

DHARMESH PARIKH & CO.

CHARTERED ACCOUNTANTS

303/304, "Milestone", Nr. Drive-in-Cinema, Opp. T.V. Tower, Thaltej,
Ahmedabad-380 054. Phone : 91-79-27474466 Fax : 91-79-27479955

INDEPENDENT AUDITOR'S REPORT

To the Members of Globe Textiles (India) Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Globe Textiles (India) Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2018 and its financial performance and its cash flows for the year ended on that date.



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Independent Auditor's Report (Continue)
To the Members of Globe Textiles (India) Limited

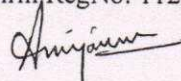
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) on the basis of the written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 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" and
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32(c) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



Place: Ahmedabad
Date : 26/05/2018

For **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm RegNo: 112054W


Anuj Jain
Partner
Membership No. 119140

DHARMESH PARIKH & CO.

CHARTERED ACCOUNTANTS

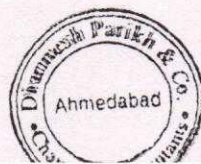
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Annexure - A to the Independent Auditor's Report Re: Globe Textiles (India) Limited

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

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31st March 2018, we report that

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) According to the information and explanations given to us, the Company has a program of physically verifying its fixed assets in a phased manner designed to cover all assets, which in our opinion is reasonable having regard to the size of the company and the nature of its business.
 - (c) The title deeds of immovable properties, as disclosed in Note 12 on fixed assets to the financial statements, are held in the name of the company, except for leasehold land and immovable assets constructed on the same having a carrying value of Rs. 11,04,42,949 as at 31st March 2018.
- (ii) The inventory, other than stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us and representations made by the Management, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the Register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and representations made by the Management, the Company has not done any transactions covered under section 185 and 186 in respect of loans, investments, guarantees and security. Accordingly the provisions of paragraph 3 (iv) of the Order are not applicable.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) According to the information and explanations given to us, the maintenance of cost records under section 148(1) of the Act as prescribed by the Central Government is currently not applicable in respect of the products manufactured/ dealt by to the company.
- (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 provident fund, employees' state insurance, income tax, sales tax, goods and service tax, service tax, duty of customs, value added tax, cess and other material statutory dues have generally been deposited regularly during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of excise.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of above referred statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.



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Annexure - A to the Independent Auditor's Report (Continue)

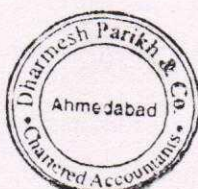
Re: Globe Textiles (India) Limited

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

(b) According to the records of the Company and representations made by the Management, the following dues of income tax have not been deposited by the Company on account of disputes:

Name of Statute	Nature of the dues	Forum where dispute is pending	Amount (*) (In Rs.)	Amount paid under protest (In Rs.)	Period to which the amount relates
Income Tax Act, 1961	Income Tax	Appellate Authority upto Commissioner's Level	4,72,48,299	---	AY 2006-07, 2012-13 to 2014-15
Income Tax Act, 1961	TDS	Assessing Officer	32,640	---	Mutiple years

- (viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any bank or financial institution during the year. The company has not borrowed funds from any debenture holders.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has raised moneys by way of initial public offer and the same has been utilized for the purposes as stated in the prospectus. The company has not raised money by further public offer including debt instruments and term Loans during the year.
- (x) 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, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly the provisions of paragraph 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 and all the details have been disclosed in financial statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any debenture during the year under review. Accordingly the provisions of paragraph 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records, Company has not entered into any non-cash transactions with any director or any person connected with him. Accordingly the provisions of Clauses 3(xv) of the Order are not applicable to the Company.



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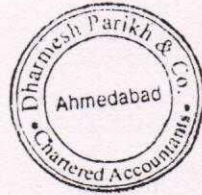
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Annexure - A to the Independent Auditor's Report (Continue)

Re: Globe Textiles (India) Limited

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

(xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable.



Place: Ahmedabad
Date : 26/05/2018

For **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm RegNo: 112054W

A handwritten signature in black ink, appearing to read "Anuj Jain".

Anuj Jain
Partner
Membership No. 119140

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Annexure-B to the Independent Auditor's Report

Re: Globe Textiles (India) Limited

(Referred to in paragraph 2 (f) 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).

We have audited the internal financial controls over financial reporting of the Company as of 31st March, 2018 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

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 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 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



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Annexure - B to the Independent Auditor's Report (Continue)

Re: Globe Textiles (India) Ltd. (Formerly Globe Textiles (India) Private Ltd.)

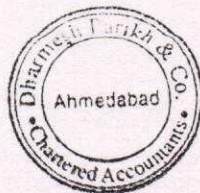
- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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.

Opinion

In our opinion, the company is not having any defined SOP to manage its operations. Accordingly there are some limitations in the control aspects of financial reporting. In our opinion, except for the possible effects of this material weakness, the company has maintained in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March 2018 based on the internal financial controls over financial reporting criteria established by the company considering the essential components of internal financial controls stated in the Guidance Note on audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.



Place: Ahmedabad
Date : 26/05/2018

For **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm RegNo: 112054W

A handwritten signature in black ink, appearing to read "Anuj Jain".

Anuj Jain
Partner
Membership No. 119140

**GLOBE TEXTILES (INDIA) LTD.
(FORMERLY GLOBE TEXTILES (INDIA) PRIVATE LTD.)**

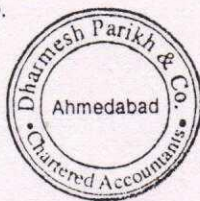
BALANCE SHEET AS AT 31ST MARCH, 2018

PARTICULARS	NOTES	AS AT 31-03-2018		AS AT 31-03-2017	
I EQUITY AND LIABILITIES					
(1) SHAREHOLDERS' FUNDS					
(a) Share Capital	3	100,761,000		87,081,000	
(b) Reserves & Surplus	4	248,227,269		163,520,717	
(c) Money Received Against Share Warrants		-		-	
			348,988,269		250,601,717
(2) SHARE APPLICATION MONEY PENDING ALLOTMENT (NON REFUNDABLE)			-		-
(3) NON-CURRENT LIABILITIES					
(a) Long-term borrowings	5	45,773,400		75,725,567	
(b) Deferred Tax Liabilities (Net)	6	6,453,011		2,694,499	
(c) Other Long-term Liabilities		-		-	
(d) Long-term provisions	7	3,569,725		2,496,920	
			55,796,136		80,916,986
(4) CURRENT LIABILITIES					
(a) Short-term borrowings	8	527,157,813		442,419,514	
(b) Trade Payables	9	263,360,252		242,570,878	
(c) Other current liabilities	10	115,678,035		79,693,375	
(d) Short-term provisions	11	6,601,069		15,987,382	
			912,797,169		780,671,149
TOTAL			1,317,581,574		1,112,189,852
II ASSETS					
(1) NON CURRENT ASSETS					
(a) Fixed assets					
(i) Tangible assets	12	207,982,190		166,344,667	
(ii) Intangible assets	12	586,846		1,025,736	
(iii) Capital work-in-progress	12.1	-		52,092,615	
(b) Non-current investments		-		-	
(c) Long-term loans and advances	13	4,862,352		15,811,556	
(d) Other non-current assets		-		-	
			213,431,388		235,274,574
(2) CURRENT ASSETS					
(a) Current Investments	14	-		-	
(b) Inventories	15	433,404,502		383,576,606	
(c) Trade receivables	15	458,231,224		435,943,208	
(d) Cash & Bank Balances	16	25,150,444		10,721,475	
(e) Short-term loans & advances	17	176,360,645		39,846,462	
(f) Other current assets	18	11,003,371		6,827,527	
			1,104,150,186		876,915,278
TOTAL			1,317,581,574		1,112,189,852
Summary of Significant Accounting Policies	2				

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

As per our attached report of even date
For **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm Reg. No. - 112054W

Anuj Jain
ANUJ JAIN
(PARTNER)
Membership No. 119140



For and on behalf of the Board

Bhavik Parikh
Bhavik Parikh
Managing Director
DIN : 00038223

Yash Shah
Yash Shah
Company Secretary
M. No : 49578

Purvi Bhavin Parikh
Purvi Bhavin Parikh
Director
DIN : 07732523

Bhavik Parikh
Bhavik Parikh
CFO

Place : Ahmedabad
Date : 26/05/2018

Place : Ahmedabad
Date : 26/05/2018

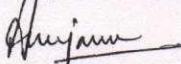
**GLOBE TEXTILES (INDIA) LTD.
(FORMERLY GLOBE TEXTILES (INDIA) PRIVATE LTD.)**

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

PARTICULARS	NOTES	FOR THE YEAR ENDED 31ST MARCH, 2018	FOR THE YEAR ENDED 31ST MARCH, 2017
I Revenue from Operation	19	2,427,242,131	1,904,248,42
II Other Income	20	28,623,883	15,125,11:
III Total Revenue (I + II)		<u>2,455,866,014</u>	<u>1,919,373,538</u>
IV Expenses			
Cost of Materials consumed	21	1,163,261,114	1,233,537,477
Purchases of Stock-in-Trade	22	1,039,504,435	500,807,151
Changes in inventories of finished goods, work-in-progress and Stock-in-trade	23	(63,385,219)	(88,993,664)
Employee benefits expense	24	84,041,349	49,710,760
Finance costs	25	56,841,638	45,860,912
Depreciation and amortization expense	12	10,477,301	8,093,425
Other expenses	26	114,473,939	120,830,381
Total Expenses		<u>2,405,214,557</u>	<u>1,869,846,442</u>
V Profit for the year before Exceptional and extraordinary items and tax (III-IV)		50,651,457	49,527,096
VI Less : Exceptional items		-	-
VII Profit for the year before extraordinary items and tax (V-VI)		50,651,457	49,527,096
VIII Add/(Less) : Extraordinary items		-	-
IX Profit for the year before taxation (VII-VIII)		50,651,457	49,527,096
X Tax Expense	27	17,616,490	15,647,044
XI Profit (Loss) for the year (IX-X)		<u>33,034,967</u>	<u>33,880,052</u>
XII Earning per Equity Share of Rs. 10 Each - Basic & Diluted	28	3.39	3.89
Summary of significant accounting policies	2		

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

As per our attached report of even date
For **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm Reg. No. - 112054W




ANUJ JAIN
(PARTNER)
Membership No. 119140



For and on behalf of the Board


Bhavin Parikh
Managing Director
DIN : 00038223

Yash Shah
Company Secretary
M. No : 49578


Purvi Bhavin Parikh
Director
DIN : 07732523

Bhavin Parikh
CFO

Place : Ahmedabad
Date : 26/05/2018

Place : Ahmedabad
Date : 26/05/2018

GLOBE TEXTILES (INDIA) LTD.
(FORMERLY GLOBE TEXTILES (INDIA) PRIVATE LTD.)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	FOR THE YEAR ENDED 31ST MARCH, 2018		FOR THE YEAR ENDED 31ST MARCH, 2017	
	INR	INR	INR	INR
A. Cash flow from operating activities				
Profit before tax from continuing operations	50,651,457		49,527,096	
Profit before tax		50,651,457		49,527,096
<i>Adjustment on account of:</i>				
Depreciation and amortisation	10,477,301		8,093,425	
Net unrealised exchange (gain) / loss	(17,865,777)		(1,672,249)	
Liabilities no longer required	(145,000)		-	
Loss on sale of fixed asset	-		-	
Interest Subsidy Income	(3,640,660)		(6,504,967)	
Interest Expense	56,841,638		41,376,627	
Interest Income	(84,982)		(81,701)	
Operating profit / (loss) before working capital changes		45,582,520		41,211,135
Changes in working capital:		96,233,977		90,738,231
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	(49,827,896)		(120,225,148)	
Trade receivables	(4,422,239)		(116,113,443)	
Short-term loans and advances	(136,514,183)		38,112,206	
Other current assets	34,041		(44,565)	
Long-term loans and advances	761,158		(795,646)	
		(189,969,117)		(199,066,596)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	20,934,374		98,340,788	
Other current liabilities	35,984,660		3,053,854	
Short-term provisions	374,168		(171,016)	
Long-term provisions	1,072,805		1,335,527	
Cash generated from / (used in) operations		58,366,007		102,559,153
Net income tax (paid) / refunds		-35,369,132.86		(5,769,212)
		(13,430,413)		(9,996,626)
Net cash flow from / (used in) operating activities (A)		(48,799,545)		(15,765,838)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances & CWIP	(6,671,754)		(82,111,550)	
Interest received	99,224		205,999	
Net cash flow from / (used in) investing activities (B)		(6,572,530)		(81,905,551)
C. Cash flow from financing activities				
Proceeds from issue of equity shares	65,351,584		-	
Proceeds from long-term borrowings	-		29,469,942	
Repayment of long-term borrowings	(29,952,167)		-	
Proceeds from other short-term borrowings	84,738,299		101,187,379	
Interest Subsidy Received	6,504,967		-	
Interest Paid	(56,841,638)		(41,376,627)	
Net cash flow from / (used in) financing activities (C)		69,801,045		89,280,694
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		14,428,970		(8,390,695)
Cash and cash equivalents at the beginning of the year		10,721,475		19,112,170
Cash and cash equivalents at the end of the year		25,150,444		10,721,475
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet (Refer Note 16)		25,150,444		10,721,475
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements		-		-
Net Cash and cash equivalents included in Note 16		25,150,444		10,721,475
Add: Current investments considered as part of Cash and cash equivalents		-		-
Cash and cash equivalents at the end of the year *		25,150,444		10,721,475
* Comprises:				
(a) Cash on hand		1,417,686		1,777,124
(b) Balances with banks				
(i) In current accounts		1,527,470		261,000
(ii) In EEFC accounts		22,205,288		8,433,351
(iii) In deposit accounts		-		250,000
		25,150,444		10,721,475

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

See accompanying notes forming part of the financial statements

As per our attached report of even date
For **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm Reg. No. - 112054W

Anuj Jain
ANUJ JAIN
(PARTNER)
Membership No. 119140



For and on behalf of the Board

Bhavik Parikh
Bhavik Parikh
Managing Director
DIN : 00038223

Yash Shah
Yash Shah
Company Secretary
M. No. : 49578

Purvi Bhavin Parikh
Purvi Bhavin Parikh
Director
DIN : 07732523

Bhavik Parikh
Bhavik Parikh
CFO

GLOBE TEXTILES (INDIA) LTD.
(FORMERLY GLOBE TEXTILES (INDIA) PRIVATE LTD.)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note 1 CORPORATE INFORMATION

Globe Textiles (India) Limited having CIN : L65910GJ1995PLC027673 originally incorporated as a private limited company under the provisions of the Companies Act, 1956 and is domiciled in India. The company is based in Ahmedabad and is primarily involved in trading and manufacturing of textile products.

Note 2 SIGNIFICANT ACCOUNTING POLICIES ADOPTED BY THE COMPANY IN THE PREPARATION AND PRESENTATION OF THE ACCOUNTS :-

a) BASIS OF PREPARATION OF FINANCIAL STATEMENT

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the 2013 Act") read with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on accrual basis under historical cost convention and going concern basis. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b) USE OF ESTIMATES

The preparation of the financial statements in conformity with Indian GAAP requires the management to make judgement, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Although these estimates are based on Management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes different from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

c) CURRENT & NON-CURRENT CLASSIFICATION

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

d) INVENTORIES

Inventories include Raw Materials and Traded/ Finished Goods and the same are valued at lower of cost and net realisable value. Cost is determined based on First In First Out (FIFO Basis). Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

e) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

f) CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

g) PRIOR PERIOD ITEMS

All identifiable items of Income and Expenditure pertaining to prior period are accounted through "Prior Period Expenses Account"

h) DEPRECIATION

Depreciation of fixed assets is provided on Straight Line Method at rates and in the manner specified in Schedule II of the Companies Act 2013.

Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

Intangible Assets in the form of Software which are an integral part of Computer Systems are amortised at the same rate as that of Computer Systems. Intangible Assets in the form of Mine Development are amortised over a period of underlying contract.

i) REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured with reasonable certainty of its recovery.

- i) Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude sales tax/ value added tax.
- ii) Interest revenues are recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- iii) Govt. Incentives are recognised based on the claim filed by the company and certainty of receipt for the same as determined by the management.

j) FIXED ASSETS

(I) Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, import duty and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

(II) Tangible assets not ready for the intended use on the date of Balance sheet are disclosed as "Capital work-in-progress".

(III) Any capital expenditure in respect of assets, the ownership of which would not vest with the Company, is charged off to revenue in the year of incurrence.

k) FOREIGN CURRENCY TRANSACTIONS

i) Initial Recognition and measurement

Foreign currency transaction is recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount at the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Subsequent Measurement

All foreign currency denominated monetary assets and liabilities are translated at the exchange rates prevailing on the balance sheet date. The resultant exchange differences are recognised in the statement of profit and loss for the year.

iii) Exchange Differences

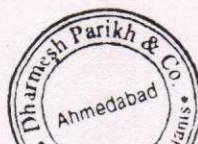
All exchange differences arising on settlement and conversion of foreign currency transaction are included in the Statement of Profit and Loss.

iv) Forward Exchange Contracts

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions.

The use of such foreign currency forward contracts is governed by the Company's policies approved by the management, which provide principles on use of such financial derivatives consistent with the Company's risk management strategy. The company does not use derivative financial instruments for speculative purposes.

In respect of transactions covered by forward exchange contracts, the difference between the year end rate and the exchange rate at the date of contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contracts.



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

- l) INVESTMENTS**
i) Long-term Investments are stated at cost. Provision for diminution in the value of long-term Investments is made only if such a decline is other than temporary in the opinion of the management.
ii) Current investment are carried at the lower of cost and quoted/fair value, computed category wise.
- m) EMPLOYEE BENEFITS**
Employee benefits includes gratuity, compensated absences and contribution to provident fund & employees' state insurance.
- Short Term Employee Benefits**
Employee benefits payable wholly within twelve months of rendering the service are classified as short term employees benefits and are recognised in the period in which the employee renders the related service.
- Post Employment Benefits**
i) Defined Benefit Plan
The employees' gratuity scheme is a defined benefit scheme. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on actuarial valuations, carried out by an independent actuary, using the Projected Unit Credit method. The liability for gratuity is funded annually to a gratuity fund maintained with the Life Insurance Corporation of India ('LIC'). Actuarial gains and losses are recognised in the Statement of Profit and Loss.
- ii) Defined Contribution Plans**
Contribution to the provident fund and superannuation scheme which are defined contribution schemes are charged to the statement of Profit and Loss as they are incurred.
- iii) Long-term Employee Benefits**
Long term employee benefits comprise of compensated absences. However the company do not have any policy to carry forward the unutilised leaves.
- iv) Other Employee Benefits:** Other Employee Benefits are accounted for on accrual basis.
- v) For the purpose of presentation of Defined benefit plans, the allocation between short term and long term provisions has been made as determined by an actuary.
- n) BORROWING COSTS**
Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Statement of Profit and Loss.
- o) SEGMENT ACCOUNTING**
In accordance with Accounting Standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standards) Rules, 2006 (as amended), the company has determined its business segment as Textile Trading and Manufacturing. Since, there are no other business segments in which the company operates, there are no other primary reportable segments. Therefore, the segment revenue, results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as reflected in the financial statements.
- p) RELATED PARTY TRANSACTIONS**
Disclosure of transactions with Related Parties, as required by Accounting Standard 18 "Related Party disclosures" has been set out in a separate note forming part of this schedule. Related Parties as defined under clause 3 of the Accounting Standard 18 have been identified on the basis of representation made by key managerial personnel and information available with the Company.
- q) LEASES**
The Company's significant leasing arrangements are in respect of operating leases for office premises & godown. The leasing arrangements ranging between 11 months and five years are generally cancelable, however are usually renewable by mutual consent on agreed terms. The aggregate lease rentals payable are charged as rent including lease rentals.
- r) EARNING PER SHARE**
The Company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20 prescribed under The Companies Accounting Standards Rules, 2006. The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.
- s) TAXES ON INCOME**
i) Deferred Taxation
In accordance with the Accounting Standard 22 – Accounting for Taxes on Income, prescribed under The Companies Accounting Standards Rules, 2006, the deferred tax for timing differences between the book and tax profits for the year is accounted for by using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet Date.
Deferred tax assets arising from timing differences are recognised to the extent there is virtual certainty that the assets can be realised in future.
Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset. The deferred tax account is used solely for reversing timing difference as and when crystallized.
- ii) Current Taxation**
Provision for taxation has been made in accordance with the income tax laws prevailing for the relevant assessment years.
- t) PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**
Provisions involving substantial degree of estimation in measurements are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in notes. Contingent assets are neither recognised nor disclosed in the financial statements.
- u) ACCOUNTING OF CLAIMS**
i) Claims received are accounted at the time of lodgment depending on the certainty of receipt and claims payable are accounted at the time of acceptance.
ii) Claims raised by Government authorities regarding taxes and duties, which are disputed by the Company, are accounted based on legality of each claim. Adjustments, if any, are made in the year in which disputes are finally settled.
- v) EXPORT INCENTIVES**
Export benefits under various scheme announced by the Central Government under Exim policies are accounted for in the year of receipt.
- w) Though other Accounting Standards also apply to the Company by virtue of the Companies Accounting Standards Rules, 2006, no disclosure for the same is being made as the Company has not done any transaction to which the said accounting standards apply.**



GLOBE TEXTILES (INDIA) LTD.
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note 3 SHARE CAPITAL

PARTICULARS	AS AT 31-03-2018		AS AT 31-03-2017	
	Number of Shares	INR	Number of Shares	INR
AUTHORISED SHARES				
Equity Shares of Re. 10/- each	11,000,000	110,000,000	11,000,000	110,000,000
	11,000,000	110,000,000	11,000,000	110,000,000
ISSUED, SUBSCRIBED & FULLY PAID-UP SHARES				
Equity Share of Rs. 10/- each Fully paid	10,076,100	100,761,000	8,708,100	87,081,000
a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
At the beginning of the Year	8,708,100	87,081,000	2,902,700	29,027,000
Add : Issued during the Year	1,368,000	13,680,000	5,805,400	58,054,000
At the end of the Year	10,076,100	100,761,000	8,708,100	87,081,000
	10,076,100	100,761,000	8,708,100	87,081,000

b) **Terms/ Rights attached to Equity Shares**

The Company has only one class of Equity Shares having a par value of Rs 10/- per share and each holder of the 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 shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the shareholders.

c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates – NIL

d) Bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

PARTICULARS	AS AT 31-03-2018	AS AT 31-03-2017
Equity Shares Alloted as fully paid Bonus Shares	-	5,805,400

e) **Details of shareholders holding more than 5% shares in the company**

Name of Shareholder	AS AT 31-03-2018		AS AT 31-03-2017	
	Number of shares	% holding	Number of shares	% holding
Nilay Vora	1,204,000	11.95	1,806,000	20.74
Bhavik S Parikh	2,358,860	23.41	3,076,860	35.33
Bhavin S Parikh	1,741,620	17.28	1,741,620	20.00
Shradha B Parikh	870,810	8.64	870,810	10.00
Purvi B Parikh	870,810	8.64	870,810	10.00

Note 4 RESERVES & SURPLUS

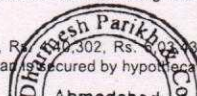
PARTICULARS	AS AT 31-03-2018		AS AT 31-03-2017	
1 SECURITIES PREMIUM RESERVE				
As per last balance sheet	34,581,000		92,635,000	
Add : Premium on shares Issued during the Year	56,944,710		-	
Less: Share issue expense	5,273,126		-	
Less: Issue of Bonus Shares	-		58,054,000	
		86,252,584		34,581,000
2 SURPLUS IN STATEMENT OF PROFIT AND LOSS				
As per last balance sheet	128,939,717		95,059,666	
Add : Profit for the Year	33,034,967		33,880,052	
		161,974,685		128,939,717
		248,227,269		163,520,717

Note 5 LONG TERM BORROWINGS

PARTICULARS	AS AT 31-03-2018		AS AT 31-03-2017	
(1) Term Loans				
(a) Secured				
(i) From Bank TLS		41,292,016		69,313,287
(2) Vehicle Loan				
(a) Secured				
(i) From bank VLS		4,481,384		6,412,281
		45,773,400		75,725,567

a) Vehicle Loan is of Rs 78,41,000/- repayable in 60 equal monthly installments of Rs. 1,60,908/- each including interest, from 5th March, 2017. The loan is secured by hypothecation of vehicle of the company.

b) The term loan is to be repaid by 48 equal monthly installments of each Rs 6,44,699, Rs 6,302, Rs 6,292 & Rs. 2,08,333 respectively. The monthly interest charged in account, during the moratorium and repayment period, will be serviced separately. The loan is secured by hypothecation of all movable and immovable assets located at the SEZ Unit of the company. The loan carries an interest rate of Base Rate + 1.50%.



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note 6 DEFERRED TAX

PARTICULARS	AS AT 31-03-2018		AS AT 31-03-2017	
Deferred Tax Liability				
- Depreciation	8,020,653		3,815,026	
Gross Deferred Tax Liability		8,020,653		3,815,026
Deferred Tax Asset				
- Gratuity	1,156,511		818,602	
- Bonus	411,131		301,925	
Gross Deferred Tax Asset		1,567,642		1,120,527
Net Deferred Tax Liability		6,453,011		2,694,499

b) In accordance with "Accounting Standard 22", the Deferred Tax liability of Rs. 37,58,512 /- (Previous year deferred tax liability Rs. 6,83,975 /-) for the year has been recognised in the Statement of Profit & Loss.

Note 7 LONG TERM PROVISIONS

PARTICULARS	AS AT 31-03-2018		AS AT 31-03-2017	
(a) Provision for Gratuity - LT		3,569,725		2,496,920
		3,569,725		2,496,920

Note 8 SHORT TERM BORROWINGS

PARTICULARS	AS AT 31-03-2018		AS AT 31-03-2017	
(1) Loan repayable on demand				
(a) Secured				
(i) from banks STS		523,873,011		437,433,712
(2) Loans and advances from related parties				
(a) Unsecured (Ref. Note 29) RPT		3,284,802		4,985,802
		527,157,813		442,419,514

a) Secured Loan from bank includes cash credit and packing credit. It is secured against all trade receivables and stock. Cash credit and packing credit are repayable on demand and carry interest @ Base Rate + 1.75% and Base Rate + 0.25% respectively.

b) For details of Security Given Refer Note-5

c) Unsecured loan from shareholders and their relatives are interest free and are repayable on demand.

Note 9 TRADE PAYABLES

PARTICULARS	AS AT 31-03-2018		AS AT 31-03-2017	
(a) Acceptances		-		-
(b) Others TP		263,360,252		242,570,878
		263,360,252		242,570,878

a) The Company has circulated letters to all its suppliers requesting them to confirm whether they are covered under the Micro, Small and Medium Enterprises Act, 2006 ("MSMED"). However from the majority of the suppliers these confirmations are still awaited. Hence disclosure relating to amount unpaid as at the year end together with interest paid/payable as required under the said act has not been made.

Note 10 OTHER CURRENT LIABILITIES

PARTICULARS	AS AT 31-03-2018		AS AT 31-03-2017	
(a) Advances from Debtors		18,648,905		12,066,009
(b) Statutory Liabilities (TDS, PF, VAT, PT etc)		1,113,610		1,085,455
(c) Current maturities of long term borrowings (Note 5)		24,692,088		14,343,429
(d) Agent Commission Payable		71,111,166		50,871,863
(e) Other payables				
- Capital Creditors		-		1,326,619
- Security Deposit		112,265		
		115,678,035		79,693,375

NOTE 11 SHORT TERM PROVISIONS

PARTICULARS	AS AT 31-03-2018		AS AT 31-03-2017	
(a) Provision for Bonus		1,330,522		977,103
(b) Provision for Tax		5,097,519		14,858,000
(c) Provision for Gratuity -ST		173,028		152,279
		6,601,069		15,987,382



GLOBE TEXTILES (INDIA) LTD.
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Note 12 FIXED ASSETS

SR NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK
		As At 01-04-2017	Additions during the year	Deductions during the year	As At 31-03-2018	Upto 31-03-2017	Provided for the year	Deductions during the year	As At 31-03-2018	As At 31-03-2018
	Tangible Assets									
1	Land	46,023,418	-	-	46,023,418	-	-	-	-	46,023,418
		46,023,418	-	-	46,023,418	-	-	-	-	46,023,418
2	Building	55,712,308	14,310,214	-	70,022,522	3,383,442	2,219,549	-	5,602,992	64,419,531
		55,712,308	-	-	55,712,308	809,609	2,573,834	-	3,383,443	52,328,865
3	Office Equipments	2,739,932	704,780	-	3,444,712	1,069,988	596,809	-	1,666,796	1,777,916
		2,469,362	270,570	-	2,739,932	561,689	508,298	-	1,069,987	1,669,945
4	Furniture & Fixtures	4,505,974	901,158	-	5,407,132	769,269	506,494	-	1,275,763	4,131,369
		3,961,386	544,588	-	4,505,974	353,441	415,828	-	769,269	3,736,705
5	Computer Equipments	2,155,951	273,852	-	2,429,803	1,019,466	593,892	-	1,613,358	816,445
		1,458,489	697,462	-	2,155,951	513,680	505,786	-	1,019,466	1,136,485
6	Vehicles	13,116,401	-	-	13,116,401	2,731,430	1,403,394	-	4,134,823	8,981,578
		4,443,099	8,673,302	-	13,116,401	1,919,789	811,640	-	2,731,430	10,384,971
7	Plant & Machinery	56,461,327	42,574,365	7,088,434	91,947,258	5,397,049	4,718,275	-	10,115,324	81,831,934
		35,198,787	21,262,540	-	56,461,327	2,398,324	2,998,725	-	5,397,049	51,064,278
	Total	180,715,311	58,764,369	7,088,434	232,391,246	14,370,644	10,038,412	-	24,409,056	207,982,190
	Previous Year	149,266,849	31,448,462	-	180,715,311	6,556,532	7,814,111	-	14,370,644	166,344,667

SR NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK
		As At 01-04-2017	Additions during the year	Deductions during the year	As At 31-03-2018	Upto 31-03-2017	Provided for the year	Deductions during the year	As At 31-03-2018	As At 31-03-2018
	Intangible Assets									
1	Software	1,307,245	-	-	1,307,245	279,314	438,890	-	718,204	589,041
		110,000	1,197,245	-	1,307,245	-	279,314	-	279,314	1,027,931
	Total	1,307,245	-	-	1,307,245	281,509	438,890	-	720,399	586,846
	Previous Year	110,000	1,197,245	-	1,307,245	2,195	279,314	-	281,509	1,025,736

Note 12.1 CAPITAL WORK IN PROGRESS

PARTICULARS	As at 31-03-2018	As at 31-03-2017
	Capital Work in Progress	
Building	8,640,280	8,640,280
Office Equipments	83,270	83,270
Furniture & Fixture	544,599	544,599
Plant & Machinery	34,903,889	34,903,889
Project Development Expenditure		
Wages Expense	5,566,996	5,566,996
Electric Expense	749,187	749,187
Interest Expense	1,604,394	1,604,394
Capitalised during the period	(52,092,615)	
	-	52,092,615



GLOBE TEXTILES (INDIA) LTD.
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note 13 LONG TERM LOANS AND ADVANCES
(Unsecured, considered Good)

PARTICULARS	AS AT 31-03-2018		AS AT 31-03-2017	
	(1) Security Deposits It		1,091,271	
(2) Balance with Government Authorities Advance Payment of Income Tax (including TDS)		3,771,081		13,959,127
(3) Other Loans and Advances (i) Advance to suppliers		-		1,858
		4,862,352		15,811,556

Note 14 INVENTORIES (Valued at lower of cost and net realizable value)

PARTICULARS	AS AT 31-03-2018		AS AT 31-03-2017	
	(i) Raw Materials		118,527,052	
(ii) Finished goods		314,877,450		251,492,231
		433,404,502		383,576,606

a) All Inventory is given as security for short-term bank borrowings.

Note 15 TRADE RECEIVABLES

PARTICULARS	AS AT 31-03-2018		AS AT 31-03-2017	
	(1) Receivables outstanding for a period less than six months from the date they are due for payment Unsecured, considered good		402,064,863	
(2) Receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good		56,166,361		45,430,352
		458,231,224		435,943,208

a) All trade receivable are given as security for short-term bank borrowings.

Note 16 CASH AND BANK BALANCES

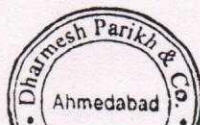
PARTICULARS	AS AT 31-03-2018		AS AT 31-03-2017	
	Cash & Cash Equivalents			
(i) Balances with Local banks				
- In Current Account		1,527,470		261,000
- In EEFC Account		22,205,288		8,433,351
(ii) Cash on hand (Includes Foreign Currency on Hand of Rs. 1,37,657 PY Rs. 2,65,832)		1,417,686		1,777,124
Other Bank Balance				
- In Fixed Deposit Account (Due after 3 months but within 12 Months)		-		250,000
- In Fixed Deposit Account (Due after 12 Months)		-		-
		25,150,444		10,721,475

Note 17 SHORT TERM LOANS AND ADVANCES
(Unsecured, considered Good)

PARTICULARS	AS AT 31-03-2018		AS AT 31-03-2017	
	(1) Balance with Government Authorities GST Receivable Vat Receivable Customs Duty		36,972,762	
(2) Prepaid Expenses		9,549		65,589
(3) Loans and Advances to employees (Refer Note Below)		771,247		82
(4) Other Loans and Advances (i) Advance to suppliers (ii) Advance for Expenses		2,060,090		2,273,082
		134,539,646		1,497,030
		2,007,351		35,965,660
		176,360,645		45,019
				39,846,462

Note 18 OTHER CURRENT ASSETS
(Unsecured, considered Good)

PARTICULARS	AS AT 31-03-2018		AS AT 31-03-2017	
	Interest Accrued but not due		51	
Others - Service Tax Claim Receivable		274,226		308,267
Subsidy Receivable		10,729,094		6,504,967
		11,003,371		6,827,527



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note 19 REVENUE FROM OPERATIONS

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
(a) Sale of Products (Net)	2,362,312,852	1,835,887,607
(b) Jobwork Income	117,545	35,822
(c) Other Operating revenue		
(i) Duty drawback	35,301,612	48,978,330
(ii) Export incentive	28,972,600	17,700,709
(iii) Service tax (Duty Drawback) income	537,522	1,645,958
	2,427,242,131	1,904,248,426

Note 20 OTHER INCOME

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
(a) Interest Income		
- Interest on FD	-	81,701
- Interest- Others	84,982	-
(b) Other non-operating income	96,693	-
(c) Foreign Exchange Profit /Loss	23,593,332	5,345,422
(d) Other Income	1,128	1,923,012
(e) Excess Provision written back	145,000	1,270,010
(f) Interest Subsidy	4,702,749	6,504,967
	28,623,883	15,125,112

Note 21 COST OF MATERIALS CONSUMED

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
Opening Stock of Raw material	132,084,375	100,852,891
Add : Purchases of raw material (including incidental expenses)	877,584,730	1,260,056,704
Add : Processing and Packing Charges	272,119,061	4,712,257
Less : Closing stock of raw material	118,527,052	132,084,375
	1,163,261,114	1,233,537,477

Note 22 PURCHASES OF STOCK-IN-TRADE

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
(i) Finished/Traded Goods	1,039,504,435	500,807,151
Add : Transferred from Raw Material	-	-
	1,039,504,435	500,807,151

Note 23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
Opening stock of finished / traded goods	251,492,231	162,498,567
Less : Closing stock of finished / traded goods	314,877,450	251,492,231
	(63,385,219)	(88,993,664)

Note 24 EMPLOYEE BENEFIT EXPENSE

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
(i) Salaries, wages and bonus expenses	76,361,753	46,381,184
(ii) Staff welfare expenses	852,581	998,493
(iii) Contribution to Gratuity and other funds	6,827,015	2,331,083
	84,041,349	49,710,760

Note 25 FINANCE COSTS

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
(a) Interest expense		
- Interest on Term Loan	9,037,838	5,893,507
- Interest on Car Loan	607,479	94,827
- Interest on Working Capital Loan	41,245,217	35,346,932
- Interest on Statutory Defaults	786,812	41,361
- Interest Others	-	-
(b) Bank charges and Other borrowing costs	5,145,838	4,484,285
	56,841,638	45,860,912



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note 26 OTHER EXPENSES

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
Transportation Charges	7,539,781	5,236,032
Power and Fuel	2,182,605	1,463,731
Rent	1,305,000	2,276,791
Repairs & Maintenance	2,108,507	1,739,938
Donation (other than Political)	271,100	794,100
Freight Expense	11,196,697	5,340,228
Insurance	5,984,255	7,201,675
Rates and Taxes (Excluding Taxes on Income)	2,015,113	2,636,845
Communication Charges	725,593	733,188
Printing & Stationary	465,786	352,600
Document & Stamping Charges	103,440	367,770
Postage and Courier Expenses	3,911,769	4,269,995
Labour Charges	1,275,203	766,630
Licence Fee and Registration Charges	86,450	563,605
Clearing & Forwarding Charges	8,202,868	7,463,087
Commission Expense	54,200,122	68,167,188
Business Promotion Expense	770,938	135,660
Professional Fees	5,411,244	4,669,743
Filing Fees	11,200	-
Public Issue Expense	1,006,039	-
Travelling & Conyenance Expenses	2,569,882	3,574,515
Security Expense	1,450,928	1,087,146
Payment to Auditors		
(i) Audit Fees	80,000	45,000
(ii) Taxation matters	38,800	3,800
(iii) Other services (Including Certification)	227,000	14,500
Office Expenses	345,800	63,300
Membership & Subscription	486,716	538,565
Miscellaneous Expenses	147,435	174,558
Prior Period Expenses (Refer Note 31)	638,969	1,213,492
	60,500	-
	114,473,939	120,830,381

Note 27 TAX EXPENSE

PARTICULARS	For the year ended 31st March 2018		For the year ended 31st March 2017	
(1) Current Tax				
Current Income Tax	14,100,000		14,858,000	
Adjustment of earlier years	(242,022)	13,857,978	105,069	14,963,069
(2) Deferred Tax		3,758,512		683,975
		17,616,490		15,647,044

- a) Provision for taxation for the year has been made after considering allowance, claims and relief available to the Company as considered and perceived by the management.
- b) Some taxes related assessments are pending against the Company. Potential liabilities, if any, have been adequately provided for, and the management does not estimate any incremental liability in respect of the legal proceedings.

Note 28 EARNINGS PER SHARE (EPS)

- a) The following reflects the profit and share data used in the basic and diluted EPS computations:

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
Profit/(loss) for calculation of basic and diluted EPS	33,034,967	33,880,052
Weighted average number of equity shares in calculating basic EPS (*)	9,734,100	8,708,100
Face value of equity shares	10	10
Basic Earning per share (In Rupees)	3.39	3.89
Diluted Earning per share (In Rupees)	3.39	3.89

(*) After giving effect for the Bonus Shares issued during the year ended 31st March 2017

- b) The Company does not have any outstanding dilutive potential equity shares. Consequently the basic and diluted earning per share of the Company remain the same.



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note 29 RELATED PARTY DISCLOSURES

a) Related Parties with whom transactions have taken place during the year:

Associate Entities	Jagdish M Vora HUF Padamsree Globe Tradelink Pvt Ltd
Key Management Personnel	Mr. Bhavik Parikh Mr. Nilay Vora Mr. Bhavin Parikh Mr. Yash Shah
Relatives of Key Management Personnel with whom transactions done during the year	Guniben Vora Purvi B Parikh Shraddha B Parikh
Enterprises Owned or controlled by Key Management personnel and/or their Relatives (With whom transactions have taken place)	Jagdish M Vora HUF Kunthunath Impex LLP (Formerly Parikh Impex Pvt. Ltd.) Padamsree Globe Textiles Pvt. Ltd Globe Texfeb LLP Ajilnath Arcade Pvt. Ltd. Parikh Hathisingh Ujamchand Sarvajani Sakhawati Trust

b) Related Party Transactions

Sr No	Particulars	(In Rupees)	
		For the year ended 31st March 2018	For the year ended 31st March 2017
Key Management Personnel			
1	Mr. Nilay Vora		
	Salary, Bonus	772,417	725,172
	Reimbursement of expenses	28,757	89,898
	Shares Allotted towards bonus shares	-	12,040,000
	Funds given	-	-
	Funds received	-	73,805
	Balance Outstanding	61,559 Cr	9,28,036 Dr
2	Mr. Bhavik Parikh		
	Salary, Bonus	3,397,680	2,342,582
	Reimbursement of expenses	101,000	-
	Shares Allotted towards bonus shares	-	8,901,600
	Funds given	6,900,000	3,725,000
	Funds received	8,500,000	8,510,802
	Balance Outstanding	35,67,942 Cr	51,83,808 Cr
3	Mr. Bhavin Parikh		
	Salary, Bonus	2,607,660	666,915
	Reimbursement of expenses	-	364,390
	Shares Allotted towards bonus shares	-	11,610,800
	Balance Outstanding	2,17,305 Cr	1,91,492 Cr
4	Mr. Yash Shah		
	Salary, Bonus	188,035	11,632
	Reimbursement of expenses	5,495	236
	Balance Outstanding	16,253 Cr	11,632 Cr
Relatives of Key Management Personnel with whom transactions done during the year			
1	Ms. Shraddha B Parikh		
	Shares Allotted towards bonus shares	-	5,805,400
	Balance Outstanding	-	-
2	Ms. Purvi B Parikh		
	Shares Allotted towards bonus shares	-	5,805,400
	Balance Outstanding	-	-
Associate Entities			
1	Globe Texfeb LLP		
	Purchase		34,812,712
	Funds given	15,600	
	Funds received	15,600	
	Balance Outstanding	-	-
2	Parikh Hathisingh Ujamchand Sarvajani Sakhawati Trust		
	Donation Given	210,000	900,000
	Balance Outstanding	-	-
3	Kunthunath Impex LLP (Formerly Parikh Impex Pvt. Ltd.)		
	Sales	39,617,998	48,902,138
	Purchase	237,358,014	486,235
	Reimbursement of Expense	16,577	-
	Salary Payable	88,752	-
	Balance Outstanding	4,59,47,639 Dr	4,84,15,903 Dr



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note 30 GRATUITY

a) Net employee benefit expense recognized in the employee cost

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Service cost	1,074,179	342,629
Interest cost	183,974	93,469
Actuarial losses/(gains) recognised in the period	(308,298)	1,008,197
Past service cost vested	196,199	-
Net benefit expense	949,855	1,444,295

b)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Balance Sheet		
Benefit Asset/Liability		
Present value of defined benefit obligations	3,742,753	2,649,199
Fair value of plan assets	-	-
Net Liability/ (Asset)	3,742,753	2,649,199
Current Liability	173,028	152,279
Non-Current Liability	3,569,725	2,649,199

c) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Opening defined benefit obligation	2,649,199	1,204,904
Current service cost	1,074,179	342,629
Interest cost	183,974	93,469
Past service cost	196,199	-
Actuarial losses/(gains)	(308,298)	1,008,197
Benefits Paid	(52,500)	-
Closing defined benefit obligation	3,742,753	2,649,199

d) Changes in the fair value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Opening fair value of plan assets	-	-
Expected return	-	-
Actuarial losses/(gains)	-	-
Benefits paid	-	-
Contribution by employer	-	-
Closing fair value of plan assets	-	-

e) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Mortality	Indian Assured Lives Mortality (2006-08) U.I.	Indian Assured Lives Mortality (2006-08) U.I.
Rate of Interest	7.60%	7.15%
Salary Growth*	8.00%	8.00%
Expected Rate of Return	NA	NA
Withdrawal Rates	15% at younger ages reducing to 3% at older ages	15% at younger ages reducing to 3% at older ages
Retirement Age	58 years	58 years

* The estimated future salary increases take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Note 31 Prior Period Expense

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
Other Prior period expense	60,500	-
	60,500	-

Note 32 OTHER DISCLOSURES

- Sundry Creditors, Receivables and Loans and Advances include certain items for which confirmations are yet to be received. Provision for doubtful debts, if any, in respect of above and the consequential adjustments, arising out of reconciliation will be made at the appropriate time.
- In the opinion of the Management and to the best of their knowledge and belief the value under the head of Current and Non Current Assets (other than fixed assets and non current investments) are approximately of the value stated, if realised in ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
- Contingent liabilities not provided for:

Particulars	AS AT 31-03-2018	AS AT 31-03-2017
Disputed TDS Demand	32,640	160,290
Disputed Income Tax Demand on completion of Assessment where assessee has preferred an appeal against the said orders	47,248,299	45,807,240
Interest and Penalty unascertainable at this stage	-	-



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note 33 OTHER STATUTORY INFORMATION

33.1 Details of Goods

Detail of goods sold

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
Finished/Traded Goods Sold		
Textile Products	2,427,242,131	1,904,248,426
	2,427,242,131	1,904,248,426

Detail of raw material consumed

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
Textile Products	1,163,261,114	1,233,537,477
	1,163,261,114	1,233,537,477

Detail of purchase of finished/traded goods

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
Textile Products	1,039,504,435	500,807,151
	1,039,504,435	500,807,151

Details of Inventory

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
Raw Materials		
Textile Products	118,527,052	132,084,375
	118,527,052	132,084,375
Finished/Traded Goods		
Textile Products	314,877,450	251,492,231
	314,877,450	251,492,231

33.2 Value of imports calculated on CIF basis

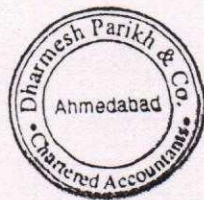
PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
Purchase of Goods	4,981,077	5,765,785
Purchase of Capital Goods	2,031,560	39,761,788

33.3 Expenditure in Foreign Currency (Accrual Basis)

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
Foreign Bank Charges	1,464,244	1,791,763
Agent Commission	54,200,122	68,167,188
	55,664,366	69,958,951

33.4 Earnings in Foreign Currency (Accrual Basis)

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
Export of goods on F.O.B basis	1,090,023,330	934,386,902
	1,090,023,330	934,386,902



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note 34 Segment Reporting:

i) Primary Segment

In accordance with Accounting Standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standards) Rules, 2006 (as amended), the company has determined its business segment as Textile Trading and Manufacturing. Since, there are no other business segments in which the company operates, there are no other primary reportable segments. Therefore, the segment revenue, results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as reflected in the financial statements.

ii) Secondary Segment

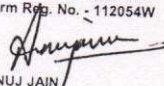
Secondary segment reporting is based on the geographical location of customers. Company has its operations in India and outside India.

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Domestic Sales		
Export Sales	1,372,665,809	934,296,675
Total	989,647,043	901,590,932
	2,362,312,852	1,835,887,607

NOTE 35 PREVIOUS YEAR FIGURES

Previous year's figures have been regrouped wherever necessary to confirm to this year's classification.

In terms of our report attached,
For **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm Reg. No. - 112054W

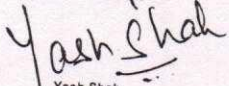

ANUJ JAIN
(PARTNER)
Membership No. 119140



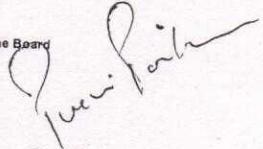
Place : Ahmedabad
Date : 26/05/2018

For and on behalf of the Board


Bhavik Parikh
Managing Director
DIN : 00038223


Yash Shah
Company Secretary
M. No : 49578

Place : Ahmedabad
Date : 26/05/2018



Purvi Bhavin Parikh
Director
DIN : 07732523



Bhavin Parikh
CFO