

## Notice

**NOTICE** is hereby given that the 25<sup>th</sup> (Twenty Fifth) Annual General Meeting of the Shareholders of Globe Textiles (India) Limited will be held on Wednesday, 30<sup>th</sup> September, 2020 at 2.30 p.m. through video conferencing / other audio visual means to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Standalone Financial Statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon;
2. To appoint a Director in place of Mrs. Purvi Bhavin Parikh (DIN: 07732523) who retires by rotation and being eligible, offers herself for re-appointment.

**SPECIAL BUSINESS:**

3. Approval of Loans, Investments, Guarantee of Securities under Section 185 of the Companies Act, 2013

**To consider and if thought fit to pass the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to Section 185 and all other applicable provisions of the Companies Act, 2013 read with Companies (Amendment) Act, 2017 and Rules made there under as amended from time to time, the consent of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include, unless the context otherwise required, any committee of the Board) to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity (in which any director is deemed to be interested) upto an aggregate sum of ₹ 3 Crores (Rupees Three Crores Only) in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company.”

4. To approve related party transactions to be entered into by the Company with related parties

**To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re enactment thereof for the time being in force) and pursuant to Regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof and subject to such other approvals, consents,

permissions and sanctions of any authorities as may be necessary, and also pursuant to the approval of the Audit Committee and the Board of Directors vide resolutions passed / to be passed at their respective meetings, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee of the Board), to approve all the material related party transactions (including any modifications, alterations or amendments thereto) to be entered into by the Company in the ordinary course of business and on arm’s length basis with related parties and for the maximum amounts per annum for 5 consecutive years as mentioned herein below:

| Sr. No. | Nature of the transactions as per section 188 of the Companies Act, 2013. | Name of the Director/ KMP who is related and nature of their relationship                           | Name of the related Party     | Receipts (Rs. In Crore) | Payment (Rs. In Crore) |
|---------|---|---|-------------------------------|-------------------------|------------------------|
| 1       | Sale of Goods / Purchase of Goods   | Mrs. Purvi Parikh and Mr. Bhavin Parikh are Designated Partners in LLP                              | Kunthunath Impex LLP          | 55                      | 75                     |
|         |   | Mr. Bhavik Parikh, Mr. Bhavin Parikh & Mr. Nilay Vora are Directors and Shareholders in the Company | Globe Denwash Private Limited | 85                      | 95                     |

“**RESOLVED FURTHER THAT** the transactions may be entered into subject to the compliance of criteria mentioned under Rule 15 of The Companies (Meetings of Board and its Powers) Rules, 2014 of the Companies Act, 2013.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or a committee thereof, be and is hereby, authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties that may arise with regard to any transactions with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company.”

**Regd Office:**

Plot No. 38 to 41, Ahmedabad Apparel Park,  
 GIDC Khokhra, Ahmedabad,  
 Gujarat – 380 008  
 Date: 28/08/2020  
 Place: Ahmedabad

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

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

**Notes:-**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed, the Government of India, Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said circulars, the 25<sup>th</sup> Annual General Meeting (AGM) of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per Note no. 15 and available at the Company's website [www.globetextiles.net](http://www.globetextiles.net).
2. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/ or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars, the Notice of AGM along with Annual Report 2019-20 is being sent only through

electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2019-20 has been uploaded on the website of the Company at [www.globetextiles.net](http://www.globetextiles.net). The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) respectively.

6. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 23<sup>rd</sup> September, 2020 to Wednesday, 30<sup>th</sup> September, 2020 (both days inclusive) for the purpose of 25<sup>th</sup> Annual General Meeting.
7. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
8. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.
9. The Members can join the AGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
10. Process and manner for members opting for voting through Electronic means:

I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule

20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), as the Authorized e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.

**II.** Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Wednesday, 23<sup>rd</sup> September, 2020, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

**III.** A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. 23<sup>rd</sup> September, 2020, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.

**IV.** The remote e-voting will commence on Sunday, 27<sup>th</sup> September, 2020 at 9.00 a.m. and ends on Tuesday, 29<sup>th</sup> September, 2020 at 5.00 p.m. During this period, the members of the Company holding shares as on the Cut-off date i.e. Wednesday, 23<sup>rd</sup> September, 2020 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.

Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

**V.** Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again. The voting rights of the members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date i.e. Wednesday, 23<sup>rd</sup> September, 2020.

**VI.** The Company has appointed PCS Jatin H. Kapadia, Practising Company Secretary (Membership No. ACS: 26725; COP No: 12043), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner

11. Process for those shareholders whose email ids are not registered:
  - a. Members holding shares in Demat mode can get their E-mail ID registered by contacting their respective Depository Participant or by email to [cs@globetextiles.net](mailto:cs@globetextiles.net).
12. The instructions for shareholders for remote voting are as under:
  - i. The voting period begins on Sunday, 27<sup>th</sup> September, 2020 at 09.00 a.m. and ends on Tuesday, 29<sup>th</sup> September, 2020 at 5.00 p.m. During this period shareholders of the Company, as on the cut-off date i.e. Wednesday, 23<sup>rd</sup> September, 2020 may cast their vote electronically. The e- voting module shall be disabled by CDSL for voting thereafter.
  - ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
  - iii. The shareholders should log on to the e voting website [www.evotingindia.com](http://www.evotingindia.com).
  - iv. Click on Shareholders.
  - v. Now Enter your User ID
    - (a) For CDSL: 16 digits beneficiary ID,
    - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

(c) Members holding shares in Physical Form should enter Folio Number registered with the Company

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

vii. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

viii. If you are a first-time user follow the steps given below:

| <b>For Members holding shares in Demat Form and Physical Form</b> |   |
|---|---|
| <b>PAN</b>  | <p>Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot/ Attendance Slip indicated in the PAN field. The Sequence Number will be intimated to such member by way of a letter.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters.</p> <p><b>Eg</b> If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p> |
| Date of Birth   | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.   |
| OR  | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.  |
| Dividend Bank Details   | If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.   |

ix. After entering these details appropriately, click on “SUBMIT” tab.

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

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

xii. Click on the EVSN of the Company – **GLOBE TEXTILES (INDIA) LIMITED** on which you choose to vote.

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

xiv. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

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

xvi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

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

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

xix. Shareholders can also cast their vote using CDSL’s mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xx. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password.

The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Shareholders can also cast their vote using CDSL's Mobile app M-voting available for android based mobiles. The M-voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

13. The instructions for shareholders voting on the day of the AGM on e-voting system are as under:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.

3. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e- voting during the meeting is available only to the members participating in the meeting.

4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

14. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.globotextiles.net](http://www.globotextiles.net) within three days of the passing of the Resolutions at the 25<sup>th</sup> Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

15. Instructions for members for attending the AGM through VC/OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast of AGM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders'/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN



Connection to mitigate any kind of aforesaid glitches.

5. For ease of conduct, members who would like to ask questions may send their questions in advance at least (7) days before AGM mentioning their name, demat account number/folio number, email id, mobile number at [cs@globetextiles.net](mailto:cs@globetextiles.net) and register themselves as a speaker. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

6. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

16. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting

System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**Regd Office:**

Plot No. 38 to 41, Ahmedabad Apparel Park,  
GIDC Khokhra, Ahmedabad,

Gujarat – 380 008

Date: 28/08/2020

Place: Ahmedabad

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

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

## CONTACT DETAILS

|   |  |
|---|--|
| <b>Company</b>                            | <b>GLOBE TEXTILES (INDIA) LIMITED</b>  |
| <b>CIN</b>                                | L65910GJ1995PLC027673  |
| <b>Registered Office</b>                  | Plot No. 38 to 41, Ahmedabad Apparel Park,<br>GIDC Khokhra, Ahmedabad - 380008   |
| <b>Phone</b>                              | 079-2293 1881 to 1885  |
| <b>Email</b>                              | <a href="mailto:cs@globetextiles.net">cs@globetextiles.net</a>   |
| <b>Registrar and Share Transfer Agent</b> | <b>Bigshare Services Private Limited</b><br>A-802, Samudra Complex, Near Klassic Gold<br>Hotel, Off C.G Road, Navrangpura, Ahmedabad<br>– 380009<br>Phone: 079-40024135<br>Email : <a href="mailto:bssahd@bigshareonline.com">bssahd@bigshareonline.com</a><br>Web: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> |
| <b>E-voting Agency</b>                    | <b>Central Depository Services (India) Limited</b><br>Email: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a><br>Phone: 022-22723333/8588  |
| <b>Scrutinizer</b>                        | <b>M/s. K. Jatin &amp; Co.,</b><br>307, Abhijyot Square, B/h. Divya Bhaskar<br>House, S. G. High-Way, Ahmedabad – 380 051<br>Tel. No.: 079 – 4894 4655<br>Mail Id: <a href="mailto:cskjco@gmail.com">cskjco@gmail.com</a><br>COP: 12043<br>ACS: 26725  |

**Regd Office:**

Plot No. 38 to 41, Ahmedabad Apparel Park,  
GIDC Khokhra, Ahmedabad,  
Gujarat – 380 008  
Date: 28/08/2020  
Place: Ahmedabad

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

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



**BRIEF PROFILE OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AT  
THE 25<sup>th</sup> ANNUAL GENERAL MEETING OF THE COMPANY**

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

|   |  |
|---|--|
| <b>Name of Director</b>                               | <b>Purvi Bhavin Parikh</b>   |
| <b>DIN</b>  | <b>07732523</b>  |
| <b>Date of Birth</b>                                  | 13/07/1978   |
| <b>Date of Appointment / Change in Designation</b>    | 28/02/2017   |
| <b>Qualification</b>                                  | Bachelor of Arts with Economics from Gujarat University having experience of more than 8 years in the field of Textiles Industry   |
| <b>Expertise in Specific functional area</b>          | Mrs. Purvi Bhavin Parikh is Non-Executive Non-Independent Director of the Company having more than 8 year of experience in the field of Textiles Industry. She is having profound knowledge of designing the textiles products like voile, denims, shirting etc. |
| <b>Other Board Membership*</b>                        | Nil  |
| <b>Committee Membership in other public companies</b> | Nil  |
| <b>Number of Shares held in the Company</b>           | 8,70,810 Equity Shares   |
| <b>Relationship Between Directors <i>inter se</i></b> | Mr. Bhavin Parikh (CEO/CFO) is Husband   |

*\*Pvt. Companies excluded*

**Regd Office:**

Plot No. 38 to 41, Ahmedabad Apparel Park,  
GIDC Khokhra, Ahmedabad,  
Gujarat – 380 008  
Date: 28/08/2020  
Place: Ahmedabad

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

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

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

In conformity with the provisions of Section 102 of the Companies Act, 2013, following Explanatory Statement sets out all material facts relating to the Special Business mentioned at Item No. 4 of the accompanying notice dated 28<sup>th</sup> August, 2020 should be taken as forming part of Notice.

**Item No. 3**

The Company is expected to render support for the business requirements of other companies in the group, from time to time. However, owing to certain restrictive provisions contained in the Section 185 of the Companies Act, 2013, the Company was unable to extend financial assistance by way of loan, guarantee or security to other entities in the Deep Group. In the light of amendments notified effective May 7, 2018, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan to other entities in the group or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities.

The members may note that board of directors would carefully evaluate proposals and provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, only for principal business activities of the entities in the Deep Group. Hence, in order to enable the company to advance loan to Subsidiaries/ Joint Ventures /associates/ other Companies/ Firms in which Directors are interested directly or indirectly under section 185 of the Companies Act, 2013 requires approval of members by a Special Resolution.

None of Directors except, Mr. Bhavik S. Parikh, Mr. Nilay J. Vora, Mr. Bhavin S. Parikh & Mrs. Purvi B. Parikh along with their relatives are interested in the said resolution except to the extent of their Shareholding. The Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the Shareholders.

**Item No. 4**

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of section 188(1) of the Companies Act, 2013 govern the Related Party Transactions requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain the prior approval of Board of Directors in case of:

1. sale, purchase or supply of any goods or material, directly or through appointment of agent, amounting to ten percent or more of the turnover of the company, as mentioned in clause (a) and clause (e) respectively of sub-section (1) of section 188;
2. selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent, amounting to ten percent or more of net worth of the company, as mentioned in clause (b) and clause (e) respectively of sub-section (1) of section 188;
3. leasing of property any kind amounting to ten per cent or more of the turnover of the company, as mentioned in clause (c) of sub-section (1) of section 188
4. availing or rendering of any services, directly or through appointment of agent, amounting to ten percent or more of the turnover of the company as mentioned in clause (d) and clause (e) respectively of sub-section (1) of section 188:

Prior approval of Shareholders by way of an Ordinary Resolution must be obtained:

1. Sale, Purchase or supply of goods or material;

2. Leasing of property of any kind;
3. Availing or rendering of any services

In the light of the provisions of the Companies Act, 2013 and (“the Act”) and/or the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements)Regulations, 2015 (“Listing Regulations”), the Board of Directors of your Company has approved the proposed transactions along with annual limit for 5 (Five) consecutive years including financial year 2019-20 that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013) the name of the related parties, name of the Director or Key Managerial Personnel who is related, if any and nature of

**Regd Office:**

Plot No. 38 to 41, Ahmedabad Apparel Park,  
GIDC Khokhra, Ahmedabad,  
Gujarat – 380 008

Date: 28/08/2020

Place: Ahmedabad

relationship is mentioned in the resolution. The respective transactions may carry out on arm’s Length basis and all factors relevant to the respective transactions may consider by the Board. The Company will seek fresh approval of shareholders under applicable provisions on completion of 5 (five) consecutive years.

None of Directors except, Mr. Bhavik S. Parikh, Mr. Nilay J. Vora, Mr. Bhavin S. Parikh & Mrs. Purvi B. Parikh along with their relatives are interested in the said resolution except to the extent of their Shareholding. The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Shareholders.

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

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