		

## Notes to the financial statements for the year ended March 31, 2022

(Rs. in lakhs)

## a. As at March 31, 2022

Sr No	Particulars	Outstanding for following periods from due date of receipt*					Total	
		Unbilled	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years		More than 3 years
1	Undisputed Trade receivables - Considered good	-	11,784.18	348.71	220.09	9.10	81.54	12,443.62
2	Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
3	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
4	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-
5	Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
6	Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-

## b. As at March 31, 2021

Sr No	Particulars	Outstanding for following periods from due date of receipt*					Total	
		Unbilled	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years		More than 3 years
1	Undisputed Trade receivables - Considered good	-	10,033.45	912.62	87.33	44.46	85.32	11,163.18
2	Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
3	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
4	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-
5	Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
6	Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-

\* The management has decided to consider bill date for calculating outstanding receivables.

		As at March 31, 2022	As at March 31, 2021
<b>9</b>	<b>Cash and cash equivalents</b>		
	<i>(measured at amortised cost)</i>		
	Cash on Hand	14.07	4.47
	<b>Balance with Banks:</b>		
	- In current accounts	1.34	2.86
	<b>Total</b>	<b>15.41</b>	<b>7.33</b>
<b>10</b>	<b>Loans</b>		
	<i>(measured at amortised cost)</i>		
	<b>Current</b>		
	Loan to Employees	14.51	2.39
	<b>Total</b>	<b>14.51</b>	<b>2.39</b>

**Notes to the financial statements for the year ended March 31, 2022**
**(Rs. in lakhs)**

11 Equity share capital	As at March 31, 2022	As at March 31, 2021
<b>Authorised Equity Share Capital</b>		
15,25,00,000 Equity Shares of Rs. 2 each (Previous Year 1,10,00,000 Equity Shares of Rs. 10 each)	3,050.00	1,100.00
<b>Total</b>	<b>3,050.00</b>	<b>1,100.00</b>
<b>Issued, Subscribed and Fully Paid-up Share Capital</b>		
15,11,41,500 Equity Shares of Rs. 2 each (Previous Year 1,00,76,100 Equity Shares of Rs. 10 each)	3,022.83	1,007.61
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>3,022.83</b>	<b>1,007.61</b>

**(i) Reconciliation of number of shares**

Equity Shares	No of Shares	Amount
<b>Balance as at April 01, 2020</b>	<b>1,00,76,100</b>	<b>1,007.61</b>
Add : Issue of shares during the year	-	-
<b>Balance as at March 31, 2021</b>	<b>1,00,76,100</b>	<b>1,007.61</b>
Add : Issue of shares on account of sub division and Bonus (Refer note (i) (a) below)	14,10,65,400	2,015.22
<b>Balance as at March 31, 2022</b>	<b>15,11,41,500</b>	<b>3,022.83</b>

**Note (a)**

Pursuant to the approval of the shareholders through the extra-ordinary general meeting held on July 27, 2021, the Company has sub divided 1,00,76,100 equity shares of face value Rs. 10 each into 5,03,80,500 equity shares of Rs. 2 each and post subdivision, allotted 10,07,61,000 bonus equity shares of Rs. 2 each as fully paid-up equity shares, in the ratio of 2 (two) equity shares of Rs. 2 each for every 1 (one) equity share of Rs. 2 each to the shareholders of the Company as on record date of August 04, 2021. Consequently the Company capitalised a sum of Rs. 2,015.22 lakhs from security premium and retained earnings.

**(ii) Rights, preferences and restrictions attached to Equity shares**

The Company has only one class of equity shares having a par value of Rs.2/- per share (PY Rs.10/- per share). Each shareholder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(iii) Shares held by Holding Company including shares held by or by subsidiaries or associates of the holding company or the Ultimate Holding Company**

The Company does not have any Holding Company, Subsidiaries or Associates.

**(iv) Details of shareholders holding more than 5% of the aggregate shares in the Company**

Equity Shares	As at March 31, 2022		As at March 31, 2021	
	No of Shares	% Holding	No of Shares	% Holding
Nilaybhai J. Vora	1,80,60,000	11.95%	12,04,000	11.95%
Bhavik S. Parikh	2,03,82,900	13.49%	23,58,860	23.41%
Bhavin S. Parikh	2,61,24,300	17.28%	17,41,620	17.28%
Shraddha B. Parikh	1,30,62,150	8.64%	8,70,810	8.64%
Purvi B. Parikh	1,30,62,150	8.64%	8,70,810	8.64%

**(v) Shareholding of Promoters**

S. No	Shares held by promoters as at March 31, 2022				% Change during the year
	Promoter name	No. of Shares	% of total shares		
1	Bhavin Suryakant Parikh	2,61,24,300	17.28%	0.00%	
2	Bhavik Suryakant Parikh	2,03,82,900	13.49%	(9.92%)	
3	Jagdishkumar Manilal Vora	11,92,500	0.79%	0.00%	
4	Purvi Bhavin Parikh	1,30,62,150	8.64%	0.00%	
5	Nilaybhai Jagdishbhai Vora	1,80,60,000	11.95%	0.00%	
6	Saradaben Suryakant Parikh	39,37,500	2.61%	2.61%	
7	Suryakant Hiralal Parikh	-	0.00%	(2.61%)	
8	Shraddha Bhavik Parikh	1,30,62,150	8.64%	0.00%	
9	Asha Mitesh Adani	60,000	0.04%	0.00%	
	<b>Total</b>	<b>9,58,81,500</b>	<b>63.44%</b>	<b>(9.92%)</b>	

## Notes to the financial statements for the year ended March 31, 2022

(Rs. in lakhs)

S. No	Shares held by promoters as at March 31, 2021			% Change during the year
	Promoter name	No. of Shares	% of total shares	
1	Bhavin Suryakant Parikh	17,41,620	17.28%	-
2	Bhavik Suryakant Parikh	23,58,860	23.41%	-
3	Jagdishkumar Manilal Vora	79,500	0.79%	-
4	Purvi Bhavin Parikh	8,70,810	8.64%	-
5	Nilaybhai Jagdishbhai Vora	12,04,000	11.95%	-
6	Saradaben Suryakant Parikh	-	-	-
7	Suryakant Hiralal Parikh	2,62,500	2.61%	-
8	Shraddha Bhavik Parikh	8,70,810	8.64%	-
9	Asha Mitesh Adani	4,000	0.04%	-
	<b>Total</b>	<b>73,92,100</b>	<b>73.36%</b>	<b>-</b>

## (vi) Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and

The Company does not have any shares reserved for issue under options and contracts/commitment.

## (vii) For the period of five years immediately preceding March 31, 2022

(a) Shares allotted as fully paid-up without payment being received in cash: Nil

(b) Shares bought back: Nil

(c) Issue of Bonus shares: Nil

12 Other equity	As at March 31, 2022	As at March 31, 2021
<b>(a) Securities Premium</b>		
<b>Balance as at beginning of the year</b>	<b>862.53</b>	<b>862.53</b>
Less: Transfer to issue bonus shares	(862.53)	-
<b>Balance as at end of the year</b>	<b>-</b>	<b>862.53</b>
<b>(b) Retained Earnings</b>		
<b>Balance as at beginning of the year</b>	<b>2,405.44</b>	<b>2,356.52</b>
Add : Net Profit for the year	513.55	25.12
Less: Transfer to issue bonus shares	(1,152.69)	-
Add : Other comprehensive income arising from remeasurement of defined benefit obligation net of tax	9.69	23.80
<b>Balance as at end of the year</b>	<b>1,775.99</b>	<b>2,405.44</b>
<b>(c) Equity component of borrowing</b>		
<b>Balance as at beginning of the year</b>		-
Add : Equity component of borrowing (Refer note (a))	175.11	-
<b>Balance as at end of the year</b>	<b>175.11</b>	-
<b>Total Other Equity</b>	<b>1,951.10</b>	<b>3,267.97</b>

## Note(a):

Upfront benefit from promoters include loan received from director is payable within 5 years from the date of receipt with 0% interest rate.

The description of the nature and purpose of each reserve within Other equity is as follows:

## (i) Securities Premium

The securities premium received by the Company on issue of shares at premium. This balance will be utilised in accordance with the provisions of Section 52 of the Act towards issuance of fully paid bonus shares, write-off of preliminary expenses, commission/discount expenses on issue of shares/debentures, premium payable on redemption of redeemable preference shares/debentures and buy back of its own shares/securities under Section 68 of the Act.

## (ii) Retained Earnings

The amount that can be distributed by the Company as dividend to its equity shareholders is determined based on the financial position and dividend policy of the Company and in compliance with the requirements of the Act.

**Notes to the financial statements for the year ended March 31, 2022**
**(Rs. in lakhs)**

13 Borrowings		As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>			
<b>Secured</b>			
<b>Term Loan</b>			
- from banks.	Refer note (a, d & e)	1,483.54	765.86
- from NBFC	Refer note (b)	13.86	82.04
<b>Other Loans</b>			
- Vehicle Loan	Refer note (c)	-	16.97
<b>Unsecured</b>			
<b>Term Loan</b>			
- from related parties (refer note 33)	Refer note (f)	329.05	-
- from NBFC	Refer note (b)	3.48	20.53
<b>Total</b>		<b>1,829.93</b>	<b>885.40</b>
<b>Current</b>			
<b>Secured</b>			
Current maturities of Non - Current borrowings		264.59	329.05
<b>Demand Loan</b>			
- from banks	Refer note (e)	6,895.89	6,160.92
<b>Unsecured</b>			
- from related parties (refer note 33)	Refer note (g)	84.03	39.41
<b>Total</b>		<b>7,244.51</b>	<b>6,529.38</b>

**Notes:**
**(a) Details of Term Loans from Banks:**

Particulars	Amount of Instalment	No. of Monthly Instalments	Interest Rate
Karur Vyasya Bank - (Loan I)	6.03	First 32 Instalments	10.05%
	6.32	Subsequent 16 Instalments	
Karur Vyasya Bank - (Loan II)	2.08	First 31 Instalments	10.30%
	2.18	Subsequent 17 Instalments	
Karur Vyasya Bank - (Loan III)	15.10	First 47 Instalments	8.20%
	15.10	Subsequent 1 Instalment	
Bank of Maharashtra (ECLGS 2.0)	16.66	Moratorium period of 24 months form the date of first disbursal and then 36 Equal Monthly Instalments	RLLR + 0.7% or 9.25% which ever is lower
Union Bank of India (Covid Emergency Credit Line Term Loan)	8.99	Moratorium period of 12 months form the date of first disbursal and then 48 Equal Monthly Instalments	EBLR+ 1% or 9.25% Which ever is lower
Union Bank of India (Covid Emergency Credit Line Term Loan)	11.11	First 18 Instalments	8.00%

**(b) Details of Loans from NBFC:**

Particulars	Amount of Instalment	No. of Monthly Instalments	Interest Rate
Capital First Limited (Unsecured Loan)	1.84	First 12 Instalments	18% P.A.
	1.10	Subsequent 12 Instalments	
	0.73	Subsequent 12 Instalments	
Magma Fincorp Ltd.(Unsecured Loan)	2.64	First 8 Instalments	18.11% P.A.
	2.05	Subsequent 8 Instalments	
	1.17	Subsequent 8 Instalments	
Shriram City Union Finance Ltd (Unsecured Loan)	2.62	First 8 Instalments	16% P.A.
	2.33	Subsequent 8 Instalments	
	0.88	Subsequent 4 Instalments	
	2.62	Subsequent 1 Instalment	
India Infoline Finance Ltd (Unsecured Loan)	1.63	Subsequent 1 Instalment	15% P.A.
	2.18	First 8 Instalments	
	1.53	Subsequent 5 Instalments	
Mas Financial Services Ltd (Unsecured Loan)	0.94	Subsequent 11 Instalments	13.25% P.A.
	1.54	48 Instalments	
Mas Financial Services Ltd (Secured Loan)	6.16	48 Instalments	13.25% P.A.



**Notes to the financial statements for the year ended March 31, 2022**
**(Rs. in lakhs)**

- (c) Vehicle Loan is of Rs NIL (P.Y Rs. 16.97 Lakhs) repayable in 60 equal monthly instalments of Rs. 1.61 Lakhs each including interest, from 5th March, 2017. The loan is secured by hypothecation of vehicle of the company
- (d) Secured Loan from bank comprises of cash credit and packing credit facilities. Cash credit and packing credit facilities are repayable on demand and carry interest @ Base Rate + 1.75% and Base Rate + 0.25% respectively. Further, Secured loan from banks for cash credit and packing credit facilities include new limits availed during the year, repayable on demand and carry interest of @ Base Rate + 2.50%. Existing cash credit and packing credit limits and new limits availed during the year are secured against all trade receivables and stock.
- (e) The term loans and working capital facilities from banks are secured by hypothecation of all movable assets of the company and immovable assets located at the SEZ Unit of the company. Further, these loans are also secured by collateral securities given in the form of equitable mortgage of residential flat held by Mrs. Shardhhaben B. Parikh, the additional equitable mortgage of immovable property held by the Company named "Aditya Green City Private Limited", additional equitable mortgage of industrial block held by Globe Denwash Private Limited and first pari-passu charge on residential property held by Mrs Sardaben Suryakant Parikh. Further, the term loans and working capital facilities are secured by personal guarantees of promoters and corporate guarantee of Globe Denwash Private Limited and Aditya Greencity Private Limited.
- (f) Loan received from director is payable within 5 years from the date of receipt with 0% interest rate.
- (g) Unsecured loan from related parties represent loan taken from director and it is interest free and repayable on demand.

14 Provisions	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
Provision for gratuity (Refer Note 32)	104.45	63.68
Provision for compensated absences (Refer Note 32)	15.50	14.02
<b>Total a)</b>	<b>119.95</b>	<b>77.70</b>
<b>Current</b>		
Provision for tax (Refer Note 26) b)	109.58	28.23
Provision for gratuity (Refer Note 32).	19.46	2.97
Provision for compensated absences (Refer Note 32) c)	35.43	2.19
<b>Total (b+c)</b>	<b>164.47</b>	<b>33.39</b>
<b>15 Trade payables</b>		
	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	4.84	9.18
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,092.91	8,388.80
<b>Total</b>	<b>7,097.75</b>	<b>8,397.98</b>

**Trade Payables Ageing Schedule**
**As at March 31, 2022**

Sr No	Particulars	Outstanding for following periods from due date of Payment*						Total
		Unbilled Dues	Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	-	-	4.84	-	-	-	4.84
2	Others	222.55	-	6,803.10	53.95	9.45	3.86	7,092.91
3	Disputed dues - MSME	-	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-	-
	<b>Total</b>	<b>222.55</b>	<b>-</b>	<b>6,807.94</b>	<b>53.95</b>	<b>9.45</b>	<b>3.86</b>	<b>7,097.75</b>

**As at March 31, 2021**

Sr No	Particulars	Outstanding for following periods from due date of Payment*						Total
		Unbilled Dues	Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	-	-	9.18	-	-	-	9.18
2	Others	29.80	-	8,240.85	53.92	32.04	32.19	8,388.80
3	Disputed dues - MSME	-	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-	-
	<b>Total</b>	<b>29.80</b>	<b>-</b>	<b>8,250.03</b>	<b>53.92</b>	<b>32.04</b>	<b>32.19</b>	<b>8,397.98</b>

**Notes to the financial statements for the year ended March 31, 2022**
**(Rs. in lakhs)**

Details of dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

(i) Principal amount paid after appointed date during the year	-	-
(ii) Amount of interest due and payable for the delayed payment of principal amount	-	-
(iii) Principal amount remaining unpaid as at year end (over due)	-	-
(iv) Principal amount remaining unpaid as at year end (not due)	4.84	9.18
(v) Interest due and payable on principal amount unpaid as at the year end	-	-
(vi) Total amount of interest accrued and unpaid as at year end	-	-
(vii) Further interest remaining due and payable for earlier years	-	-

\* The management has decided to consider bill date for calculating outstanding payables.

<b>16 Other financial liabilities</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<i>(measured at amortised cost except for Derivative Assets which is measured at Fair value through profit or loss)</i>		
<b>Current</b>		
Interest accrued but not due on borrowings	5.43	1.11
Capital Creditors, retention money and other payable.	225.76	-
Security deposits taken	67.85	5.00
Agent Commission Payable	716.27	722.07
Other payable	2,646.73	3.83
<b>Total</b>	<b>3,662.04</b>	<b>732.01</b>
<b>17 Other Current liabilities</b>		
<b>Current</b>		
Advance received from customers (Contract liabilities)	675.90	241.55
Statutory dues	24.46	113.05
<b>Total</b>	<b>700.36</b>	<b>354.60</b>

## Notes to the financial statements for the year ended March 31, 2022

(Rs. in lakhs)

18 Revenue From Operations	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Income from sale of goods</b>		
Domestic Sales	28,428.67	19,303.43
Exports Sales	9,367.73	5,899.44
<b>Other Operating Income</b>		
Job work Income	23.02	109.87
Export Incentives	522.83	596.54
<b>Total</b>	<b>38,342.25</b>	<b>25,909.28</b>
<b>Reconciliation of gross revenue with revenue from contracts with customers</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Gross revenue (i.e Contracted Price)	38,386.70	25,933.62
Less: Discounts, rebates, Price Concessions etc.	(44.45)	(24.34)
<b>Total</b>	<b>38,342.25</b>	<b>25,909.28</b>
<b>19 Other income</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Foreign exchange fluctuation (net)	131.00	78.12
Interest income on financial assets measured at amortised cost		
- Deposits with Banks	6.62	7.80
- Others	2.34	0.15
Gain on Derivative Assets (forward contracts)	-	123.40
Liabilities no longer required written back	32.35	92.77
Subsidy Income	26.62	67.58
Miscellaneous Income	15.05	80.60
<b>Total</b>	<b>213.98</b>	<b>450.42</b>
<b>20 Cost of materials consumed</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Opening Stock of Raw Materials	883.39	1,438.78
Add: Purchases during the year	15,137.51	13,155.92
Add: Processing and Packing Charges	1,822.77	1,217.94
Less: Closing Stock of Raw Materials	2,618.09	883.39
<b>Cost of materials consumed</b>	<b>15,225.58</b>	<b>14,929.25</b>
<b>21 Changes in stock of finished goods and stock-in-trade</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
<b>Inventories at the beginning of the year</b>		
Finished Goods	5,475.01	4,459.13
<b>Less : Inventories at the end of the year</b>		
Finished Goods	5,906.56	5,475.00
<b>Net (Increase) in Inventories of finished goods and traded goods</b>	<b>(431.55)</b>	<b>(1,015.88)</b>
<b>22 Employee benefits expense</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Salaries, wages and bonus	838.27	538.90
Contribution to provident fund and other fund (Refer Note 32)	42.08	38.06
Compensated absence expense (Refer Note 32)	7.11	2.89
Gratuity (Refer Note 32)	22.12	23.84
Staff welfare expenses	3.81	11.58
<b>Total</b>	<b>913.39</b>	<b>615.27</b>

**Notes to the financial statements for the year ended March 31, 2022**
**(Rs. in lakhs)**

<b>23 Finance costs</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
<b>Interest Expense on</b>		
-Term Loan	17.41	45.42
-Working Capital Loan	732.19	491.43
-Others	57.43	52.65
Bank Charges and Other Borrowing Costs	105.81	36.14
<b>Total</b>	<b>912.84</b>	<b>625.64</b>
<b>24 Depreciation and amortization expense</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Depreciation on Property, Plant and Equipment (Refer Note 4A)	103.98	105.77
Amortisation of Right of Use Assets (Refer Note 4B)	18.65	18.65
<b>Total</b>	<b>122.63</b>	<b>124.42</b>
<b>25 Other expenses</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Power and Fuel	27.18	18.62
Labour charges	5.36	3.86
Transportation expenses	112.58	79.07
Stores & Spares Consumed	17.05	8.01
Repairs and maintenance		
- Plant & Machinery	3.09	1.37
- Others	9.90	3.79
Insurance	31.71	38.97
Commission expenses	235.64	116.91
Freight and forwarding expenses	283.52	87.47
Security expenses	13.62	8.88
Legal and professional expenses	124.01	41.58
Payment to auditors (Refer Note (a) below)	5.00	2.67
Rates & taxes	29.12	10.85
Rent	28.95	2.10
Travelling and Conveyance expenses	12.33	3.26
Office & Factory expenses	6.26	6.62
Membership and subscription	1.18	1.15
Printing and stationery	3.37	1.50
Communication expense	3.99	0.99
Loss on Derivative Assets (forward contracts)	11.01	-
Postage and Courier expenses	18.90	14.70
Business promotion expenses	6.88	3.36
Donation (other than political)	-	1.61
CSR Expense (Refer Note 39)	-	7.11
Balance Write Off	44.56	3.45
Miscellaneous expenses	26.95	5.43
<b>Total</b>	<b>1,062.16</b>	<b>473.33</b>
<b>(a) Payment to auditors</b>		
As auditor (excluding applicable taxes)		
Statutory audit fee	5.00	2.50
Others	-	0.17
<b>Total</b>	<b>5.00</b>	<b>2.67</b>

**Notes to the financial statements for the year ended March 31, 2022**
**(Rs. in lakhs)**

26 Income tax expense	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>(i) Income tax expense recognised in Statement of Profit and Loss and OCI:</b>		
<b>A Income tax expense recognised in Statement of Profit and loss:</b>		
<b>Current tax expense/ (credit)</b>		
In respect of current year	182.50	48.90
In respect of earlier years	(13.18)	4.62
	<b>169.32</b>	<b>53.52</b>
<b>Deferred tax expense / (credit)</b>		
In respect of current year	(29.59)	56.70
	<b>(29.59)</b>	<b>56.70</b>
<b>B Income tax expense recognised in OCI:</b>		
Deferred tax		
In respect of current year	(3.73)	(9.18)
	<b>(3.73)</b>	<b>(9.18)</b>
<b>(ii) Reconciliation of tax expense and the accounting profit</b>		
Profit before tax	653.28	135.34
Tax Rate applied	27.82%	27.82%
Income tax expense calculated at the applicable tax rate on Profit before tax	181.74	37.65
Adjustment in Tax due to the following (tax benefit)/tax expenses	(30.71)	
Expenses not deductible for tax purpose (net)	-	(29.14)
Others	-	40.39
Tax expense / (credit) in respect of earlier years	(13.18)	4.62
<b>Tax expenses recognised during the year</b>	<b>137.85</b>	<b>53.52</b>
Effective Tax Rate (%)	21.10	39.54
<b>Balance Sheet Section</b>		
Income Tax Liabilities (net)	109.58	28.23
Income Tax Asset (net)	130.19	132.92
<b>Total</b>	<b>20.61</b>	<b>104.69</b>

**(iii) Deferred tax**

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences.  
Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of deductible temporary differences.

Component of Deferred tax liabilities/assets are as follows:

Break up of Deferred tax (liabilities)/assets	As at April 01, 2021	Recognised in Statement of Profit and Loss	Recognised in OCI	As at March 31, 2022
Depreciation	(117.87)	(0.81)	-	(118.68)
Provision for gratuity	7.09	15.93	(3.73)	19.29
Provision for compensated absences	4.23	9.93	-	14.17
Fair valuation of Financial Instruments	(10.15)	3.06	-	(7.09)
Bonus	7.20	1.47	-	8.67
<b>Total</b>	<b>(109.50)</b>	<b>29.58</b>	<b>(3.73)</b>	<b>(83.65)</b>
Break up of Deferred tax (liabilities)/assets	As at April 01, 2020	Recognised in Statement of Profit and Loss	Recognised in OCI	As at March 31, 2021
Depreciation	(98.99)	(18.88)	-	(117.87)
Provision for gratuity	24.86	(8.59)	(9.18)	7.09
Provision for compensated absences	-	4.23	-	4.23
Derivative Assets	24.18	(34.33)	-	(10.15)
Bonus	6.32	0.87	-	7.20
<b>Total</b>	<b>(43.63)</b>	<b>(56.70)</b>	<b>(9.18)</b>	<b>(109.50)</b>

**Notes to the financial statements for the year ended March 31, 2022**
**(Rs. in lakhs)**

The following table provides the details of income tax assets and income tax liabilities as of March 31, 2022 and March 31, 2021.

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Income tax assets	130.19	132.92
Income tax liabilities	109.58	28.23
<b>Net income tax assets/ (liability)</b>	<b>20.61</b>	<b>104.69</b>

There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters. Refer Note 28.

<b>27 Capital and other commitments</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Estimated amount of contracts in capital account remaining to be executed (net of advances)	23.83	-
<b>Total</b>	<b>23.83</b>	<b>-</b>
<b>28 Contingent liabilities</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
(i) Direct tax matters	923.20*	767.64*
(ii) Indirect tax matters	-	-
<b>Total</b>	<b>923.20</b>	<b>767.64</b>

\* The Above mentioned amount is excluding interest outstanding on such demands.

The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company is contesting the above demand and the management including its tax advisors believes that its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities hence it is not practicable for the Company to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the above.

<b>29 Earning per share (EPS)</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Net Profit after tax for calculation of basic EPS	513.55	25.12
Weighted average number of equity shares for calculating Basic EPS	10,24,44,951	10,24,44,951
Nominal value per share (Rs) (Refer note 11 (i)(a))	2.00	10.00
Basic Earning Per Share (in Rupees)	0.50	0.02
Diluted Earning Per Share (in Rupees)	0.50	0.02

**30 Financial Instruments**
**(i) Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements to optimise return to our shareholders through continuing growth. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Company monitors capital structure using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings add capital creditors and less cash and short-term deposits (including other bank balance).

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Total Borrowings	13	9,074.44	7,414.78
Add: Capital Creditors	16	225.76	-
Less: Cash & Bank Balance	5 & 9	143.44	135.25
<b>Net Debt (A)</b>		<b>9,156.76</b>	<b>7,279.53</b>
Total Equity (B)	11 & 12	4,973.93	4,275.58
Total Equity & Net Debt (C = A+B)		14,130.69	11,555.11
<b>Gearing Ratio</b>		<b>64.80%</b>	<b>63.00%</b>

No changes were made in the objectives, policies or processes for managing capital during the current and previous years.

**(ii) Category-wise financial instruments:**

The accounting classification of each category of financial instruments and their carrying amounts are set out below:

Financial Assets as at March 31, 2022	Refer Note	Amortised Cost	FVTPL	Total carrying value	Total fair value
<b>Non-current</b>					
Other financial assets	5	102.52	-	102.52	102.52
		<b>102.52</b>	<b>-</b>	<b>102.52</b>	<b>102.52</b>
<b>Current</b>					
Trade receivables	8	12,443.62	-	12,443.62	12,443.62
Cash and cash equivalents	9	15.41	-	15.41	15.41
Loans	10	14.51	-	14.51	14.51
Other financial assets	5	130.71	25.49	156.20	156.20
		<b>12,604.25</b>	<b>25.49</b>	<b>12,629.74</b>	<b>12,629.74</b>
<b>Total</b>		<b>12,706.77</b>	<b>25.49</b>	<b>12,732.26</b>	<b>12,732.26</b>
Financial Liabilities as at March 31, 2022	Refer Note	Amortised Cost	FVTPL	Total carrying value	Total fair value
<b>Non-current</b>					
Borrowings	13	1,829.93	-	1,829.93	1,829.93
		<b>1,829.93</b>	<b>-</b>	<b>1,829.93</b>	<b>1,829.93</b>
<b>Current</b>					
Borrowings	13	7,244.51	-	7,244.51	7,244.51
Trade payables	15	7,097.75	-	7,097.75	7,097.75
Other financial liabilities	16	3,662.04	-	3,662.04	3,662.04
		<b>18,004.30</b>	<b>-</b>	<b>18,004.30</b>	<b>18,004.30</b>
<b>Total</b>		<b>19,834.23</b>	<b>-</b>	<b>19,834.23</b>	<b>19,834.23</b>
Financial Assets as at March 31, 2021	Refer Note	Amortised Cost	FVTPL	Total carrying value	Total fair value
<b>Non-current</b>					
Other financial assets	5	54.01	-	54.01	54.01
		<b>54.01</b>	<b>-</b>	<b>54.01</b>	<b>54.01</b>
<b>Current</b>					
Trade receivables	8	11,163.18	-	11,163.18	11,163.18
Cash and cash equivalents	9	7.33	-	7.33	7.33
Loans	10	2.39	-	2.39	2.39
Other financial assets	5	167.57	-	167.57	167.57
		<b>11,340.47</b>	<b>-</b>	<b>11,340.47</b>	<b>11,340.47</b>
<b>Total</b>		<b>11,394.48</b>	<b>-</b>	<b>11,394.48</b>	<b>11,394.48</b>

**Notes to the financial statements for the year ended March 31, 2022**

(Rs. in lakhs)

Financial Liabilities as at March 31, 2021	Refer Note	Amortised Cost	FVTPL	Total carrying value	Total fair value
<b>Non-current</b>					
Borrowings	13	885.40	-	885.40	885.40
		<b>885.40</b>	-	<b>885.40</b>	<b>885.40</b>
<b>Current</b>					
Borrowings	13	6,529.38	-	6,529.38	6,529.38
Trade payables	15	8,397.98	-	8,397.98	8,397.98
Other financial liabilities	16	732.01	-	732.01	732.01
		<b>15,659.37</b>	-	<b>15,659.37</b>	<b>15,659.37</b>
<b>Total</b>		<b>16,544.77</b>	-	<b>16,544.77</b>	<b>16,544.77</b>

For description of the Company's financial instrument risks, including risk management objectives and policies is given in, Note 31. The methods used to measure financial assets and liabilities reported at fair value are described in below Note.

**(iii) Fair Value Hierarchy**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

Financial assets and financial liabilities measured at fair value in the Balance Sheet are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

(a) The Company uses the following hierarchy for determining and/or disclosing the fair value of financial assets by valuation techniques:

Financial Assets as at March 31, 2022	Level 1 - Quoted price in	Level 2 - Significant observable inputs	Level 3 - Significant unobservable	Total
At fair value through profit or loss				
Derivative Assets / (Liabilities)	-	25.49	-	<b>25.49</b>
<b>Total</b>	-	<b>25.49</b>	-	<b>25.49</b>
Financial Assets as at March 31, 2021	Level 1 - Quoted price in	Level 2 - Significant observable inputs	Level 3 - Significant unobservable	Total
At fair value through profit or loss				
Derivative Assets / (Liabilities)	-	36.50	-	<b>36.50</b>
<b>Total</b>	-	<b>36.50</b>	-	<b>36.50</b>

There are no transfers between levels during the year.

**(b) Financial Instrument measured at Amortised Cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.



**31 Financial Risk Management and Objective**

The Company is exposed to market risk, credit risk and liquidity risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company is primarily exposed to risks resulting from fluctuation in market risk, credit risk and liquidity risk, which may adversely impact the fair value of its financial instruments.

**(a) Credit Risk:**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

**(i) Trade receivables**

The Company primarily collects consideration in advance for export of goods and services to be provided to the customer. As a result, the Company is exposed to reasonable credit risk in respect to domestic trade receivables.

The impairment is based on expected credit loss model considering the historical data and financial position of individual customer at each reporting period. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9.

The Company does not hold any collateral as security. The Company has low concentration of risk with respect to trade receivables, as its customers are widely spread and belong to diversified markets.

**(ii) Cash and cash equivalents, bank deposits and Security Deposits**

The Company maintains its cash and cash equivalents and bank deposits with reputed banks and financial institutions. The credit risk on these instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. The Company monitors the credit rating of the counterparties on regular basis. These instruments carry very minimal credit risk based on the financial position of parties and Company's historical experience of dealing with the parties.

**(b) Market Risk:**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include foreign currency receivables, deposits, investments in mutual funds.

Market risk exposures are measured using sensitivity analysis. There has been no change in the measurement and management of the Company's exposure to market risks.

**(i) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Exposure to foreign currency risk is very limited. The Company has taken hedging instruments by way of forward contracts to hedge the foreign currency exposure in respect of trade receivables, and as far as trade payables are concerned, the Company's unhedged foreign currency exposure on account of foreign currency denominated payable as at March 31, 2021 is as follow:

Particulars	Currency	As at March 31, 2022	As at March 31, 2021
Trade payable	USD	9,81,202.00	42,123.79
Capital Creditor	USD	2,97,860.00	-
Trade payable	Rs. in lacs	969.43	30.96

**Closing rates as at March 31, 2022**

INR / USD = 75.7925

**Closing rates as at March 31, 2021**

INR / USD = 73.50

The Company is mainly exposed to changes in USD. The below table demonstrates the sensitivity to a 10% increase or decrease in the USD against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 10% represents management's assessment of reasonably possible change in foreign exchange rate.

Changes in USD rate by	Impact on profit or loss	As at March 31, 2022	As at March 31, 2021
+5%	Profit before tax decreased by	(48.47)	(1.55)
-5%	Profit before tax increased by	48.47	1.55

**Notes to the financial statements for the year ended March 31, 2022**
**(Rs. in lakhs)**
**(ii) Unhedged foreign currency risk**

The foreign currency exposure that have not been hedged by a derivative instrument or otherwise as at Balance sheet date are as follows:

Particulars	Currency	As at March 31, 2022	As at March 31, 2021
Forward contract receivable	USD	8,43,449	2,36,136.73
Forward contract receivable	Rs. in lacs	639.27	173.56
<b>Changes in USD rate by</b>	<b>Impact on profit or loss</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
+5%	Profit before tax decreased by	31.96	8.68
-5%	Profit before tax increased by	(31.96)	(8.68)

**(iii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings.

The sensitivity analysis has been carried out based on the exposure to interest rates for instruments not hedged against interest rate fluctuation at the end of the reporting period. The said analysis has been carried out on the amount of floating rate long term liabilities outstanding at the end of the reporting period. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

In case of fluctuation in interest rates by 50 basis points on the exposure on borrowing of Rs. 9,245.39 Lakhs as on 31st March, 2022 (Rs.7,414.78 Lakhs as on 31st March, 2021) and if all other variables were held constant, the Company's profit or loss for the year would increase or decrease as follows :

Changes in interest rate by	Impact on profit or loss	As at March 31, 2022	As at March 31, 2021
Impact on Profit / (Loss) for the year	Profit before tax decreased/increased by	46.23	37.07

**(c) Liquidity risk:**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

During the year, the Company has been regular in repayment of principal and interest on borrowings on or before due dates. The Company did not have defaults of principal and interest as on reporting date.

Ultimate responsibility for liquidity risk management rests with the board of directors, who has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**Contractual maturities of financial liabilities and assets**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2022 :

Particulars	Upto 1 year	1-3 year	More than 3 year	Total
<b>Liabilities</b>				
Borrowings	7,244.51	1,085.46	744.47	9,074.44
Trade payables	7,097.75	-	-	7,097.75
Other financial liabilities	3,662.04	-	-	3,662.04
<b>Total</b>	<b>18,004.30</b>	<b>1,085.46</b>	<b>744.47</b>	<b>19,834.23</b>
<b>Assets</b>				
Trade receivables	12,443.62	-	-	12,443.62
Cash and cash equivalents	15.41	-	-	15.41
Loans	14.51	-	-	14.51
Other financial assets	156.20	102.52	-	258.72
<b>Total</b>	<b>12,629.74</b>	<b>102.52</b>	<b>-</b>	<b>12,732.26</b>

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2021 :

Particulars	Upto 1 year	1-3 year	More than 3 year	Total
<b>Liabilities</b>				
Borrowings	6,529.38	885.40	-	7,414.78
Trade payables	8,397.98	-	-	8,397.98
Other financial liabilities	732.01	-	-	732.01
<b>Total</b>	<b>15,659.37</b>	<b>885.40</b>	<b>-</b>	<b>16,544.77</b>
<b>Assets</b>				
Trade receivables	11,163.18	-	-	11,163.18
Cash and cash equivalents	7.33	-	-	7.33
Loans	2.39	-	-	2.39
Other financial assets	167.57	54.01	-	221.58
<b>Total</b>	<b>11,340.47</b>	<b>54.01</b>	<b>-</b>	<b>11,394.48</b>

**(d) Commodity Price Risk Management**

The Company primarily purchases its raw materials in the open market from third parties. The Company is therefore subject to fluctuations in prices for the purchase of Fabric. The Company purchased substantially all of its fabric requirements from third parties in the open market during the year ended 31 March 2022.

The following table details the Company's sensitivity to a 0.5% movement in the input price of Fabric/ Yarn. The sensitivity analysis includes only 0.5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit or equity where the commodity prices increase by 0.5%. For a 0.5% reduction in commodity prices, there would be a comparable impact on profit or equity, and the balances below would be negative.

Commodity	Increase for the year ended		Decrease for the year ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Fabric / Yarn	(70.85)	(66.34)	70.85	66.34

**Notes to the financial statements for the year ended March 31, 2022**

(Rs. in lakhs)

**32 Detail of Employees Benefits**
**(a) Defined Contribution Plans**

The Company has defined contribution plan in form of Provident Fund, Pension Scheme and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Company is required to contribute a specified rates to fund the schemes.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Provident Fund	26.89	24.46
Employee State Insurance Scheme	15.00	13.44
<b>Total</b>	<b>41.88</b>	<b>37.89</b>

**(b) Defined Benefits Plans**

The Company provides for retirement benefits in the form of Gratuity. The Company's gratuity scheme (unfunded) provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service subject to a ceiling of Rs. 20 lakhs. Vesting occurs upon completion of 5 years of service.

The following tables set out the status of the gratuity plan (unfunded) and amounts recognised in the financial statements:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>(i) Present value of defined benefit obligation</b>		
Balance at the beginning of the year	66.65	75.79
Current service cost	17.20	18.81
Interest Cost	4.07	5.03
<b>Remeasurement (gain)/loss:</b>		
Actuarial (gain)/loss arising from experience adjustments	(13.42)	(32.98)
Benefits paid	(0.69)	-
Past service cost	-	-
<b>Balance at the end of the year</b>	<b>73.81</b>	<b>66.65</b>
<b>(ii) Liability recognised in the Balance Sheet</b>		
Liability recognised in the Balance Sheet	73.81	66.65
<b>(iii) Cost of the defined benefit plan for the year</b>		
Current service cost	17.20	18.81
Interest cost	4.07	5.03
Past service cost	-	-
<b>Expense recognised in the Statement of Profit and Loss</b>	<b>21.28</b>	<b>23.84</b>
<b>Remeasurement on the net defined benefit liability:</b>		
Actuarial (gain)/loss arising from experience adjustments	(13.42)	(32.98)
<b>Recognised in the Other Comprehensive Income</b>	<b>(13.42)</b>	<b>(32.98)</b>
<b>Total cost of the defined benefit plan for the year</b>	<b>7.85</b>	<b>(9.14)</b>
<b>(iv) Experience Adjustment</b>		
Experience adjustment on plan liabilities (gain) / loss	(8.45)	(36.46)
Actuarial Gain/(Loss) due to changes in assumptions	(4.97)	3.48
<b>(v) Actuarial assumptions</b>		
Discount rate (p.a.)	6.95%	6.25%
Expected rate of salary increase (p.a.)	8.00%	8.00%
Mortality	IALM (2012-14) 100%	IALM (2012-14) 100%
Rate of employees turnover (p.a.)		
18-30 years	5%	5%
31-40 years	5%	5%
41 years & +	1%	1%
Retirement age	60 years	60 years

Estimates of future salary increase takes into account: inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**Notes to the financial statements for the year ended March 31, 2022**

(Rs. in lakhs)

 (vi) **Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation is given below:**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Discount Rate +50 basis point higher	7.45%	6.75%
Discount Rate -50 basis point lower	6.45%	5.75%
Salary Escalation Rate +50 basis point higher	8.50%	8.50%
Salary Escalation Rate -50basis point higher	7.50%	7.50%
Attrition Rate +50 basis point higher	5.50%	5.50%
Attrition Rate -50 basis point higher	4.50%	4.50%

Sensitivities have been calculated to show the movement in Defined Benefit Obligation in isolation and assuming there are no other changes in market conditions at the accounting date. In presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(vii) The weighted average duration of the benefit obligation as at March 31, 2022 is 9.04 years (as at March 31, 2021: 9.13 years)

 (viii) **Maturity profile of defined benefit plan**

The followings are the expected future benefit payments for the defined benefit plan :

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Within the next 12 months	4.73	3.43
Between 2 to 5 years	25.07	15.50
Beyond 5 years	32.06	47.73
<b>Total expected payments</b>	<b>61.86</b>	<b>66.65</b>

 (c) **Compensated absence:**

The employees are entitled for leave for each year of service and part thereof, subject to the limits specified, the unavailed portion of such leaves can be accumulated or encashed during/at the end of the service period. The plan is unfunded.

Expenses recognised in the Statement of Profit and Loss amounts to Rs. 7.11 Lakhs (Previous year: .2.89 Lakhs)

**Notes to the financial statements for the year ended March 31, 2022**
**(Rs. in lakhs)**
**33 Related Party Disclosures**

<b>Relationship</b>	<b>Name of Party</b>
Key Management Personnel and Directors	Mr. Bhavik Parikh - Managing Director Mr. Nilay Vora - Whole-time Director Mr. Bhavin Parikh - Chief Financial Officer Mr. Faruk Diwan - Company Secretary
Enterprises over which Key Management personnel having control or significant influence (With whom transactions have taken place)	Kunthunath Impex LLP (formerly known as Parikh Impex Pvt. Ltd.) Globe Denwash Pvt Ltd

**(b) Transactions with the Related Parties**

<b>Particulars</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
<b>Remuneration paid to Director's &amp; Key Managerial Personnel</b>		
Bhavik Parikh	35.08	5.35
Nilay Vora	9.50	7.14
Bhavin Parikh	27.08	4.85
Faruk Diwan	4.72	3.38
<b>Reimbursement paid to Director's &amp; Key Managerial Personnel</b>		
Bhavik Parikh	2.06	-
Nilay Vora	6.31	-
Faruk Diwan	0.04	0.04
<b>Kunthunath Impex LLP (formerly known as Parikh Impex Pvt. Ltd.)</b>		
Purchases	-	51.09
<b>Globe Denwash Pvt Ltd</b>		
Sales	188.27	-
Purchase and Job work	103.01	54.98
Funds given	264.75	845.76
Funds received back	264.75	973.15
<b>Bhavikbhai Parikh</b>		
Funds Received	25.93	-
<b>Bhavinbhai Parikh</b>		
Funds Received	500.00	-
Royalty Expense*	0.00*	-
<b>Nilay Vora</b>		
Funds Received	25.00	-

\*Amount less than 1000 is indicated by \*

**Transactions with key management personnel**

<b>Particulars</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Short-term employee benefits	76.37	20.73
<b>Total compensation paid to key management personnel</b>	<b>76.37</b>	<b>20.73</b>

**Balance outstanding**

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Balances Payable</b>		
Bhavik Parikh	72.30	43.87
Nilay Vora	19.31	0.65
Bhavin Parikh	502.96	3.86
Faruk Diwan	0.43	0.31
<b>Balances Receivables</b>		
Kunthunath Impex LLP (formerly known as Parikh Impex Pvt. Ltd.)	-	63.79
Globe Denwash Pvt Ltd	40.21	-

**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 arms length basis. Outstanding balances at the year end are unsecured and settlement occurs in cash. No guarantees were given or received by the Company.

As the liabilities for defined benefit obligations and compensated absences are provided based on actuarial valuation for the company as a whole, the amount pertaining to Key management personnel has not been included.

**34 Ratio analysis**

Ratio Analysis	UOM	For the year ended 31st March, 2022	For the year ended 31st March, 2021	Reason for increase in Ratio > 25%
<b>i) Current Ratio :</b>				
Current Assets (a)	Rs. in Lacs	22,514.23	19,443.95	
Current Liabilities (b)	Rs. in Lacs	18,869.13	16,047.36	
<b>Current Ratio (a/b)</b>	<b>Times</b>	<b>1.19</b>	<b>1.21</b>	<b>-1.53%</b>
Numerator - Total Current Assets Denominator - Total Current Liabilities				
<b>ii) Debt-Equity Ratio:</b>				
Total Borrowings (a)	Rs. in Lacs	9,074.44	7,414.78	
Shareholder's Equity (b)	Rs. in Lacs	4,973.93	4,275.58	
<b>Debt - Equity Ratio (a/b)</b>	<b>Times</b>	<b>1.82</b>	<b>1.73</b>	<b>5.20%</b>
Numerator - (Long term debt (including ICD) + current maturities of long term debt) Denominator - Total equity				
<b>iii) Debt Service coverage Ratio :</b>				
Earnings available for Debt services (a)	Rs. in Lacs	1,443.21	739.04	Due to an Increase in Non - Current borrowing compare to previous year
Interest + Installments (b)	Rs. in Lacs	(1,258.95)	(907.83)	
<b>Debt Service coverage Ratio (a/b)</b>	<b>Times</b>	<b>(1.15)</b>	<b>(0.81)</b>	<b>40.82%</b>
Numerator - Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest on Non current Borrowing + other adjustments like loss on sale of Fixed assets etc. Denominator - Interest on non current borrowing (including ICD), Interest & Lease Payments + Principal Repayments				
<b>iv) Return on Equity Ratio :</b>				
Profit after Tax (a)	Rs. in Lacs	513.55	25.12	Due to Covid pandemic in last year company's profitability was down as compared to current year
Equity Shareholder's Fund (b)	Rs. in Lacs	4,624.76	4,251.12	
<b>Return on Equity Ratio (a/b)</b>	<b>%</b>	<b>11.10%</b>	<b>0.59%</b>	<b>1779.22%</b>
Numerator - Profit after Taxes Denominator - Average of (Equity share capital + other equity)				
<b>v) Inventory Turnover Ratio :</b>				
Sales (a)	Rs. in Lacs	38,342.25	25,909.28	
Average Inventory (b)	Rs. in Lacs	7,441.52	6,128.14	
<b>Inventory Turnover Ratio (a/b)</b>	<b>Times</b>	<b>5.15</b>	<b>4.23</b>	<b>21.87%</b>
Numerator - Sales Denominator - (Opening Inventory+Closing Inventory)/2				
<b>vi) Trade Receivables turnover Ratio :</b>				
Annual net Credit Sales (a)	Rs. in Lacs	38,342.25	25,909.28	Due to Covid pandemic in last year company's profitability was down as compared to current year
Average Accounts Receivable (b)	Rs. in Lacs	11,803.40	10,418.61	
<b>Trade Receivables turnover Ratio (a/b)</b>	<b>Times</b>	<b>3.25</b>	<b>2.49</b>	<b>30.62%</b>
Numerator - Annual net credit sale Denominator - (Opening trade receivable+Closing trade				
<b>vii) Trade Payables turnover Ratio :</b>				
Total Operating Expense (a)	Rs. in Lacs	35,943.08	24,859.03	Increase in Operating expense in current year
Average Accounts Payable (b)	Rs. in Lacs	7,747.87	7,586.19	
<b>Trade Payables turnover Ratio (a/b)</b>	<b>Times</b>	<b>4.64</b>	<b>3.28</b>	<b>41.57%</b>
Numerator - Operating Expense + Other Expense - Loss on derivative asset Denominator - (Opening trade payables+Closing trade				



<b>viii) Net Capital turnover Ratio :</b>					
Sales (a)	Rs. in Lacs	38,342.25	25,909.28		Due to Covid pandemic in last year company's
Working capital (b)	Rs. in Lacs	3,645.10	3,396.59		profitability was down as compared to current year
<b>Net Capital turnover Ratio (a/b)</b>	<b>Times</b>	<b>10.52</b>	<b>7.63</b>		<b>37.90%</b>
Numerator - Total revenue from operations					
Denominator - Current Assets - Current liabilities					
<b>ix) Net Profit Ratio :</b>					
Profit after Tax (a)	Rs. in Lacs	513.55	25.12		Due to Covid pandemic in last year company's
Sales (b)	Rs. in Lacs	38,342.25	25,909.28		profitability was down as compared to current year
<b>Net Profit Ratio (a/b)</b>	<b>%</b>	<b>1.34%</b>	<b>0.10%</b>		<b>1281.47%</b>
Numerator - Profit after tax					
Denominator - Total revenue from operations					
<b>x) Return on Capital Employed :</b>					
Earnings before Interest and Taxes (a)	Rs. in Lacs	1,460.31	724.84		Due to Covid pandemic in last year company's
Capital Employed (b)	Rs. in Lacs	14,048.37	11,690.36		profitability was down as compared to current year
<b>Return on Capital Employed (a/b)</b>	<b>%</b>	<b>10.39%</b>	<b>6.20%</b>		<b>67.65%</b>
Numerator - Earnings before Interest and Taxes					
Denominator - Shareholders' Equity + Total Borrowings - Intangible Assets					
<b>xi) Return on Investment :</b>					
Return or Profit or Earnings (a)	Rs. in Lacs	513.55	25.12		Due to Covid pandemic in last year company's
Investment (b)	Rs. in Lacs	2,725.37	1,341.73		profitability was down as compared to current year
<b>Return on Investment (a/b)</b>	<b>%</b>	<b>18.84%</b>	<b>1.87%</b>		<b>906.47%</b>
Numerator - Profit after tax					
Denominator - Property, Plant & Equipment + Capital Work In Progress + Intangible Assets					

**Notes to the financial statements for the year ended March 31, 2022**
**(Rs. in lakhs)**
**35 Operating Segment**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (“CODM”). The CODM is the Chief Executive Officer of the Company, who assesses the financial performance and position of the Company and makes strategic decisions. The Company's activities during the year revolve around Textile Manufacturing and Trading.

Considering the nature of Company's business, as well as based on reviews by CODM to make decisions about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirements of Ind AS - 108 – “Operating Segments”, prescribed under Companies (Indian Accounting Standards) Rules, 2015.

<b>36 Earnings in foreign currency</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
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Export of goods on F.O.B basis*	9,388.21	5,917.28
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\* F.O.B Value is determined on the basis of shipping bills.

<b>37 Expenditure in foreign currency (on accrual basis)</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
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Bank Charges	10.09	11.37
Commission expenses	200.78	76.77
<b>Total</b>	<b>210.87</b>	<b>88.13</b>

<b>38 CIF Value of Imports</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
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Raw Materials	15.03	17.66
Capital Goods	225.76	-
<b>Total</b>	<b>240.79</b>	<b>17.66</b>

**39 Corporate Social Responsibility Expenditure**

As per section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The funds are utilized on the activities which are specified in Schedule VII of the Companies Act, 2013. The Company has spent the amount of Rs. Nil (Previous Year : Rs 7.11 Lakhs) during the financial year. The details of amount spent are as under.

<b>Sr No</b>	<b>Particulars</b>	<b>Amount Incurred and Paid</b>	<b>Amount yet to be Incurred</b>	<b>Total</b>
<b>(i) Education Sector</b>				
	- For the year ended March 31, 2022	-	-	-
	- For the year ended March 31, 2021	7.11	-	7.11

**40 Standard issued but not effective:**

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate Affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2022 on 23rd March, 2022. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board(IASB) into Ind AS and has amended the following standards:

1. Ind AS 101 - First-time adoption of Ind AS
2. Ind AS 103 – Business Combinations
3. Ind AS 109 – Financial Instruments
4. Ind AS 16 – Property, Plant and Equipment
5. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
6. Ind AS 41 – Agriculture

These amendments shall come into force with effect from April 01, 2022.

The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.

**41** After declaration of COVID-19 as pandemic by World Health Organization, its impact is already visible on multiple sectors in India and our Company is not an exception. The Management of the company has already carried out initial assessment of impact on business operations. This is a short-term disruption and company does not foresee medium to long term risks. The Company will continue as going concern and honour its financial commitments as and when they fall due for payment.

**42** No adjusting or significant non-adjusting events have occurred between 31st March, 2022 and the date of authorisation of the financial statements.



**Notes to the financial statements for the year ended March 31, 2022**
**(Rs. in lakhs)**

- 43 Pursuant to the Business Transfer Agreement dated March 31, 2022, the Company has acquired the existing manufacturing unit of M/s. Vivaa Tradecom Private Limited (“VTPL”) in a consideration of INR 26.43 Cr. VTPL is engaged in the business of manufacturing/job work of garments and processing of fabrics. Post-acquisition, the Company has enhanced garments stitching capacity as well as its own process house.

**Details of the purchase consideration, the net identifiable assets and goodwill are as follows:**

Particulars	Amount (Rs. In Lakhs)
Total Consideration	2,643.00
Net Identifiable Assets	2,643.00
Excess/(Shortfall) Purchase Price to be Allocated	0.00
<b>Goodwill</b>	<b>0.00</b>

**The acquisition date fair values of the assets taken over and liabilities assumed as a result of the acquisition are as follows:**

Particulars	Amount (Rs. In Lakhs)
Property, Plant and Equipment (Tangible Assets)	1,223.36
Long-term loans and advances	45.95
Inventories	1,143.75
Trade receivables	772.27
Cash and bank balances	-
Short-term loans and advances	151.68
<b>Identifiable Assets</b>	<b>3,337.01</b>
Trade payables	422.94
Other longterm liabilities	2.85
Other current liabilities	5.97
Short-term provisions	262.24
<b>Net Identifiable Assets</b>	<b>2,643.00</b>
<i>Stake Acquired</i>	Not Applicable
Net Identifiable Assets Transferred	2,643.00
<b>Recognition of Goodwill</b>	<b>-</b>
Consideration transferred	2,643.00
(Less): Net Identifiable Assets	(2,643.00)
Goodwill	-

- 44 The financial statements were reviewed and recommended by the Audit Committee and has been approved by the Board of Directors at their meeting held on 16 May, 2022
- 45 Previous year’s figures have been regrouped and rearranged wherever necessary to confer to the current year's presentation.

**For SHAH DHANDHARIA & CO LLP**  
 Chartered Accountants  
 (Firm Registration No. - 118707W/W100724)

**For and on behalf of the Board of Directors of**  
**Globe Textiles (India) Limited**

**Karan Amlani**  
 Partner  
 (Membership No. - 193557)

**Bhavik Parikh**  
 Managing Director  
 DIN : 00038223

**Nilay Vora**  
 Whole Time Director  
 DIN : 02158990

**Bhavin Parikh**  
 Chief Financial Officer

Place : Ahmedabad  
 Date: May 16, 2022

**Faruk Diwan**  
 Company Secretary  
 M No : 41911

Place : Ahmedabad  
 Date: May 16, 2022



**Globe Textiles**  
( India ) Ltd.  
Superior Quality

## Globe Textiles (India) Limited

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