

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

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Globe Textiles (India) Private Ltd. ("the Company"), which comprise the Balance Sheet as at 31st March 2017, 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 read with Emphasis of Matter paragraph below, 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 2017 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) Ltd. (Formerly Globe Textiles (India) Private Ltd.)

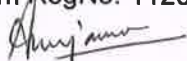
Report on Other Legal and Regulatory Requirements

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 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 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 29(d) 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.
 - iv. The company has provided requisite disclosures in its financial statements (vide Note no. 32 to the Financial Statements) as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company. We have relied on the management representation for disclosure of denomination wise details



Place: Ahmedabad
Date : 22/05/2017

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


Anuj Jain
Partner
Membership No. 119140

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Annexure - A to the Independent Auditor's Report

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

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

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, 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. 9,83,52,283 as at 31st March 2017.
- (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 explanation 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 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, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities generally. As explained to us, the Company did not have any dues on account of duty of excise.

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 2017 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) Ltd. (Formerly Globe Textiles (India) Private Ltd.)

(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	4,58,07,240	---	AY 2012-13, 2013-14 & 2014-15
Income Tax Act, 1961	TDS	Assessing Officer	1,60,290	---	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 not raised moneys by way of initial public offer or further public offer including debt instruments. The company has utilized the amount raised by way of term Loans during the year for the purpose for which it was raised.
- (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, though managerial remuneration has been paid/ provided, the Company being a private limited company upto 22nd March 2017, provisions of Section 197 read with Schedule V of the Companies Act, 2013 is not applicable to the Company for the year.
- (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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Annexure - A to the Independent Auditor's Report (Continue)

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

(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 : 22/05/2017

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

(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, 2017 in conjunction with our audit of the standalone financial statements of the company for the period 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 the 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 2017 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 : 22/05/2017

For **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm Reg No: 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, 2017

PARTICULARS	NOTES	AS AT 31-03-2017		AS AT 31-03-2016	
I EQUITY AND LIABILITIES					
(1) SHAREHOLDERS' FUNDS					
(a) Share Capital	3	8,70,81,000		2,90,27,000	
(b) Reserves & Surplus	4	16,35,20,717		18,76,94,666	
(c) Money Received Against Share Warrants		-		-	
			25,06,01,717		21,67,21,666
(2) SHARE APPLICATION MONEY PENDING ALLOTMENT (NON REFUNDABLE)					
(3) NON-CURRENT LIABILITIES					
(a) Long-term borrowings	5	7,57,25,567		4,05,07,086	
(b) Deferred Tax Liabilities (Net)	6	26,94,499		20,10,523	
(c) Other Long-term Liabilities		-		-	
(d) Long-term provisions	7	24,96,920		11,61,393	
			8,09,16,986		4,36,79,002
(4) CURRENT LIABILITIES					
(a) Short-term borrowings	8	44,24,19,514		34,89,67,832	
(b) Trade Payables	9	24,25,70,878		14,42,30,089	
(c) Other current liabilities	10	7,96,93,375		7,46,52,363	
(d) Short-term provisions	11	1,59,87,382		13,00,398	
			78,06,71,149		56,91,50,682
TOTAL			1,11,21,89,853		82,95,51,350
II ASSETS					
(1) NON CURRENT ASSETS					
(a) Fixed assets					
(i) Tangible assets	12	16,63,44,667		14,27,10,317	
(ii) Intangible assets	12	10,25,736		1,07,805	
(iii) Capital work-in-progress	12.1	5,20,92,615		26,26,772	
(b) Non-current investments		-		-	
(c) Deferred tax assets (Net)		-		-	
(d) Long-term loans and advances	13	1,58,11,556		51,24,351	
(e) Other non-current assets		-		-	
			23,52,74,574		15,05,69,245
(2) CURRENT ASSETS					
(a) Current Investments		-		-	
(b) Inventories	14	38,35,76,606		26,33,51,458	
(c) Trade receivables	15	43,59,43,208		31,81,57,517	
(d) Cash & Bank Balances	16	1,07,21,475		1,91,12,170	
(e) Short-term loans & advances	17	3,98,46,462		7,79,58,668	
(f) Other current assets	18	68,27,527		4,02,292	
			87,69,15,279		67,89,82,105
TOTAL			1,11,21,89,853		82,95,51,350
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

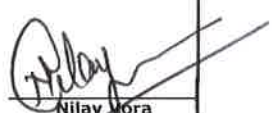

ANUJ JAIN
(PARTNER)
Membership No. 119140



For and on behalf of the Board


Bhavik Parikh
Managing Director
DIN : 00038223


Yash Shah
Company Secretary
M. No : 49578


Nilay Vora
Whole Time Director
DIN : 02158990


Bhavin Parikh
CFO

Place : Ahmedabad
Date : 22/05/2017

Place : Ahmedabad
Date : 22/05/2017

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

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

PARTICULARS	NOTES	FOR THE YEAR ENDED 31ST MARCH, 2017		FOR THE YEAR ENDED 31ST MARCH, 2016	
CONTINUING OPERATIONS					
I Revenue from Operation	19		1,90,42,48,426		1,82,51,41,244
II Other Income	20		1,51,25,112		78,76,722
III Total Revenue (I + II)			1,91,93,73,538		1,83,30,17,966
IV Expenses					
Cost of Materials consumed	21		1,23,28,29,831		17,36,85,802
Purchases of Stock-in-Trade	22		50,08,07,151		1,46,96,60,259
Changes in inventories of finished goods, work-in-progress and Stock-in-trade	23		(8,89,93,664)		(3,72,61,808)
Employee benefits expense	24		4,97,10,760		3,66,32,738
Finance costs	25		4,58,60,912		4,34,90,033
Depreciation and amortization expense	12		80,93,425		41,76,487
Other expenses	26		12,15,38,027		11,88,23,153
Total Expenses			1,86,98,46,442		1,80,92,06,664
V Profit for the year before Exceptional and extraordinary items and tax (III-IV)			4,95,27,096		2,38,11,301
VI Less : Exceptional items			-		-
VII Profit for the year before extraordinary items and tax (V-VI)			4,95,27,096		2,38,11,301
VIII Add/(Less) : Extraordinary items			-		-
IX Profit for the year before taxation (VII-VIII)			4,95,27,096		2,38,11,301
X Tax Expense	27		1,56,47,044		71,20,626
XI Profit (Loss) for the year (IX-X)			3,38,80,052		1,66,90,675
XII Earning per Equity Share of Rs. 10 Each - Basic & Diluted	28		3.89		1.92
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

Bhavik Parikh
Managing Director
DIN : 00038223

Yash Shah
Company Secretary
M. No : 49578

Nilay Vora
Whole Time Director
DIN : 02158990

Bhavin Parikh
CFO

Place : Ahmedabad
Date : 22/05/2017

Place : Ahmedabad
Date : 22/05/2017

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

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(In Rupees)

Particulars	FOR THE YEAR ENDED 31ST MARCH, 2017		FOR THE YEAR ENDED 31ST MARCH, 2016	
	INR	INR	INR	INR
A. Cash flow from operating activities				
Profit before tax from continuing operations	4,95,27,096		2,38,11,301	
Profit before tax		4,95,27,096		2,38,11,301
<u>Adjustment on account of:</u>				
Depreciation and amortisation	80,93,425		41,76,487	
Net unrealised exchange (gain) / loss	(16,72,249)		(37,28,601)	
Bad Debt Written Off	-		-	
Loss on sale of fixed asset	-		-	
Interest Subsidy Income	(65,04,967)			
Interest Expense	4,13,76,627		4,02,05,314	
Interest Income	(81,701)		(16,38,163)	
		4,12,11,135		3,90,15,037
Operating profit / (loss) before working capital changes		9,07,36,231		6,28,26,338
<u>Changes in working capital:</u>				
<u>Adjustments for (Increase) / decrease in operating assets:</u>				
Inventories	(12,02,25,148)		(3,26,83,619)	
Trade receivables	(11,61,13,443)		(5,11,84,809)	
Short-term loans and advances	3,81,12,206		(4,83,82,784)	
Other current assets	(44,565)		(2,18,296)	
Long-term loans and advances	(7,95,646)		3,86,964	
		(19,90,66,596)		(13,20,82,544)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	9,83,40,788		(46,96,349)	
Other current liabilities	30,53,854		99,04,707	
Short-term provisions	(1,71,016)		8,66,790	
Long-term provisions	13,35,527		4,15,431	
		10,25,59,153		64,90,579
Cash generated from / (used in) operations		(57,69,212)		(6,27,65,627)
Net income tax (paid) / refunds		(99,96,626)		(86,90,573)
Net cash flow from / (used in) operating activities (A)		(1,57,65,838)		(7,14,56,200)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances & CWIP	(8,21,11,550)		(84,89,545)	
Sale of Investment	-		1,20,00,000	
Interest received	2,05,999		53,65,742	
Net cash flow from / (used in) investing activities (B)		(8,19,05,551)		88,76,197
C. Cash flow from financing activities				
Proceeds from issue of equity shares	-		-	
Proceeds from long-term borrowings	2,94,69,942		(65,56,181)	
Repayment of long-term borrowings	-		-	
Net increase / (decrease) in working capital borrowings	-		-	
Proceeds from other short-term borrowings	10,11,87,379		10,59,37,836	
Interest Paid	(4,13,76,627)		(4,02,05,314)	
		8,92,80,694		5,91,76,341
Net cash flow from / (used in) financing activities (C)		8,92,80,694		5,91,76,341
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(83,90,695)		(34,03,662)
Cash and cash equivalents at the beginning of the year		1,91,12,170		2,25,15,832
Cash and cash equivalents at the end of the year		1,07,21,475		1,91,12,170
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet (Refer Note 16)		1,07,21,475		1,91,12,170
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		1,07,21,475		1,91,12,170
Add: Current investments considered as part of Cash and cash equivalents		-		-
Cash and cash equivalents at the end of the year *		1,07,21,475		1,91,12,170
* Comprises:				
(a) Cash on hand		17,77,124		14,25,649
(b) Balances with banks				
(i) In current accounts		2,61,000		20,63,168
(ii) In EEFC accounts		84,33,351		1,15,83,353
(iii) In deposit accounts		2,50,000		40,40,000
		1,07,21,475		1,91,12,170

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
(PARTNER)
Membership No. 119140



For and on behalf of the Board

Bhavik Parikh
Managing Director
DIN : 00038223

Yash Shah
Company Secretary
M. No. : 49578

Nilay Vora
Whole Time Director
DIN : 07158990

Bhavin Parikh
CFO

Place : Ahmedabad
Date : 22/05/2017

Place : Ahmedabad
Date : 22/05/2017

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

- Note 1 CORPORATE INFORMATION**
Globe Textiles (India) Private Limited having CIN : U65910GJ1995PTC027673 is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. 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 any 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, 2017

- h) 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.
- x) 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.**



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Note 3 SHARE CAPITAL

(In Rupees)

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
	Number of Shares	INR	Number of shares	INR
AUTHORISED SHARES				
Equity Shares of Re 10/- each	1,10,00,000	11,00,00,000	50,00,000	5,00,00,000
	1,10,00,000	11,00,00,000	50,00,000	5,00,00,000
ISSUED, SUBSCRIBED & FULLY PAID-UP SHARES				
Equity Share of Rs 10/- each Fully paid	87,08,100	8,70,81,000	29,02,700	2,90,27,000
a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
At the beginning of the Year	29,02,700	2,90,27,000	29,02,700	2,90,27,000
Add: Issued during the Year	58,05,400	5,80,54,000	-	-
At the end of the Year	87,08,100	8,70,81,000	29,02,700	2,90,27,000

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 31-03-2017	AS AT 31-03-2016
Equity Shares Alloted as fully paid Bonus Shares	58,05,400	-

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

(In Rupees)

Name of Shareholder	AS AT 31-03-2017		AS AT 31-03-2016	
	Number of shares	% holding	Number of shares	% holding
Nilay Vora	18,06,000	20.74	6,02,000	20.74
Bhavik S Parikh	30,76,860	35.33	21,86,700	75.33
Bhavin S Parikh	17,41,620	20.00	-	-
Shradha B Parikh	8,70,810	10.00	-	-
Purvi B Parikh	8,70,810	10.00	-	-

Note 4 RESERVES & SURPLUS

(In Rupees)

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
1 SECURITIES PREMIUM RESERVE				
As per last balance sheet	9,26,35,000		9,26,35,000	
Add: Premium on shares Issued during the Year			-	
Less: Issue of Bonus Shares	5,80,54,000			
		3,45,81,000		9,26,35,000
2 SURPLUS IN STATEMENT OF PROFIT AND LOSS				
As per last balance sheet	9,50,59,666		7,83,68,991	
Add: Profit for the Year	3,38,80,052		1,66,90,675	
		12,89,39,717		9,50,59,666
		16,35,20,717		18,76,94,666

Note 5 LONG TERM BORROWINGS

(In Rupees)

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
(1) Term Loans				
(a) Secured				
(i) From Bank		6,93,13,287		4,03,69,474
(2) Vehicle Loan				
(a) Secured				
(i) From bank		64,12,281		1,37,612
		7,57,25,567		4,05,07,086

a) Vehicle Loan is of Rs 7841000 repayable in 60 equal monthly installments of Rs 160908 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 4,40,302, Rs 6,25,000 & 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%.

c) The loan from bank is further secured by collateral securities given in the form of Equitable mortgage of Residential Flat held by Mrs. Shradhaben B. Parikh & the additional Equitable Mortgage of Immovable Property held by The Company named "Aditya Green City Private Limited".



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Note 6 DEFERRED TAX

a)	PARTICULARS	(In Rupees)	
		AS AT 31-03-2017	AS AT 31-03-2016
	Deferred Tax Liability		
	- Depreciation	(36,15,026)	(27,71,217)
	Gross Deferred Tax Liability	(36,15,026)	(27,71,217)
	Deferred Tax Asset		
	- Gratuity	8,18,602	3,72,315
	- Bonus	3,01,825	3,88,378
	Gross Deferred Tax Asset	11,20,527	7,60,693
	Net Deferred Tax Liability	(26,94,499)	(20,10,523)

- b) In accordance with "Accounting Standard 22", the Deferred Tax liability of Rs. 26,94,499/- (Previous year deferred tax liability Rs. 20,10,523/-) for the period has been recognised in the Statement of Profit & Loss

Note 7 LONG TERM PROVISIONS

a)	PARTICULARS	(In Rupees)	
		AS AT 31-03-2017	AS AT 31-03-2016
	Provision for Gratuity	24,96,920	11,61,393
		24,96,920	11,61,393

Note 8 SHORT TERM BORROWINGS

(1)	PARTICULARS	(In Rupees)	
		AS AT 31-03-2017	AS AT 31-03-2016
	Loan repayable on demand		
	(a) Secured		
	(i) from banks	43,74,33,712	34,86,94,027
	(2) Loans and advances from related parties		
	(a) Unsecured (Ref Note 26)	49,85,802	2,73,805
		44,24,19,514	34,89,67,832

- 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%
- 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

a)	PARTICULARS	(In Rupees)	
		AS AT 31-03-2017	AS AT 31-03-2016
	Acceptances		
	(b) Others	24,25,70,878	14,42,30,089
		24,25,70,878	14,42,30,089

Note 10 OTHER CURRENT LIABILITIES

a)	PARTICULARS	(In Rupees)	
		AS AT 31-03-2017	AS AT 31-03-2016
	Advances from Debtors	1,20,06,009	18,32,719
	(b) Statutory Liabilities (TDS, PF, VAT, PT etc)	10,85,455	8,46,184
	(c) Current maturities of long term borrowings (Note 5)	1,43,43,429	1,23,56,271
	(d) Agent Commission Payable	5,08,71,863	5,92,93,944
	(e) Other payables		3,23,245
	- Capital Creditors	13,26,619	
		7,96,93,375	7,48,52,363

- 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 11 SHORT TERM PROVISIONS

a)	PARTICULARS	(In Rupees)	
		AS AT 31-03-2017	AS AT 31-03-2016
	Provision for Bonus	9,77,103	12,58,887
	(b) Provision for Tax	1,48,58,000	
	(c) Provision for Gratuity	1,52,279	43,511
		1,59,87,382	13,00,398



GLOBE TEXTILES (INDIA) PRIVATE LTD.
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Note 12 **FIXED ASSETS**

SR NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
		As At 01-04-2016	Additions during the year	Deductions during the year	As At 31-03-2017	Upto 31-03-2016	Provided for the year	Deductions during the year	As At 31-03-2017	As At 31-03-2017
	Tangible Assets									
1	Land	4,60,23,418	-	-	4,60,23,418	-	-	-	-	4,60,23,418
2	Building	5,57,12,308	-	-	5,57,12,308	8,09,609.22	25,73,833	-	33,83,443	5,23,28,865
3	Office Equipments	24,69,362	2,70,570	-	27,39,932	5,61,689	5,08,298	-	10,69,987	16,69,945
		5,07,428	4,33,786	-	9,41,214	1,86,745	1,27,079	-	3,13,824	6,27,390
4	Furniture & Fixtures	39,61,386	5,44,588	-	45,05,974	3,53,441	4,15,828	-	7,69,269	37,36,705
		6,37,491	33,23,895	-	39,61,386	82,731	2,70,710	-	3,53,441	36,07,945
5	Computer Equipments	14,58,489	6,97,462	-	21,55,951	5,13,680	5,05,786	-	10,19,466	11,36,485
		4,47,161	10,11,328	-	14,58,489	2,80,427	2,33,253	-	5,13,680	9,44,809
6	Vehicles	44,43,099	86,73,302	-	1,31,16,401	19,19,789	8,11,640	-	27,31,430	1,03,84,971
		37,84,808	6,58,293.00	-	44,43,099	14,53,215	4,66,574	-	19,19,789	25,23,310
7	Plant & Machinery	3,51,98,787	2,12,62,540	-	5,64,61,327	23,98,324	29,98,725	-	53,97,049	5,10,64,278
		39,19,715	3,12,79,072	-	3,51,98,787	3,79,122	20,19,202	-	23,98,324	3,28,00,463
	Total	14,92,66,849	3,14,48,462	-	18,07,15,311	65,56,533	78,14,111	-	1,43,70,644	16,63,44,667
	Previous Year	92,96,601	3,67,06,374	-	4,80,02,975	23,82,240	31,16,819	-	54,99,059	4,05,03,916

SR NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
		As At 01-04-2016	Additions during the year	Deductions during the year	As At 31-03-2017	Upto 31-03-2016	Provided for the year	Deductions during the year	As At 31-03-2017	As At 31-03-2017
	Intangible Assets									
1	Software	1,10,000	11,97,245	-	13,07,245	-	2,79,314	-	2,79,314	10,27,931
		-	1,10,000	-	1,10,000	-	2,195	-	2,195	1,07,805
	Total	1,10,000	11,97,245	-	13,07,245	-	2,79,314	-	2,79,314	10,27,931
	Previous Year	-	1,10,000	-	1,10,000	-	2,195	-	2,195	1,07,805

Note 12.1 **CAPITAL WORK IN PROGRESS**

PARTICULARS	As at 31-03-2017	As at 31-03-2016
Capital Work in Progress		
Building	86,40,280	16,14,739
Office Equipments	83,270	-
Furniture & Fixture	5,44,599	-
Plant & Machinery	3,49,03,889	-
Project Development Expenditure		
Wages Expense	55,66,996	8,26,963
Electric Expense	7,49,187	1,85,070
Interest Expense	16,04,394	-
	5,20,92,615	26,26,772



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

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

PARTICULARS	(In Rupees)	
	AS AT 31-03-2017	AS AT 31-03-2016
(1) Security Deposits	16,60,571	10,10,625
(2) Balance with Government Authorities		
Advance Payment of Income Tax (Including TDS)	1,39,59,127	40,67,568
(3) Prepaid Expenses	-	-
(4) Loans and Advances to employees (Refer Note Below)	-	41,500
(5) Other Loans and Advances		
(i) Advance to suppliers	1,858	4,658
(ii) Others	-	-
	1,56,11,656	51,24,351

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

PARTICULARS	(In Rupees)	
	AS AT 31-03-2017	AS AT 31-03-2016
(i) Raw Materials	13,20,84,375	10,08,52,891
(ii) Finished goods	25,14,92,231	16,24,98,567
	38,35,76,606	26,33,51,458

Note 15 TRADE RECEIVABLES

PARTICULARS	(In Rupees)	
	AS AT 31-03-2017	AS AT 31-03-2016
(1) Receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	38,05,12,856	31,16,01,496
(2) Receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	4,54,30,352	65,56,021
	43,59,43,208	31,81,57,517

Note 16 CASH AND BANK BALANCES

PARTICULARS	(In Rupees)	
	AS AT 31-03-2017	AS AT 31-03-2016
Cash & Cash Equivalents		
(i) Balances with Local banks		
- In Current Account	2,61,000	20,63,168
- In EEFC Account	84,33,351	1,15,83,353
(ii) Cash on hand	17,77,124	14,25,649
Other Bank Balance		
- In Fixed Deposit Account (Due after 3 months but within 12 Months)	2,50,000	40,40,000
	1,07,21,475	1,91,12,170

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

PARTICULARS	(In Rupees)	
	AS AT 31-03-2017	AS AT 31-03-2016
(1) Security Deposits	-	7,39,791
(2) Balance with Government Authorities		
Vat Receivable	65,589	-
Customs Duty	82	-
(3) Prepaid Expenses	22,73,082	27,43,815
(4) Loans and Advances to employees (Refer Note Below)	14,97,030	16,66,444
(5) Other Loans and Advances		
(i) Advance to suppliers	3,59,65,660	7,21,54,897
(ii) Others	45,019	6,53,722
	3,98,46,462	7,79,58,658

Note 18 OTHER CURRENT ASSETS
(Unsecured, considered Good)

PARTICULARS	(In Rupees)	
	AS AT 31-03-2017	AS AT 31-03-2016
Interest Accrued but not due	14,293	1,38,591
Others - Service Tax Claim Receivable	3,08,267	2,83,701
Others - Interest Subsidy Receivable	65,04,967	-
	68,27,527	4,02,292



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Note 19 REVENUE FROM OPERATIONS

PARTICULARS	(In Rupees)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
(a) Sale of Products (Net of VAT)	1,63,58,67,607	1,74,35,40,274
(b) Jobwork Income	35,822	-
(c) Other Operating revenue	4,89,78,330	4,63,23,978
(i) Duty drawback	1,77,00,709	3,35,92,093
(ii) Export incentive	16,45,958	16,84,899
(iii) Service tax (Duty Drawback) income	-	-
	1,90,42,46,426	1,82,51,41,244

Note 20 OTHER INCOME

PARTICULARS	(In Rupees)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
(a) Interest Income	-	-
- Interest on FD	81,701	16,36,163
(b) Prior Period Income	-	14,63,051
(c) Foreign Exchange Profit /Loss	53,45,422	47,12,934
(d) Other Income	19,23,012	62,574
(e) Excess Provision written back	12,70,010	-
(f) Interest Subsidy	65,04,967	-
	1,51,25,112	78,76,722

Note 21 COST OF MATERIALS CONSUMED

PARTICULARS	(In Rupees)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Opening Stock of Raw material	10,08,52,891	10,54,31,081
Add : Purchases of raw material (including incidental expenses)	1,26,00,56,704	10,32,06,141
Add : Processing and Packing Charges	40,04,611	15,96,01,194
Less : Transferred to Finished/ Traded Goods	-	9,37,01,722
Less : Closing stock of raw material	13,20,84,375	10,08,52,891
	1,23,28,29,831	17,36,85,802

Note 22 PURCHASES OF STOCK-IN-TRADE

PARTICULARS	(In Rupees)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
(i) Finished/Traded Goods	50,08,07,151	1,37,59,58,537
Add : Transferred from Raw Material	-	9,37,01,722
	50,08,07,151	1,46,96,60,259

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

PARTICULARS	(In Rupees)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Opening stock of finished / traded goods	16,24,98,567	12,52,36,759
Less : Closing stock of finished / traded goods	25,14,92,231	16,24,98,567
	(8,89,93,664)	(3,72,61,808)

Note 24 EMPLOYEE BENEFIT EXPENSE

PARTICULARS	(In Rupees)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
(i) Salaries, wages and bonus expenses	4,63,81,164	3,53,45,704
(ii) Staff welfare expenses	9,98,493	8,52,780
(iii) Contribution to Gratuity and other funds	23,31,083	4,34,254
	4,97,10,780	3,66,32,738

Note 25 FINANCE COSTS

PARTICULARS	(In Rupees)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
(a) Interest expense	-	4,02,05,314
- Interest on Term Loan	58,93,507	-
- Interest on Car Loan	94,827	-
- Interest on Working Capital Loan	3,53,46,932	-
- Interest on Statutory Defaults	41,361	-
(b) Bank charges and Other borrowing costs	44,84,285	32,84,719
	4,58,80,912	4,34,90,033



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Note 26 OTHER EXPENSES

PARTICULARS	(In Rupees)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
a) Transportation Charges	52,36,032	62,12,457
b) Power and Fuel	14,63,731	15,15,503
c) Rent	22,76,791	10,46,404
d) Repairs & Maintenance	17,39,938	23,42,488
e) Donation (other than Political)	7,94,100	1,41,000
f) Freight Expense	53,40,228	37,74,592
g) Insurance	72,01,675	26,19,867
h) Rates and Taxes (Excluding Taxes on Income)	26,36,845	22,28,326
i) Communication Charges	7,33,188	5,08,638
j) Printing & Stationary	3,52,600	1,83,774
k) Packing Expenses	7,07,646	44,940
l) Document & Stamping Charges	3,67,770	11,40,936
m) Postage and Courier Expenses	42,69,995	30,01,349
n) Labour Charges	7,66,630	6,43,694
o) Licence Fee and Registration Charges	5,63,605	8,58,592
p) Cleaning & Forwarding Charges	74,63,087	89,52,292
q) Commission Expense	6,81,67,188	7,44,25,143
r) Business Promotion Expense	1,35,660	7,03,446
s) Professional Fees	46,69,743	22,49,836
l) Travelling & Conyence Expenses	35,74,515	35,11,823
u) Bad debts written off	-	-
v) Security Expense	10,87,146	9,42,506
w) Payment to Auditors		
(i) Audit Fees	45,000	45,000
(ii) Taxation matters	3,800	26,250
(iii) Other services (Including Certification)	14,500	1,17,500
	63,300	1,88,750
x) Office Expenses	5,38,565	5,41,424
y) Membership & Subscription	1,74,558	96,170
z) Miscellaneous Expenses	12,13,492	9,49,204
sa) Loss on Sale of Fixed Assets	-	-
	12,15,38,027	11,88,23,153

Note 27 TAX EXPENSE

PARTICULARS	(In Rupees)			
	For the year ended 31st March 2017		For the year ended 31st March 2016	
(1) Current Tax				
Current Income Tax	1,48,58,000		54,00,000	
Adjustment of earlier years	1,05,069	1,49,63,069	-	54,00,000
(2) Deferred Tax		6,83,975		17,20,626
		1,56,47,044		71,20,626

- 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	(In Rupees)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Profit/(loss) for calculation of basic and diluted EPS	3,38,80,052	1,66,90,675
Weighted average number of equity shares in calculating basic EPS (*)	87,08,100	87,08,100
Face value of equity shares	10	10
Basic Earning per share (In Rupees)	3.89	1.92
Diluted Earning per share (In Rupees)	3.89	1.92

(*) 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.

Note 28 RELATED PARTY DISCLOSURES

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

Associate Entities	Jagdish M Vora HUF Padamshree Globe Tradelink Pvt Ltd
Key Management Personnel	Mr. Bhavik Pankh Mr. Nlay Vora Mr. Bhavn Pankh
Relatives of Key Management Personnel with whom transactions done	Guniben Vora Purvi B Pankh Shradidha B Pankh
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 Pankh Impex Pvt. Ltd.) Padamshree Globe Textiles Pvt. Ltd. Globe Textiles LLP Ajitnath Arcade Pvt. Ltd. Pankh Hathsingh Ujanchand Sarvajani Sakhawati Trust



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b) Related Party Transactions

		(In Rupees)	
Sr No	Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Key Management Personnel			
1	Mr. Nilay Vora		
	Salary, Bonus	7,25,172	7,65,863
	Reimbursement of expenses	89,898	4,08,070
	Shares Allotted towards bonus shares	1,20,40,000	-
	Funds given	-	5,80,163
	Funds received	73,805	-
	Balance Outstanding	9,28,036 Dr	4,92,112 Dr
2	Mr. Bhavik Parikh		
	Salary, Bonus	23,42,582	23,14,500
	Reimbursement of expenses	-	35,362
	Shares Allotted towards bonus shares	89,01,600	-
	Funds given	37,25,000	10,30,000
	Funds received	85,10,802	12,00,000
	Balance Outstanding	51,83,808 Cr	1,35,228 Cr
3	Mr. Bhavin Parikh		
	Salary, Bonus	6,66,815	-
	Reimbursement of expenses	3,64,390	-
	Shares Allotted towards bonus shares	1,16,10,800	-
	Balance Outstanding	1,91,492 Cr	-
Relatives of Key Management Personnel with whom transactions done			
1	Ms. Guniben Vora		
	Funds Given	-	-
	Balance Outstanding	-	-
2	Ms. Shraddha B Parikh		
	Shares Allotted towards bonus shares	58,05,400	-
	Balance Outstanding	-	-
3	Ms. Purvi B Parikh		
	Shares Allotted towards bonus shares	58,05,400	-
	Balance Outstanding	-	-
Associate Entities			
1	Jagdish Vora HUF		
	Funds Given	-	-
	Balance Outstanding	-	-
2	Padamshree Globe Tradelink Pvt Ltd		
	Funds Given	-	6,509
	Funds Received	-	9,06,500
	Balance Outstanding	-	-
3	Globe Textfab LLP		
	Purchase	3,48,12,712	-
	Balance Outstanding	-	-
4	Parikh Hathisingh Ujamchand Sarvajani Sakhawati Trust		
	Donation Given	9,00,000	-
	Balance Outstanding	-	-
5	Kunthunath Impex LLP (Formerly Parikh Impex Pvt. Ltd.)		
	Sales	4,89,02,138	-
	Purchase	4,86,235	-
	Balance Outstanding	48415903 Dr	-

Note 29 GRATUITY

a) Net employee benefit expense recognized in the employee cost

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Service cost	3,42,629	2,70,834
Interest cost	93,469	59,148
Actuarial losses/(gains) recognised in the period	10,08,197	1,04,272
Past service cost	-	-
Net benefit expense	14,44,295	4,34,254

b)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Balance Sheet		
Benefit Asset/Liability		
Present value of defined benefit obligations	26,49,199	12,04,904
Fair value of plan assets	-	-
Net Liability/ (Asset)	26,49,199	12,04,904
Current Liability	1,52,279	24,888
Non-Current Liability	24,96,920	7,45,962



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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 2017	For the year ended 31st March 2016
Opening defined benefit obligation	12,04,904	7,70,850
Current service cost	3,42,629	2,70,834
Interest cost	93,469	59,148
Past service cost	-	-
Actuarial losses/(gains)	10,09,197	1,04,272
Closing defined benefit obligation	26,49,199	12,04,904

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 2017	For the year ended 31st March 2016
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 2017	For the year ended 31st March 2016
Mortality	Indian Assured Lives Mortality (2006-08) Lit.	Indian Assured Lives Mortality (2006-06) Lit.
Rate of Interest	7.15%	7.60%
Salary Growth	8.00%	6.00%
Expected Rate of Return	NA	NA
Withdrawal Rates	15% at younger ages reducing to 3% at older ages	5% at younger ages reducing to 1% at older ages
Retirement Age	58 years	55 years

seniority, promotion and other relevant factors such as supply

Note 29 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.
- These being special purpose interim financial statements, may not contain all the disclosures as required under the prescribed provisions of the Companies Act, 2013.
- Contingent liabilities not provided for:

	(In Rupees)	
	AS AT 31-03-2017	AS AT 31-03-2016
Disputed TDS Demand	1,60,290	-
Disputed Income Tax Demand on completion of Assessment where assessee has preferred an appeal against the said orders, interest and Penalty uncertain/able at this stage	4,56,07,240	1,91,11,440

Note 31 OTHER STATUTORY INFORMATION

31.1 Details of Goods

Detail of goods sold

PARTICULARS	(In Rupees)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Finished/Traded Goods Sold		
Textile Products	1,84,93,81,383	1,76,24,38,022
	1,84,93,81,383	1,76,24,38,022

Detail of raw material consumed

PARTICULARS	(In Rupees)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Textile Products	1,18,72,38,149	13,26,39,602
	1,18,72,38,149	13,26,39,602

Detail of purchase of finished/traded goods

PARTICULARS	(In Rupees)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Textile Products	50,08,07,151	1,46,96,60,259
	50,08,07,151	1,46,96,60,259



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Details of Inventory

PARTICULARS	(In Rupees)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Raw Materials Textile Products	13,20,84,375	10,08,52,891
	13,20,84,375	10,08,52,891
Finished/Traded Goods Textile Products	25,14,92,231	16,24,98,567
	25,14,92,231	16,24,98,567

31.2 Value of Imports calculated on CIF basis

PARTICULARS	(In Rupees)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Purchase of Goods Purchase of Capital Goods	57,65,785 3,97,61,788	31,46,105 1,07,53,944

31.3 Expenditure in Foreign Currency (Accrual Basis)

PARTICULARS	(In Rupees)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Foreign Bank Charges Agent Commission	17,91,763 6,81,67,188	16,44,587 7,44,25,143
	6,99,58,951	7,62,69,730

31.4 Earnings in Foreign Currency (Accrual Basis)

PARTICULARS	(In Rupees)	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Export of goods on F O B basis	93,43,86,902	1,01,47,84,198
	93,43,86,902	1,01,47,84,198

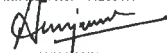
NOTE 32 Disclosure on specified bank notes

PARTICULARS	SBN	Other	Total
Closing cash balance in hand as on 08.11.2016	10,50,000	14,78,979	25,28,979
Permitted receipt	-	1,91,744	1,91,744
Permitted payment	-	6,17,985	6,17,985
Withdrawn from Bank	-	1,74,000	1,74,000
Deposited in Bank	10,50,000	-	10,50,000
Closing cash balance in hand as on 30.12.2016	-	12,26,738	12,26,738

NOTE 33 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



For and on behalf of the Board


Bhavin Parikh
Managing Director
DIN : 0938223

Yash Shah
Company Secretary
M No : 49578


Bhay Vora
Whole Time Director
DIN : 02158990

Bhavin Parikh
CFO

Place : Ahmedabad
Date : 22/05/2017

Place : Ahmedabad
Date : 22/05/2017