



Independent Auditor's Review Report on Quarterly and Year to Date Unaudited Standalone Financial Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Directors
Globe Textiles (India) Limited

1. We have reviewed the accompanying statement of unaudited financial results of Globe Textiles (India) Limited ("the company") for the quarter and nine month ended 31st December, 2020 being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors at their meeting held on 13th February 2021, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standards 34 "Interim Financial Reporting" (Ind AS 34), as prescribed under section 133 of the Companies Act, 2013 as amended, read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review of the Statement conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.





5. We have carried out a limited review of the above Financial Results, however, the financial results for the quarter and nine months ended 31st December, 2019 have not been subjected to a limited review or audit. However, management has exercised necessary due diligence to ensure that the financial results for the quarter and nine months ended 31st December, 2019 provide a true and fair view of the Company's affairs and which are relied upon by us. Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the interim financial information certified by the management.

Place : Ahmedabad
Date : 13th February, 2020



For SHAH DHANDHARIA & CO.
Chartered Accountants
Firm Registration No. 118707W

Karan Amlani
Partner
Membership No. 193557
UDIN : 21193557AAAAAT1515

GLOBE TEXTILES (INDIA) LIMITED

CIN: CIN: L65910GJ1995PLC027673

(Regd. Office: Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad, Gujarat - 380008)

Website: www.globetextiles.net, E-Mail: cs@globetextiles.net, Ph. No.: 0091-79-22931881 to 1885

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020

(₹ in lakhs except per share data)

Sr. No.	Particulars	Quarter ended			Nine Month Ended	
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019
		(Unaudited)	(Unaudited) (Refer Note 2)	(Unaudited) (Refer Note 5)	(Unaudited)	(Unaudited) (Refer Note 5)
1	INCOME					
	(a) Revenue from operations	9,780.86	6,613.88	7,509.51	18,035.77	16,822.81
	(b) Other income	51.45	132.82	15.29	244.13	122.34
	Total income	9,832.31	6,746.70	7,524.80	18,279.90	16,945.15
2	EXPENSES					
	(a) Cost of material consumed	5,143.05	3,538.10	3,577.23	9,922.86	11,826.96
	(b) Purchases of stock-in-trade	4,076.81	2,872.60	3,720.06	7,350.69	3,720.06
	(c) Changes in stock of finished goods, work-in-progress and stock-in-trade	(8.08)	(41.10)	(324.66)	(109.73)	(528.08)
	(d) Employee benefits expense	161.96	172.56	199.80	362.41	614.69
	(e) Finance costs	156.60	147.69	162.35	441.85	480.95
	(f) Depreciation and amortisation expense	30.71	31.01	31.98	92.75	95.94
	(g) Other expenses	112.18	138.70	249.49	291.99	600.82
	Total Expenses	9,673.23	6,859.56	7,616.25	18,352.81	16,811.34
3	Profit / (loss) before tax for the period (1) - (2)	159.08	(112.86)	(91.45)	(72.91)	133.81
4	Tax expenses					
	(a) Current tax	-	-	27.41	-	104.08
	(b) Deferred tax	(17.27)	23.82	(34.38)	(19.66)	(56.47)
	Total tax expense / (benefit)	(17.27)	23.82	(6.97)	(19.66)	47.61
5	Profit / (loss) before tax for the period (3) - (4)	176.35	(136.68)	(84.48)	(53.25)	86.20
6	Other comprehensive income / (loss)					
	(i) Items that will not be reclassified to profit or loss:					
	(a) Remeasurement of the defined benefit liabilities	(0.90)	(0.90)	(1.46)	(2.69)	(4.38)
	(b) Income tax relating to items that will not be reclassified to profit or loss	0.25	0.25	0.41	0.75	1.22
	Other comprehensive income / (loss) net of tax for the period	(0.65)	(0.65)	(1.05)	(1.94)	(3.16)
7	Total comprehensive income / (loss) for the period (5) + (6)	175.70	(137.33)	(85.53)	(55.19)	83.04
8	Paid-up equity share capital (Face Value ₹10 each)	1,007.61	1,007.61	1,007.61	1,007.61	1,007.61
9	Earnings per equity share (₹) (Not Annualised) (Face Value ₹ 10 each)					
	- Basic and Diluted	1.74	(1.36)	(0.85)	(0.55)	0.82
	(See accompanying notes to the unaudited financial results)					

Notes to the financial results:

- Listing of equity shares of the Company has been migrated from NSE (SME EMERGE) to Capital Market Segment (Main Board) w.e.f. 07th October, 2020 vide listing and trading approval letter NSE/LIST/58 dated 05th October, 2020.
- The financial results of Globe Textiles (India) Limited (the "Company") have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Company has adopted Ind AS from 1st April, 2020 with a transition date of 1st April, 2019 and accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34 - 'Interim Financial Reporting'.

Transition to Ind AS has been carried out from the erstwhile Accounting Standards notified under the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), and other generally accepted accounting principles in India (collectively referred to as the "Previous GAAP"). Accordingly, the impact of the transition from Previous GAAP to Ind AS has been recognised in the opening reserves as of 1st April, 2019 and comparative periods have been restated accordingly.
- The unaudited financial results for the quarter and nine months ended 31st December, 2020 have been reviewed by the Audit Committee on 13th February, 2021 and recommended for adoption to the Board of Directors. The Board of Directors of the Company have considered and approved the same at its meeting held on 13th February, 2021.
- The above financial results have been subjected to limited review by the Statutory Auditors of the Company as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The report of the Statutory Auditors is unqualified.
- As permitted under circular no. CIR/CFD/FAC/62/2016 dated 5th July, 2016 issued by the SEBI, the Company has opted to avail exemption for submission of Ind AS compliant financial results for the previous year ended 31st March, 2020. Further, the financial results for the quarter and nine months ended 31st December, 2019 have not been subjected to a limited review or audit. However, management has exercised necessary due diligence to ensure that the financial results for the quarter and nine months ended 31st December, 2019 provide a true and fair view of the Company's affairs.



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6 Reconciliation between Financial results as previously reported under GAAP and as per Ind AS for the quarter and nine month ended 31st December, 2019 are as under :

Particulars	Quarter ended December 31, 2019	Nine months ended December 31, 2019
Net Profit / (Loss) as per Previous GAAP	(85.17)	150.07
Add/(Less): Remeasurement of defined benefit obligation recognised in other comprehensive income (Refer Note (i))	1.46	4.38
Add/(Less): Mark to Market of Derivative Contracts (Refer Note (ii))	5.95	(73.49)
Add/(Less): Depreciation on Leasehold land (ROU) (Refer Note (iii))	(4.66)	(13.99)
Add/(Less): Deferred tax adjustments (Refer Note (iv))	(2.06)	19.23
Net Profit / (Loss) as per Ind AS	(84.48)	86.20
Other Comprehensive Income/(Loss)		
Remeasurement of defined benefit obligations in Other Comprehensive Income	(1.46)	(4.38)
Deferred tax on GAAP Adjustments	0.41	1.22
Total Other Comprehensive Income	(1.05)	(3.16)
Total Comprehensive Income/(loss) as per Ind AS	(85.53)	83.04

(i) Employee Benefits:

Under the Previous GAAP, actuarial gains and losses on defined benefit liabilities were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of re-measurement of net defined benefit liability which is recognised in other comprehensive income.

(ii) Derivative Financial Instruments:

Under the Previous GAAP, only fair value loss on derivative financial instrument was recognised. Under Ind AS, derivative financial instruments (which are not designated in a hedge relationship) are fair value and resultant gain or loss is recognised in the statement of profit and loss.

(iii) Right of Use of Assets:

Under the Previous GAAP, lease liabilities were recognised for finance leases and lease payments for operating leases were recognised on straight line basis over a period of lease term into Statement of Profit and Loss. Under Ind AS, the present value of the lease payments (other than small period and low value contracts) are recognised as lease liabilities and Right of Use Asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the balance sheet as on transition date.

(iv) Deferred Tax:

The impact of transition adjustments for computation of deferred tax has resulted in change to the Reserves, on the date of transition, with consequential impact to the Statement of Profit and Loss/Other Comprehensive Income, as the case may be for the subsequent periods.

(v) Other comprehensive income:

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Item of income and expense that are not recognised in profit or loss but are shown in the Statement of profit and loss as "other comprehensive income" includes re-measurement of defined benefit plans net of taxes. The concept of other comprehensive income did not exist under previous GAAP.

7 The Company's operating segments are established in a manner consistent with the components of the Company that are evaluated regularly by the Chief Operating Decision Maker as defined in Ind AS 108 - 'Operating Segments'. The Company is engaged primarily in the business of Textile Trading and Manufacturing and there are no separate reportable segments as per Ind AS 108.

8 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules thereunder are yet to be framed. Accordingly, the actual impact of this change will be assessed and accounted for when the notification becomes effective.

9 Previous year's /quarter's figures have been regrouped and rearranged wherever necessary to confer to the current quarter's presentation.

By order of Board of Directors
For Globe Textiles (India) Limited



Bhavik Suryakant Parikh
Managing Director
(DIN: 00038223)

Date: 13th February, 2021
Place: Ahmedabad