Prospectus
Dated: June 05, 2017
Please read Section 32 of the Companies Act, 2013
Fixed Price Issue

GLOBE TEXTILES (INDIA) LIMITED

Corporate Identity Number: - U65910GJ1995PLC027673

Our Company was originally incorporated on October 04, 1995 as "Swaroop Financial Services Private Limited" vide Registration no. 027673/1995-1996 (CIN:U99999GJ1995PTC0027673) under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Later, the name of the Company was changed to "Globe Textile (India) Private Limited" vide Shareholder's Resolution passed at the Extra Ordinary General Meeting of the Company held on March 31, 2006 and a fresh Certificate of Incorporation dated May 23, 2006 issued by the Registrar of Companies, Gujarat, Ahmedabad pursuant to change in name of our Company. Further, Our Company vide Shareholders Resolution passed at the Extra Ordinary General Meeting held on June 24, 2011 and a fresh Certificate of Incorporation dated July 17, 2011 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, the name of our Company was changed to "Globe Textiles (India) Private Limited". Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Globe Textiles (India) Private Limited" to "Globe Textiles (India) Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on March 4, 2017 and a fresh certificate of incorporation dated March 22, 2017 issued by the Registrar of Companies, Gujarat, Ahmedabad.

Registered Office: Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad – 380008, Gujarat, India
Tel No: +91-79-2293 1881/82/83/84/85; Fax No. - +91-79-26442808; **E-mail:** info@globetextiles.net, **Website:** www.globetextiles.net
CONTACT PERSON: MR. YASH MANOJBHAI SHAH, (COMPANY SECRETARY & COMPLIANCE OFFICER)
PROMOTER OF OUR COMPANY: MR. BHAVIK SURYAKANT PARIKH AND MR. BHAVIN SURYAKANT PARIKH

THE ISSUE

INITIAL PUBLIC ISSUE OF 26,88,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF GLOBE TEXTILES (INDIA) LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ 51.00 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹41.00 PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO ₹1370.88 LAKHS ("ISSUE") CONSISTING OF A FRESH ISSUE OF 13,68,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") FOR CASH AT A PRICE OF ₹51.00 PER EQUITY SHARE AGGREGATING TO ₹697.68 LAKHS ("ISSUE") AND 13,20,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") FOR CASH AT A PRICE OF ₹ 51.00 PER EQUITY SHARE AGGREGATING TO ₹673.20 LAKHS THROUGH AN OFFER FOR SALE BY MR. BHAVIK SURYAKANT PARIKH AND MR. NILAYBHAI JAGDISHBHAI VORA (COLLECTIVELY REFERRED AS PROMOTER AND PROMOTER GROUP MEMBER SELLING SHAREHOLDERS) OF WHICH 1,44,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH FOR A CASH PRICE OF ₹ 51.00 PER EQUITY SHARE, AGGREGATING TO ₹73.44 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 25,44,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH AT AN ISSUE PRICE OF ₹ 51.00 PER EQUITY SHARE AGGREGATING TO ₹1297.44 LAKHS (IS HEREINAFTER REFERRED TO AS THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.68% AND 25.25%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 223 OF THIS PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10.00 EACH AND THE ISSUE PRICE IS ₹ 51.00 THE ISSUE PRICE IS 5.10 TIMES OF THE FACE VALUE.

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009(THE "SEBI ICDR REGULATIONS"), AS AMENDED. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 43(4) OF THE SEBI (ICDR) REGULATIONS, 2009, AS AMENDED. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "ISSUE RELATED INFORMATION" BEGINNING ON PAGE 223 OF THIS PROSPECTUS.

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 232 of this Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled **"Issue Procedure"** beginning on page 232 of this Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares of the Company is ₹10.00 per equity share and the Issue Price is ₹ 51.00 times of the face value. The Issue Price (will be determined and justified by our Company & Selling Shareholders in consultation with the Lead Manager as stated under the paragraph **'Basis for Issue Price'** on page 80 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the "Risk Factors" carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Prospectus. **Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page15 of this Prospectus.**

ISSUER'S & SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY

Our Company & Selling Shareholders having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the SME Platform of National Stock Exchange of India Limited ("NSE") ("NSE EMERGE"). Our Company has received an approval letter dated May 18, 2017 from NSE for using its name in this offer document for listing of our shares on the SME Platform of NSE. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
Hem Securities Ltd	
HEM SECURITIES LIMITED 14/15, Khatau Bldg, 1st Floor, 40, Bank Street, Fort, Mumbai - 400001, India **Tel. No.:** +91- 022- 4906 0000 **Fax No.:** +91- 022- 2262 5991 **Website:** www.hemsecurities.com **Email:** ib@hemsecurities.com **Investor Grievance Email:** redressal@hemsecurities.com **Contact Person :** Mr. Anil Bhargava **SEBI Regn. No.** INM000010981	**BIGSHARE SERVICES PRIVATE LIMITED** E-2 & 3, Ansa Industrial Estate, Sakivihar Road, Sakinaka. Andheri (East), Mumbai-400072, Maharashtra-India **Tel No.:**+91-022-40430200 **Fax No.:** +91-022-28475201 **Email:** ipo@bigshareonline.com **Investor Grievance Email:** investor@bigshareonline.com **Website:** www.bigshareonline.com **Contact Person:** Mr. Vipin Gupta **SEBI Regn. No.:** INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON: Monday, June 12, 2017	ISSUE CLOSES ON: Thursday, June 15, 2017

TABLE OF CONTENTS

SECTION	CONTENTS	PAGE NO.
I	**GENERAL**	
	DEFINITIONS AND ABBREVIATIONS	1
	CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION & MARKET DATA & CURRENCY OF FINANCIAL PRESENTATION	12
	FORWARD LOOKING STATEMENTS	14
II	**RISK FACTORS**	15
III	**INTRODUCTION**	
	SUMMARY OF OUR INDUSTRY	38
	SUMMARY OF OUR BUSINESS	41
	SUMMARY OF OUR FINANCIALS	44
	THE ISSUE	49
	GENERAL INFORMATION	50
	CAPITAL STRUCTURE	58
	OBJECTS OF THE ISSUE	73
	BASIC TERMS OF ISSUE	78
	BASIS FOR ISSUE PRICE	80
	STATEMENT OF TAX BENEFITS	83
IV	**ABOUT THE ISSUER COMPANY**	
	INDUSTRY OVERVIEW	85
	OUR BUSINESS	94
	REGULATIONS AND POLICIES	103
	HISTORY AND CERTAIN CORPORATE MATTERS	116
	OUR MANAGEMENT	122
	OUR PROMOTERS AND PROMOTER GROUP	134
	OUR GROUP COMPANIES	140
	DIVIDEND POLICY	146
V	**FINANCIAL INFORMATION OF THE COMPANY**	
	RESTATED FINANCIAL STATEMENTS	147
	STATEMENT OF FINANCIAL INDEBTEDNESS	183
	MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITIONS & RESULTS OF OPERATIONS	186
VI	**LEGAL AND OTHER INFORMATION**	
	OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS	198
	GOVERNMENT AND OTHER APPROVALS	203
	OTHER REGULATORY AND STATUTORY DISCLOSURES	209
VII	**ISSUE RELATED INFORMATION**	
	TERMS OF THE ISSUE	223
	ISSUE STRUCTURE	229
	ISSUE PROCEDURE	232
	RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	272
VIII	**MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION**	274
IX	**OTHER INFORMATION**	
	MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	302
	DECLARATION	303

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.

The words and expressions used in this Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms used in of the sections "Statement of Tax Benefits", "Financial Information of the Company" and "Main Provisions of Articles of Association" on pages 83, 147 and 274, respectively, shall have the meaning ascribed to such terms in such sections.

General Terms

Terms	Description
"GTIL", "the Company", "our Company" and Globe Textiles (India) Limited	Globe Textiles (India) Limited, a company incorporated in India under the Companies Act 1956 having its Registered office at Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad – 380008, Gujarat, India
"we", "us" and "our"	Unless the context otherwise indicates or implies, refers to our Company
"you", "your" or "yours"	Prospective investors in this Issue

Company Related Terms

Terms	Description
AOA / Articles / Articles of Association	Articles of Association of Globe Textiles (India) Limited, as amended from time to time.
Auditors/ Statutory Auditors	The Auditors of Globe Textiles (India) Limited being M/s Dharmesh Parikh & Co., Chartered Accountants.
Audit Committee	The Committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015
Bankers to the Company	The Karur Vysya Bank Limited
Board of Directors /the Board / our Board	The Board of Directors of Globe Textiles (India) Limited, including all duly constituted Committees thereof.
CIN	Corporate Identification Number.
Chief Financial Officer/ CFO	The Chief Financial officer of our Company being Mr. Bhavin Suryakant Parikh
Chief Executive Officer/CEO	The Chief Executive officer of our Company being Mr. Bhavin Suryakant Parikh
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Mr. Yash Manojbhai Shah
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of the Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
Executive Directors	Executive Directors are the Managing Director & Whole Time Directors of our Company.

Terms	Description
Factories	Unit I - Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad – 380008, Gujarat, India Unit II - Godown No 3, Matiya Estate, Piplej Pirana Road, Taluka Mouje Village, Narol, Ahmedabad - 382405, Gujarat, India. Unit III - Godown No. 22, 23 & 24 Taluka Mouje Village, Saijpur, Gopalpur, Narol Ahmedabad - 382405, Gujarat, India.
Group Companies	The word "group companies", wherever they occur, shall include such companies as covered under the applicable accounting standards and also other companies as considered material by the board of the company as disclosed in "Our Group Companies" promoted by the Promoters on page 140 of this Prospectus.
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards
Independent Director	A non-executive & independent Director as per the Companies Act, 2013 and the Listing Regulations.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number. In this case being – INE581X01013
IT Act	The Income Tax Act,1961 as amended till date
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled "Our Management" on page 122 of this Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on March 27, 2017 in accordance with the requirements of the SEBI (ICDR) Regulations.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Globe Textiles (India) Limited as amended from time to time.
Marketing Office	Situated at Office No. 601, 6th Floor, Sai Plaza, Andheri Kurla Road, Sakinaka, Mumbai-400072, Maharashtra, India
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations.
Non-Executive Director	A Director not being an Executive Director or an Independent Director
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being M/s Dharmesh Parikh & Co., Chartered Accountant.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoters	Shall mean promoters of our Company i.e. Mr. Bhavik Suryakant Parikh and Mr. Bhavin Suryakant Parikh.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(zb) of the SEBI (ICDR) Regulations as enlisted in the section titled "Our Promoters and Promoters Group" beginning on page 134 of this Prospectus.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad – 380008, Gujarat, India
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Information	The restated audited financial information of the Company, which comprises of the restated audited balance sheet, the restated audited profit and loss information and restated audited cash flow information, as at and for years ended March 31, 2012, 2013, 2014, 2015, 2016

Terms	Description
	and 2017 together with the annexure and notes thereto as disclosed in chapter titled "Financial Information of the Company" beginning on Page 147 of this Prospectus.
RoC/Registrar of Companies	Registrar of Companies, Ahmedabad, Gujarat
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (ICDR) Regulations /ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/Listing Regulations/SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Selling Shareholders	Mr. Nilaybhai Jagdishbhai Vora and Mr. Bhavik Suryakant Parikh
Shareholders	Holders of Equity Shares of our Company from time to time
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscriber to MOA	Initial Subscriber to MOA & AOA being Mr. Suryakant Hiralal Parikh, Vijaybhai Manubhai Shah, Dilipbhai Kantilal Adesara, Dilipbhai Chandulal Pandya.
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited
Stakeholders' Relationship Committee	Stakeholder's relationship committee of our Company constituted in accordance with Regulation 20 of the SEBI (LODR) Regulations and Companies Act, 2013.
Unit I	Located at Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad – 380008, Gujarat, India
Unit II	Located at Godown No 3, Matiya Estate, Piplej Pirana Road, Taluka Mouje Village, Narol, Ahmedabad - 382405, Gujarat, India.
Unit III	Unit III - Godown No. 22, 23 & 24 Taluka Mouje Village, Saijpur, Gopalpur, Narol Ahmedabad - 382405, Gujarat, India.
Willful Defaulter(s)	Willful defaulter as defined under Regulation 2(zn) of the SEBI Regulations

ISSUE RELATED TERMS

Terms	Description
Allotment/Allot/Allotted	Unless the context otherwise requires, means the allotment of Equity Shares pursuant to the Public Issue.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an applicant as proof of registration of the Application.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges.
Allottee (s)	A successful applicant to whom the Equity Shares are allotted
Applicant/Investor	Any Prospective Investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Prospectus.
ASBA Account	Account maintained by the ASBA Investor with a SCSB which will be blocked by such

Terms	Description
	SCSB to the extent of the Application Amount of the ASBA Investor.
ASBA Application Location (s)/ Specified Cities	Cities as specified in the SEBI Circular No. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Ahmedabad, Bangalore, Baroda (Vadodara), Chennai, Delhi, Hyderabad, Jaipur, Kolkata, Mumbai, Pune, Rajkot and Surat
Bankers to the Company	The Karur Vysya Bank Limited
Bankers to the Issue	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being HDFC Bank Limited
Banker to the Issue Agreement	Agreement dated June 01, 2017 entered into amongst the Company, Selling Shareholders, Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful applicants under the Issue and which is described in the chapter titled "Issue Procedure" beginning on page 232 of this Prospectus.
Broker Centres	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
BSE	BSE Limited
Business Day	Monday to Friday (except public holidays)
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the LM, the Registrar to the Issue and the Stock Exchange.
Demographic Details	The demographic details of the applicants such as their Address, PAN, name of the applicants father/husband, investor status, and Occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of the Prospectus.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/. Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated Intermediaries/Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depositary Participant, a registrar to an Issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)
Designated Market Maker	Hem Finlease Pvt. Ltd.
Designated Stock Exchange	National Stock Exchange of India Limited (SME Exchange) ("NSE EMERGE")
DP	Depository Participant

Terms	Description
DP ID	Depository Participant's Identity number.
Draft Prospectus	Draft Prospectus dated April 28, 2017 issued in accordance with Section 32 of the Companies Act, 2013.
Eligible NRI	A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Prospectus will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value ₹ 10.00 each
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depositary participants.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI.
GIR Number	General Index Registry Number.
IPO	Initial Public Offering
Issue Agreement	The Agreement dated April 06, 2017 between our Company, Selling Shareholders and LM
Issue Closing Date	The date after which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being June15, 2017
Issue Opening Date	The date on which the Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being June 12, 2017
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which prospective Applicants can submit their Applications, including any revisions thereof.
Issue Price	The price at which Equity Shares will be issued by the Company in terms of this Prospectus i.e. ₹ 51.00 per share.
Issue Size	The Public Issue 26,88,000 Equity shares of ₹ 10/- each at issue price of ₹ 51.00/- per Equity share, including a premium of ₹ 41.00/- per equity share aggregating to ₹ 1370.88 Lacs comprising of a Fresh Issue of 13,68,000 Equity Shares and the Offer for Sale of 13,20,000 Equity Shares by Selling Shareholders.
Lead Manager/LM	Hem Securities Limited
Market Making Agreement	The Market Making Agreement dated June 01, 2017 between our Company, Lead Manager and Market Maker

Terms	Description
Market Maker Reservation Portion	The reserved portion of 1,44,000 Equity Shares of ₹ 10 each at an Issue price of ₹ 51.00 each aggregating to ₹ 73.44 to be subscribed by Market Maker in this Issue.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 25,44,000 equity Shares of ₹10 each at a price of ₹ 51.00 per Equity Share (the "Issue Price"), including a share premium of ₹ 41.00 per equity share.
Non-Institutional Investors	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹ 2,00,000/-
NSE	National Stock Exchange of India Limited
NSE EMERGE	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter X-B of the SEBI ICDR Regulations.
Other Investors	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003) and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Prospectus	The prospectus to be filed with the RoC in accordance with Section 32 of the Companies Act, containing, *inter alia*, the Issue Price will be determined before filing the Prospectus with RoC.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA Applicant, on the Designated Date.
Qualified Institutional Buyers/ QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of ₹ 25.00 Crore; a pension fund with minimum corpus of ₹ 25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Registrar/ Registrar to the Issue/ RTA/ RTI	Registrar to the Issue being Bigshare Services Private Limited.
Registrar Agreement	The agreement dated February 28, 2017, entered into between our Company, the Selling Shareholders and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Retail Individual Investors	Individual investors (including HUF's, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/content/cat_of_mem.htm
Revision Form	The form used by the applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s).
Reservation Portion	The portion of the Issue reserved for category of eligible Applicant as provided under the SEBI (ICDR) Regulations, 2009

Terms	Description
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no.CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
SEBI SAST / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Self Certified Syndicate Bank(s) / SCSB(s)	Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and Issue services of ASBA, including blocking of bank account, a list of which is available http://www.sebi.gov.in/pmd/scsb.pdf
SME Exchange	SME Platform of the NSE
SEBI(PFUTP) Regulations/PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Share Escrow Agreement	The Share Escrow Agreement dated June 01, 2017 between our Company, Selling Shareholders, Lead Manager and Escrow Agent.
Selling Shareholders	Mr. Nilaybhai Jagdishbhai Vora and Mr. Bhavik Suryakant Parikh
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application
Underwriters	The LM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated June 01, 2017entered between the Underwriter, LM, Selling Shareholders and our Company.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Working Day	Any day, other than Saturdays or Sundays, on which commercial banks in India are open for business, provided however, for the purpose of the time period between the Issue Opening Date and listing of the Equity Shares on the Stock Exchanges, "Working Days" shall mean all trading days excluding Sundays and bank holidays in India in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

Technical and Industry Related Terms

Terms	Full Form
B.H.P.	Break Horse Power
CMP	Cut/Make/Pach
DG Sets	Diesel Generator Set
DD	Duty Drawback
DGFT	Director General of Foreign Trade
EOU	Export Oriented Unit
EI	Export Incentives
EM	Entrepreneurship Memorandum
EPCG	Export Promotion Capital Goods
FFF	From Fibre to Fashions
FOB	Free on Board
GIDC	Gujarat Industrial Development Corporation
HP	Horse Power
IEC	Import Export Code

MMF	Manmade Fibers
Mtrs.	Meters
MW	Megawatt
Pcs	Pieces
POY	Partially Oriented Yarn
PT	Per Tonne
R&D	Research & Development
SEZ	Special Economic Zone
SME	Small and Medium Enterprise
SSI	Small Scale Industries
Sq. Mtrs.	Square Meters
TPD	Tonnes per Day
TPM/tpm	Tonnes per Month

ABBREVIATIONS

Abbreviation	Full Form
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
AMT	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director

Abbreviation	Full Form
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPFA	Employees' Provident Funds and miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FPIs	"Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992.
FTA	Foreign Trade Agreement.
FTP	Foreign Trade Policy, 2009
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / ₹/ Rupees	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
HNI	High Net Worth Individual
i.e.	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India

Abbreviation	Full Form
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
MD	Managing Director
Mn	Million
M.P.	Madhya Pradesh
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
NA	Not Applicable
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NIFTY	National Stock Exchange of India's benchmark stock market index
NAV	Net Asset Value
NPV	Net Present Value
NRIs	Non Resident Indians
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity

Abbreviation	Full Form
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US/United States	United States of America
USD/ US$/ $	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
VAT	Value Added Tax
w.e.f.	With effect from
YoY	Year over Year

The words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the Companies Act 1956 & Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in "Main Provisions of the Articles of Association", "Statement of Tax Benefits", "Industry Overview", "Regulations and Policies", "Financial Information of the Company", "Outstanding Litigation and Material Developments" and "Part B" of "Issue Procedure", will have the meaning ascribed to such terms in these respective sections.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION

Certain Conventions

All references in the Prospectus to "India" are to the Republic of India. All references in the Prospectus to the "U.S.", "USA" or "United States" are to the United States of America.

In this Prospectus, the terms "we", "us", "our", the "Company", "our Company", "Globe Textiles (India) Limited" and "GTIL", unless the context otherwise indicates or implies, refers to Globe Textiles (India) Limited. In this Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lac / Lakh" means "one hundred thousand", the word "million (mn)" means "Ten Lac / Lakh", the word "Crore" means "ten million" and the word "billion (bn)" means "one hundred crore". In this Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Use of Financial Data

Unless stated otherwise, throughout this Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Prospectus is derived from our financial statements prepared and restated for the financial year ended 31 March 2017, 2016, 2015, 2014, 2013 and 2012 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2009 included under Section titled "Financial Information of the Company" beginning on page 147 of this Prospectus. Our Company does not have a subsidiary. Accordingly, financial information relating to us is presented on a Standalone basis. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards ("IFRS") and the Generally Accepted Accounting Principles in the United States of America (**"U.S. GAAP"**). Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in the Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled "Financial Information of the Company" beginning on page 147 of this Prospectus.

For additional definitions used in this Prospectus, see the section Definitions and Abbreviations on page 1 of this Prospectus. In the section titled "Main Provisions of Articles of Association", on page 274 of the Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout the Prospectus was obtained from internal Company reports, data, websites, Industry reports as well as Government Publications. Industry published data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Prospectus is reliable, it has not been independently verified by us or the LM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled "Basis for Issue Price" on page 80 of the Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither

we, nor the LM, have independently verified such information.

Currency of Financial Presentation and Exchange Rates

All references to "Rupees" or "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled "Industry Overview" throughout the Prospectus all figures have been expressed in thousands, Lakhs/Lacs, Million and Crores.

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operation" on page 15, 94 & 186 in the Prospectus, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

The Prospectus may contains conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

FORWARD LOOKING STATEMENTS

This Prospectus includes certain "forward-looking statements". We have included statements in the Prospectus which contain words or phrases such as "will", "aim", "is likely to result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions, that are "forward-looking statements". Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. General economic and business conditions in India;
2. Disruption in our manufacturing facilities.
3. Company's ability to successfully implement its growth strategy and expansion plans.
4. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
5. Inability to successfully obtain registrations in a timely manner or at all;
6. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
7. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
8. Changes in laws and regulations relating to the industries in which we operate;
9. Effect of lack of infrastructure facilities on our business;
10. Increase in prices of Raw Material i.e. fabrics
11. Occurrence of Environmental Problems & Uninsured Losses;
12. Intensified competition in industries/sector in which we operate;
13. Our ability to attract, retain and manage qualified personnel;
14. Failure to adapt to the changing technology in our textiles industry may adversely affect our business and financial condition;
15. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
16. Conflicts of interest with affiliated companies, the promoter group and other related parties;
17. Any adverse outcome in the legal proceedings in which we are involved;
18. Our ability to expand our geographical area of operation;
19. Concentration of ownership among our Promoters.

For further discussion of factors that could cause our actual results to differ, see the Section titled "Risk Factors"; "Our Business" & and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 15, 94 & 186 respectively of the Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Neither our Company, our Directors, Selling Shareholders, our Officers, Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company, Selling Shareholders and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section together with "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 94 and 186 respectively, as well as the other financial and statistical information contained in this Prospectus. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.

If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our cash flows, business, financial condition and results of operations could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the impact is not quantifiable and hence the same has not been disclosed in such risk factors. Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Before making an investment decision, investors must rely on their own examination of the Issue and us.

This Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

In this Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "Risk Factors" on page 15 and "Management Discussion and Analysis of Financial Condition and Results of Operations" on page 186 respectively of this Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the "Financial Information of the Company" prepared in accordance with the Indian Accounting Standards.

INTERNAL RISK FACTORS

1. Our Company, Promoters and Group Companies are involved in certain legal proceedings and potential litigations. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations.

Our Company, Promoters and Group Companies are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation in relation to criminal matters, direct tax matters, indirect tax matters and actions by regulatory/ statutory authorities against our Company, Promoters, Group Companies and Directors have been set out below.

Litigation against our Company:-

Nature of Litigation	Number of Cases Outstanding	Amount Involved (in Lacs)
Criminal Litigation	--	--
Action against Statutory & Regulatory Authorities	--	--
Taxation Liabilities (Direct Tax)	4	459.55
Other Pending Litigation	--	--

Litigation against our Promoter:-

Nature of Litigation	Number of Cases Outstanding	Amount Involved (in Lacs)
Criminal Litigation	1	Not ascertainable
Action against Statutory & Regulatory Authorities	--	--
Taxation Liabilities (Direct Tax)	1	1.96
Other Pending Litigation	--	--

Litigation against our Group Companies:-

Nature of Litigation	Number of Cases Outstanding	Amount Involved (in Lacs)
Criminal Litigation	--	--
Action against Statutory & Regulatory Authorities	--	--
Taxation Liabilities (Direct Tax)	3	26.99
Other Pending Litigation	--	--

For further details, see "*Outstanding Litigation and Material Developments*" beginning on page 198 of this Prospectus.

Decisions in any of the aforesaid proceedings adverse to our interests may have a material effect on our business, future financial performance and results of operations. If the courts or tribunals rule against our Company, our Promoters and Group Companies, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

2. A significant portion of our revenues are dependent on our exports to our international customers. Any failure to fulfill the requirements of our international customers may affect our revenues, result of operations and cash flows.

For the period ended, fiscal 2017, fiscal 2016 and fiscal 2015, export of garments to our overseas customers accounted for 58.03%, 58.20% and 62.13%, respectively of our total turnover. Our company is engaged in the manufacturing of textile product and more than 50% of the sales comprise of Export sales. Since the sales of the company depend upon international market, their preference and demand. Also major of the sales realization of the company is in foreign currency which exposes us to the risk of fluctuation in the Exchange rate. Further the payment of the company also depends upon the economic and political situations of the customer country. The tax rates, duties on exports and imports also effects the sales of the company.

As a result, our operations are impacted by various risks inherent in international sales and operations, including:

- Currency exchange rate fluctuations;
- Regional economic or political uncertainty;
- Currency exchange controls;
- Differing accounting standards and interpretations;
- Differing labor regulations;
- Differing domestic and foreign customs, tariffs and taxes;
- Current and changing regulatory environments;
- Difficulty in staffing and managing widespread operations;
- Coordinating and interacting with local representatives and counterparties to fully understand local business and regulatory requirements; and
- Availability and terms of financing.

To the extent that we are unable to effectively manage our global operations and risks such as the above, we may be unable to grow or maintain our sales and profitability, or we may be subject to additional unanticipated costs or legal or regulatory action. As a consequence, our business, financial condition, results of operations and cash flows may be affected.

3. Continued operations of our manufacturing facilities are critical to our garment manufacturing business and any disruption in the operation of our facilities may have a material adverse effect on our business, results of operations and financial condition.

We operate three manufacturing facilities in Ahmedabad, Gujarat and our manufacturing facilities are subject to operating risks, such as unavailability of machinery, break-down, obsolescence or failure of machinery, disruption in power supply or processes,

performance below expected levels of efficiency, labour disputes, natural disasters, industrial accidents and statutory and regulatory restrictions. Further, we have primarily imported our machinery from outside India. The service and repair centers for such imported machinery may not be available in India. In the event of a breakdown or failure of such machinery, replacement parts may not be available in India and such machinery may have to be sent for repairs or servicing to the country from where it was procured. This may lead to delay and disruption in our production process that could have an adverse impact on our sales, results of operations, business growth and prospects.

In addition, our customer in India and outside India rely significantly on the timely delivery of our products and our ability to provide an uninterrupted supply of our products is critical to our business. Any disruption of operations of our manufacturing facilities could result in delayed delivery of our products or defects in the garments delivered to our customers, which in turn may lead to disputes and legal proceedings with them on account of any losses suffered by them or any interruption of their business operations due to such delay or defect. Our business and financial results may be adversely affected by any disruption of operations of our manufacturing facilities, on account of factors including any or all of the factors mentioned above.

4. We are yet to receive certain regulatory approvals in respect of our operations. Failure to obtain or maintain licenses, registrations, permits and approvals may affect our business and results of operations.

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous. Additionally, we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or need to update pursuant to conversion of company from private to public Company and change in address in registered office of the Company. While we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities, we are yet to receive or apply for Registration under Shop and Establishment Act for Registered Office, Godown and Marketing Office. Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavour to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, which have not been obtained by our Company or are, pending renewal, see "Government and Other Approvals" on page 203 of this Prospectus.

5. We have experienced negative cash flows in the past. Any such negative cash flows in the future could affect our business, results of operations and prospects.

Our Company had reported certain negative cash flows from our operating activities, investing activities and financing activities in the previous years as per the restated financial statements and the same are summarized as under:

(In Rs. lakhs)

Particulars	**For the year ended March 31,**				
	2017	**2016**	**2015**	**2014**	**2013**
Cash flow from Operating Activities	305.18	(721.70)	910.24	(790.49)	(723.08)
Cash flow from Investing Activities	(821.12)	88.76	(638.41)	(713.78)	(139.20)
Cash flow from Financing Activities	714.02	591.76	(230.73)	1636.57	816.58

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may affect our business and financial operations. For further please refer chapter titled "Financial Information of the company" beginning on Page 147 of this Prospectus.

6. We may not be able to prevent unauthorised use of trademarks obtained/ applied for by third parties, which may lead to the dilution of our goodwill.

We have obtained trademark registrations of our brands, including "Globe Textiles" and " Globe Eshop" under class 24 & 25 under the Trade Marks Act, 1999 ("Trade Marks Act"), any unauthorized use of our trademarks, by unrelated third parties may damage our reputation and brand. Preventing trademark infringement, particularly in India, is difficult, costly and time-consuming. The measures we take to protect our trademarks may not be adequate to prevent unauthorized use by third parties, which may affect our brand and in turn adversely affect our business, financial condition, results of operations and prospects.

With respect to applications made for registration of trademarks, some of our trademark applications are objected by other parties. For further details in relation to the status of our trademark applications, see "Government and Other Approvals – Intellectual Property Rights" on page 203 of this Prospectus. We cannot assure you that our applications will be accepted and that the trademarks will be registered. Pending the registration of these trademarks we may have a lesser recourse to initiate legal proceedings to protect our brands. Further, our applications for the registration of certain trademarks may be opposed by third parties and we may have to incur expenses in relation to these oppositions. In the event we are not able to obtain registrations due to opposition by third parties or if any injunctive or other adverse order is issued against us in respect of any of our trademarks for which we have applied for registration, we may not be able to avail the legal protection or prevent unauthorised use of such trademarks by third parties, which may affect our Brand and business.

For further details on the trademarks, Objected or pending registration, please refer to the chapter titled "Government and Other Approvals – Intellectual Property Rights" on page 203 of this Prospectus.

7. Our Company if not able to manage our growth or to successfully implement our business plan could have an effect on our business, results of operations and financial condition.

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves focusing on Optimal Utilization of Resources and to develop relationships with customer and suppliers. For further details, see the section titled "Our Business – Our Strategies" on page 94 of this Prospectus. Our success in implementing our growth strategies may be affected by:

- Our ability to identify new markets to expand;
- Our ability to maintain the quality of our products;
- Changes in the Indian regulatory environment in field of Textiles

Our Company if is not able to execute our strategy on time and within our estimated budget, or that our expansion and development plans will increase our profitability. Any of these factors could impact our results of operations. Further, we expect our growth strategy to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and implement our growth strategy could have an effect on our business, financial condition and profitability.

8. We have significant power requirements for continuous running of our factories. Any disruption to our operations on account of interruption in power supply or any irregular or significant hike in power tariffs may have an effect on our business, results of operations and financial condition.

Our factories, godown and offices have significant electricity requirements and any interruption in power supply to our factories, godown and offices may disrupt our operations. Our business and financial results may be affected by any disruption of operations. We depend on third parties for all of our power requirements. Further, we have limited options in relation to maintenance of power back-ups such as diesel generator sets and any increase in diesel prices will increase our operating expenses which may impact our business margins.

Since we have significant power consumption, any unexpected or significant increase in its tariff can increase the operating cost of factories, godown and offices and production cost which we may not be able to pass on to our customers. There are limited number of electricity providers in area from where we operate due to which in case of a price hike we may not be able to find a cost-effective substitute, which may negatively affect our business, financial condition and results of operations.

9. One of Manufacturing facility is situated at Special Economic Zone (SEZ) of Gujarat Industrial Development Corporation (GIDC) and is required to adhere the provision of SEZ Act, 2005

One of our Manufacturing facilities is situated at Apparel Park, SEZ GIDC, Ahmedabad, Gujarat and enjoys certain advantages applicable to factories situated in Special Economic Zones which include concessional rate of duty on Exports of goods and Tax holiday for 10 years etc. Also our factory is required to adhere to provision of SEZ Act, 2005 which include registration for setting up, operation of the Unit and compliance of the regulatory requirements. Any non compliance or non adherence of applicable provision will result in termination of registration to operate in Special Economic Zone. If any of such situations arises in future, our operation and business will be effected.

10. We have had certain inaccuracy in relation to regulatory filings to be made with the RoC and our company has made non compliances of certain provision under applicable law.

In the past, there have been certain instances of inaccuracy in relation to annual returns filed with ROC for instance, the list of shareholders and transfers are not attached with annual return filed for the year 2005-06 & 2006-07, our Company had made errors in transfer list attached with annual return for the year 2008-09 and number of shareholders are wrongly mention in annual return for the year 2011-12. Also the details of appointment and resignation of Directors are not properly disclosed in annual returns. Additionally in past our Company has not complied with filing of some forms in Registrar of Companies such as forms in respect of regularization of Director and change in designation of Executive Directors. Further there are some instances where forms are belatedly filed in RoC with requisite additional fees.

Although no show cause notice have been issued against our Company till date in respect of above, in the event of any cognizance being taken by the concerned authorities, actions may be taken against our Company and its directors, in which event the financials of our Company and our directors may be affected.

11. Our business depends on the performance of its information technology systems and any interruption or abnormality in the same may have an impact on our business operations and profitability.

We have an ERP system which integrates and collates data of purchase, sales, reporting, accounting, stocks, etc., from all the places of operations. We utilise our information technology systems to monitor all aspects of our business and rely to a significant extent on such systems for the efficient operation of our business, including, monitoring of inventory levels, allocation of products and budget planning. Our information technology systems may not always operate without interruption and may encounter abnormality or become obsolete, which may affect our ability to maintain connectivity with our factories and office. We cannot assure you that we will be successful in developing, installing, running and migrating to new software system or systems as required for our overall operations. Even if we are successful in this regard, significant capital expenditures may be required, and we may not be able to benefit from the investment immediately. All of these may have a material impact on our operations and profitability. The ERP system deployed by us has been purchased. The regular maintenance and upgradration of the ERP system is carried out by the vendor and costs to be incurred by the Company. Any failure in this ERP system may necessitate the Company to switch to a different system, implementation of which may result in significant costs to the Company.

Also, our Company cannot guarantee that the level of security it presently maintains is adequate or that its systems can withstand intrusions from or prevent improper usage by third parties. Our Company's failure to continue its operations without interruption due to any of these reasons may affect our Company's results of operations.

12. Our Statutory Auditors and secretarial Auditor have included a matter of emphasis and qualification in relation to our Company in the Audited Financial Statements and compliance certificate.

Our Statutory Auditors have included a matter of emphasis in relation to our Company in the Audited Financial Information for the fiscal 2013, 2014, 2015 and 2016 in relation to determination of related Party as per Accounting Standard 18. Further the auditor has reported in Report on the Internal Financial Controls under Clause I of sub section 3 of Section 143 of the Companies Act, 2013 that the company does not have defined policies to manage its operations. Additionally, in compliance certificate issued by our Secretarial Auditor had included a qualification of non compliance of section 297 of Companies Act, 1956 in the year 2012-13 & 2013-14 with respect to contracts and transaction entered with related Party. The existence of such deficiencies or any other could subject us to penalties and additional liabilities due to which our financial results may be affected. Also the company has set policies and procedure for internal control system to manage its operations. Also the company has entered the contract and transactions entered with the related parties as per section 297 of the companies act 1956.

13. We have not entered into any long-term agreements with our suppliers for procuring our textile products and accordingly may face disruptions in supply from our current suppliers.

We are in the business of manufacturing of garments, fancy fabrics and other textile products. We procure raw material from local traders, dealer and / or manufacturers. Since, these orders are given according to specific requirements, no specific agreement / MoU have been entered into between our Company and our suppliers and we typically transact on an invoice basis for each order. These suppliers provide us the raw material based on trust, service and the ready finance provided by us. In the absence of written agreements, our suppliers can withdraw the orders from us at any time which may leads to significant disruption in the supply of these traded goods from current sources, or, in the event of a disruption, that we would be able to locate alternative suppliers of the raw material and traded goods of comparable quality on terms acceptable to us, or at all. Identifying a suitable supplier involves a process that requires us to become satisfied with their quality control, consistency, responsiveness and service, financial stability and other ethical practices. If we are unable to maintain our relationship with our current suppliers it may prove difficult to obtain the same from other available suppliers.

Any delay, interruption or increased cost in the supply of our products arising from a lack of long-term contracts could have an effect on our ability to meet customer demand for our products and result in lower revenue from operations both in the short and long term.

14. Substantial portion of our revenues has been dependent upon our few clients. The loss of any one or more of our major clients would have a material effect on our business operations and profitability.

Our Customers includes various distributors that market our products and also some Direct Selling Agents outside India. Our end customers are various corporate and distributors. For the financial year ended March 31, 2017, our top ten clients accounted for approximately 57.64% of our gross revenue from operations. The loss of a significant client would have a material effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients/distributors or that we will be able to replace these clients/distributors in case we lose any of them. Furthermore, major events affecting our clients, such as bankruptcy, change of management, mergers and acquisitions could impact our business. If any of our major clients becomes bankrupt or insolvent, we may lose some or all of our business from that client and our receivable from that client would increase and may have to be written off, impacting our income and financial condition.

15. We depend on third parties for a major portion of our transportation needs. Any disruptions may affect our operations, business and financial condition.

We rely on third party transportation and other logistic facilities at every stage of our business activity including for procurement of raw material from our suppliers and for transportation from our finish products to our customers. For this purpose, we hire services of transportation companies. However, we have not entered into any definitive agreements with any transport service providers and engage them on a need basis. Additionally, availability of transport solutions in the market we operate in is typically fragmented. We rarely enter into written documentation in relation to the transportation services we hire which poses various additional risks including our inability to claim insurance. Further, the cost of our goods carried by such third party transporters is typically much higher than the consideration paid for transportation, due to which it may be difficult for us to recover compensation for damaged, delayed or lost goods.

Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost effective manner. Accordingly, our business is vulnerable to increased transportation costs including as a result of increase in fuel costs, transportation strikes, delays, damage or losses of goods in transit and disruption of transportation services because of wheather related problems, strikes, lock-outs, accidents, inadequacies in road infrastructure or other events.

Although we have not experienced any disruptions in the past, any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may be cost inefficient, thereby affecting our operations and profitability.

16. Our contingent liabilities as stated in our Restated Financial Statements could affect our financial condition.

Our Contingent liability as on March 31, 2017 was ₹ 459.68 Lacs. If this contingent liability materializes, fully or partly, the financial condition of our Company could be affected. The details of Contingent Liability as on March 31, 2017 as follows:-

S.No.	Particulars	Amount (₹ in Lacs)
1.	Direct Tax demands/Notices/Appeals	459.68

For more information, regarding our contingent liabilities, please refer "Annexure U" in chapter titled "Financial Information of the Company" beginning on page 147 of this Prospectus.

17. The loss, shutdown or slowdown of operations at any of our facilities or the under-utilization of any such facilities may have a material effect on our results of operations and financial condition.

Our business and results of operations are dependent on our ability to effectively plan our manufacturing processes and on our ability to optimally utilize our manufacturing capacities for the various products we manufacture. Any disruption to our manufacturing process or the operation of our production facilities may result from various factors beyond our control, including, among others, the following:

- Utility supply disturbances, particularly power supply;
- Forced close down or suspension of our manufacturing facilities due to factors such as breakdown or failure of equipment, performance below expected levels of output or efficiency, facility obsolescence or disrepair, labour disputes such as strikes and work stoppages, natural disasters and industrial accidents;
- Severe weather condition;
- Interruption of our information technology systems that facilitate the management of our manufacturing facilities; and
- Other production or distribution problems, including limitations to production capacity due to regulatory requirements, changes in the types of products produced or physical limitations that could impact continuous supply.

Although our production facilities have not experienced any material disruption in the past, there can be no assurance that there will not be any material disruption to our operations in the future. If we fail to take adequate steps to mitigate the likelihood or potential impact of these events, or to effectively respond to these events if they occur, our business, results of operations and financial condition could be materially affected. Further, we depend upon our suppliers and vendors to provide the necessary equipment and services that we need for our continuing operations and maintenance of our facilities, plant and machinery. We cannot assure you that we will be able to continue to obtain equipment on commercially acceptable terms, or at all, or that our vendors will continue to enter into or honor the contracts for their services. Our inability to continue to obtain equipment and enter into contracts with our vendors in a timely manner, or at all, could affect our business and results of operations.

18. Our Group Company have incurred losses in past and any operating losses in the future could affect the results of operations and financial conditions of our group companies.

The details of profit and loss of our Group Company in past years are as follows:-

Name of the Group Company	Profit/ (Loss) for the year ended (Amount in Lacs)		
	31st March 2016	31st March 2015	31st March 2014
Padamshree Globe Tradelink Limited	(42.77)	(23.17)	7.15

Any operating losses could affect the overall operations and financial conditions of the Group. For more information, regarding the Company, please refer chapter titled "Our Group Companies" beginning on page 140 of this Prospectus. The Company has set policies and procedure for internal control system to manage its operations. We have entered into and may in the course of our business continue to enter into transactions with our Group Companies. For details in relation to our related party transactions, see "*Related Party Transactions*" on page 177 of this Prospectus.

19. We face foreign exchange risks that could affect our results of operations.

We face foreign exchange rate risk to the extent that certain of our revenues are denominated in a currency other than the Indian Rupee. Due to our foreign currency exposures, exchange rate fluctuations between the Indian Rupee and foreign currencies, especially the U.S. dollar, can have a material impact on our results of operations, cash flows and financial condition. The exchange rate between the Indian Rupee and U.S. dollar has been volatile in recent periods and may continue to fluctuate in the future.

Fluctuations in the exchange rates may affect us to the extent of such orders being placed overseas. Our Company may enter into certain contracts to hedge exchange rate fluctuations which may or may not adequately cover the potential loss that may arise as a result of such foreign exchange transactions. Moreover, these hedges do not cover all such exposures and are in any event subject to

their own risks, including counterparty credit risk. Adverse moves in exchange rates that we have not adequately hedged may impact our profitability and financial condition.

20. We are dependent on our senior management and other key personnel, and the loss of, or our inability to attract or retain, such persons could affect our business, results of operations, financial condition and cash flows.

Our performance depends largely on the efforts and abilities of our senior management and other key personnel, including our Promoters and Directors. We believe that the inputs and experience of our senior management, in particular, and other key personnel are valuable for the development of our business and operations and the strategic directions taken by our Company. For details in relation to the experience of our key management personnel, see "Our Management" on page 122 of this Prospectus. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an effect on our business, results of operations, financial condition and cash flows.

21. We do not have supporting document for the information comprising the qualification of one of our Director included in the sections "Our Management" of this Prospectus.

We do not have supporting document for information included in the biographies, pertaining to their educational qualification, for one of our Director i.e. Mrs. Purvi Bhavin Parikh who is the Non-Executive Director, disclosed in the sections "Our Management" on pages 122, respectively of this Prospectus. The information included in the Prospectus in relation to certain portions of biographies related to qualification is provided by the respective Director by way of affidavit, certifying such information. Therefore, we cannot assure you that all information relating to the educational Proof of our Directors included in the sections "Our Management", as may be applicable, is complete, true and accurate.

22. Our revenue may be significantly dependent upon the availability of our major raw material i.e. cotton bales and yarn.

Our core business is the manufacture of garments, fancy fabric and home textiles, the production of the same are significantly dependent upon the availability of the cotton bales and yarn. In case the availability or the cost of the cotton bales or yarn is adversely affected or in case there are any upward movement of the price of the cotton bales or yarn it may have a significant affect on the production and operation of the company. The reason which affect the availability or price of the cotton may be beyond our control. One or more such reasons may affect our revenues and income from sales of our products and thereby adversely affect our business, profitability, cash flows and results of operations

23. Some of our corporate records including forms filed in registrar of companies prior to 2006 are not traceable.

We are unable to trace certain corporate and other documents in relation to our Company such as roc forms prior to the year 2006 which includes Form 2, Form 5, Form 20B, Form 23 and other related form filed by the Company from its incorporation till 2006. We cannot assure you that the filings were made in a timely manner and that we shall not be subject to penalties on this account. Further online filing of Roc Documents was initiated in the year 2006 and all forms prior to the said year were physically filed, hence certain of these forms could not be retrieved from Ministry of Corporate Affairs (MCA) portal. Our Company had carried limited purpose search for the physical copies of the untraceable forms at the RoC Ahmedabad but the forms are not available at the office of Registrar of Companies as well. We cannot further assure you that we will not be penalized by the relevant supervisory and regulatory authorities in India for not maintaining secretarial records before 2006.

24. *Any failure to comply with financial and other restrictive covenants imposed on us under our financing agreements may affect our operational flexibility, business, results of operations and prospects.*

As on March 31, 2017, our total secured borrowings amounted to Rs. 5120.16 Lacs. Our leverage has several important consequences, including the following:

- Our borrowing cost and the existence of encumbrances on a significant portion of our immovable properties may constrain. In the event of enforcement of an event of default in connection with such secured borrowings (which is not waived or cured), our ability to continue to operate our business at such locations may be restricted;

- Fluctuations in interest rates may affect our cost of borrowing, as all or a substantial part of our borrowings is at floating rates of interest; and

- Our financing agreements require us to obtain the consent of, or to intimate, our lenders for certain actions including change in shareholding or directorship of our Company, drawdown of further loans, or taking up a new scheme of expansion or line of business, issuance of guarantees, and for certain corporate actions. Our failure to comply with financial or restrictive covenants or periodic reporting requirements or to obtain our lenders' consent to take certain actions in a timely manner or at all may result in declaration of an event of default by any current or future lenders, which may accelerate repayment or increase applicable interest rates or trigger cross-default or cross-acceleration under other financing agreements.

The termination of, or declaration or enforcement of default under, any current or future financing agreement (if not waived or cured) may affect our ability to raise additional funds or renew maturing borrowings to finance our existing operations and pursue our growth initiatives and, therefore, have an effect on our business, results of operations and prospects.

25. Certain of our working capital facilities and other facilities are under renewal. In case any of such banks do not renew such working capital facilities, it may affect our cash flows which may, in turn, affect our business, financial condition, results of operations and prospects.

Our working capital facilities and other facilities are renewed at periodic intervals and, as on date of this Prospectus, certain of our working capital facilities are under renewal. As of March 31, 2017 our total secured outstanding indebtedness was ₹ 5120.16 Lacs of the aforesaid working capital facilities and other facilities, we are in the process of obtaining a formal renewal from The Karur Vyasa Bank Limited, for loans availed of by our Company Although we have initiated the process for renewal of such facilities, we cannot assure you that the renewed working capital facilities will be available to us, on commercially viable terms, or at all. In case any of such banks do not renew such working capital facilities, it may affect our cash flows which may, in turn, affect our business, financial condition, results of operations and prospects.

26. Some of the immovable properties used by us are leased. If we are unable to renew existing leases or relocate operations on commercially reasonable terms, there may be an effect on our business, results of operations and prospects.

We do not own some of the premises from where we operate. We enter into both long term and short-term leases, which are renewable based on the terms of the agreement. Typically for the short term lease the lease is required to be renewed in every three years. Periodic renewals of short-term leases may increase our costs, since they are subject to rent escalation. Also our Company has obtained the property from where the registered office and Unit – I is operated on leasehold basis for the period of 30 years from Gujarat Industrial Development Corporation (GIDC). Further, if we are required to relocate our factories, godown and marketing office as a result of any termination or non-renewal of our leases, we may incur additional cost as a result of such relocation. If we are unable to renew the agreements pursuant to which we occupy the premises on terms and conditions acceptable to us, or at all, we may have to relocate to other places.

Any failure or difficulty faced by us in renewing leases, or disputes or other problems that we or our business partners may face in the future with lessees may affect our business and prospects. For further details of our Properties, please refer to section titled "Our Business" beginning on Page 94 of this Prospectus.

27. Our Company has, in the past, made applications for condonation of delay in respect of delay in making a form filing with the RoC in relation to the charge modification by us in favour of one of our lenders. There can be no assurance that there will not be any delay in making form filings in the future.

Our Company has created two charges in favour of Dena Bank for an amount of Rs. 245 Lacs each which was created on April 04, 2009 and April 08, 2009 and was further modified on September 25, 2009. In terms of the Companies Act 1956, our Company was required to make the requisite form filing with the RoC within 30 days from the date of creation or modification of the charge. However, our Company made the requisite form filing with the RoC on February 16, 2010, after a delay of more than 112 days from the date of modification for both the charge. Our Company has filed a petition before the Company Law Board, Mumbai Bench under Section 637 of the Companies Act 1956 for condonation of this delay. The Company Law Board, Mumbai Bench, by an order dated April 7, 2010 for both the modification has condoned the delay and has levied a penalty of ₹ 1,000 each on our Company. If

any of such situations arises in future, our Company will have to bear penalties as imposed by regulatory authority which impact the financial position of company.

28. Our inability to maintain an optimal level of inventory in our factories and Godown may impact our operations and Business.

We estimate our sales based on the forecast, demand and requirements of our Products. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively and to maintain a full range of products. We typically maintain inventory levels of raw material and finished goods that are sufficient for a few days of operation.

Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts, or natural conditions may impact the supply of raw material. Such disruption to supply would affect our business, profitability. Although availability of raw material from where we operate are easy and convenient as there are ample of suppliers. Further, if there will be situation of under-stock inventory, our ability to meet customer demand and our operating results may be affected. Any mismatch between our planning and actual Production and demand could lead to potential excess inventory or out-of-stock situations, either of which could have an effect on our business, financial condition and results of operation.

29. Increases in interest rates may materially impact our results of operations.

Substantially all of our secured debt carries interest at floating interest rates or at rates that are subject to adjustments at specified intervals. We are exposed to interest rate risk in respect of contracts for which we have not entered into any swap or interest rate hedging transactions, although we may decide to engage in such transactions in the future. We may further be unable to pass any increase in interest expense to our existing customers. Any such increase in interest expense may have a material effect on our business, financial condition, results of operations and cash flows. Furthermore, if we decide to enter into agreements to hedge our interest rate risk, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us fully against our interest rate risk.

30. If there is a change in policies related to tax, duties or other such levies applicable to us, it may affect our results of operations.

We benefit from certain tax regulations and incentives that accord favourable treatment to certain of our manufacturing facilities. These tax benefits include income tax deductions, and export incentives. For details regarding income tax deductions, please refer to the chapter "Statement of Tax Benefits" on page 83 of this Prospectus.

On March 31, 2015, the Ministry of Finance, Government of India has issued Income Computation and Disclosure Standards ("**ICDS**"), a new framework for computation of taxable income by all assessees. All assessees would be required to adopt these standards for the purposes of computation of taxable income under the heads "Profit and Gains of Business or Profession" and "Income from Other Sources". These standards are applicable for the previous fiscal commencing April 1, 2015, i.e., assessment year 2016 – 17 onwards.

New or revised accounting policies or policies related to tax, duties or other such levies promulgated from time to time by the relevant authorities may significantly affect our results of operations. We cannot assure you that we would continue to be eligible for such lower tax rates or any other benefits. The reduction or termination of our tax incentives, or non-compliance with the conditions under which such tax incentives are made available, will increase our tax liability and affect our business, prospects, results of operations and financial condition.

31. Our business is manpower intensive and our business may be affected if we are unable to obtain or retain employees on contract or at commercially attractive costs.

Our success depends on our ability to attract, hire and retain skilled and unskilled labour. Our business is manpower intensive and our continued growth depends in part on our ability to recruit and retain suitable staff. We have faced increasing competition for management and skilled personnel with significant knowledge and experience in the textiles sector in India. There can be no assurance that attrition rates for our employees, particularly our sales personnel, will not increase. A significant increase in our employee attrition rate could also result in decreased operational efficiencies and productivity, loss of market knowledge and customer relationships, and an increase in recruitment and training costs, thereby materially affecting our business, results of operations and financial condition. We cannot assure you that we will be able to find or hire personnel with the necessary experience

or expertise to operate our business. In the event that we are unable to hire people with the necessary knowledge or the necessary expertise, our business may be severely disrupted, financial condition and results of operations may be affected.

Additionally, we have seen an increasing trend in manpower costs in India, which has had a direct impact on our employee costs and consequently, on our margins. Further, the minimum wage laws in India may be amended leading to upward revisions in the minimum wages payable in one or more states. We may need to increase compensation and other benefits in order to attract and retain key personnel in the future and that may materially affect our costs and profitability. We cannot assure you that as we continue to grow our business in the future, our employee costs coupled with operating expenses will not significantly increase.

32. We may be unable to enforce our rights under some of our agreements with counterparties on account of insufficient stamping and non-registration or other reasons.

We enter into agreements with third parties, in relation to leasing of our offices, factories and godown from where we operate our business. The terms, tenure and the nature of the agreements may vary depending on, amongst other things, the subject matter of the agreement and the third party involved. Some of the agreements related to Unit II, Unit III and Godown executed by us are not registered or may not otherwise be enforceable. Inadequately stamped documents may be impounded by the appropriate authority. Such inadequately stamped or not registered documents may not be admissible in evidence in a court of law until the applicable stamp duty, with penalty, has been paid and registered, which could, therefore, impact our ability to enforce our rights under the agreements in a timely manner or at all.

We cannot assure you that we would be able to enforce our rights under such agreements or in respect of such immovable properties, and any inability to do so, could impair our operations and affect our financial condition, cash flows and results of operation.

33. We may not be able to adapt to changing market trends and customer requirements in the fashion market in a timely manner, or at all.

The market for garment fashion in the country is highly competitive with several players present in various segments including through third party e-commerce platforms. If we are unable to anticipate consumer preferences or industry changes, or if we are unable to modify our products and their prices on a timely basis, we may lose customers to our competitors, or may be forced to reduce our sales realization on products by having to offer them at a discount, thereby reducing our margins. For instance, manufacturing for a season begins well in advance of the season and we may not be able to incorporate the prevalent trends, or accommodate any sudden emergence of a new trend that may be relevant to that season in the collection being released. If our competitors are able to cater to these markets, or if we are not able to anticipate the demand, or misjudge the quantity, inter alia, this could lead to lower sales, higher inventories and higher discounts, each of which could have a material effect on our results of operations and financial condition.

34. Our Company has in the past entered into related party transactions and may continue to do so in the future.

We have entered into and may in the course of our business continue to enter into transactions specified in the Restated Financial Information contained in this Prospectus with related parties that include our Promoters and Directors and Group Companies. For further details in relation to our related party transactions, see "*Related Party Transactions*" on page 177 of this Prospectus. While we believe that all such transactions have been conducted on an arm's length basis and in the ordinary course of business, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, including specific compliance requirements such as obtaining prior approval from audit committee, the board of directors and shareholders for certain related party transactions. There can be no assurance that such transactions, individually or in the aggregate, will not have a material effect on our financial condition and results of operations.

35. Accidents could result in the slowdown or stoppage of our operations and could also cause damage to life and property.

We endeavour to meet necessary safety standards in relation to our operations at our factories and godown. However, certain accidents or mishaps may be unavoidable or may occur on account of negligence or human error in complying with the prescribed safety standards or for other reasons. Such accidents or mishaps may result in, amongst others, an action of tort being initiated against us.

Therefore, although we take steps to ensure safety, accidents, including human fatalities, may occur and there can be no assurance that our safety measures and the precautions undertaken will be completely effective or sufficient. Further, if we fail to maintain adequate insurance cover in relation to the foregoing, a claim filed by us with our insurer is rejected, a loss occurs, which does not fall under the insurance cover maintained by us, or our claim is subject to any deductible or delay in settlement, amongst other things, our exposure will increase. Any accident at our area of operations could also harm our reputation. Such accidents may have an impact on our business.

36. In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.

Some of our Directors are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby affecting our business and results of operations and prospects.

37. Any Penalty or demand raise by statutory authorities in future will affect our financial position of the Company.

Our Company is mainly engaged in business of manufacturing of garments which attracts tax liability such as Sales Tax, Service Tax, Income Tax and other applicable provision of the Acts. However the Company has been depositing the return under above applicable acts but any demand or penalty raise by concerned authority in future for any previous year and current year will affect the financial position of the Company. For instance our company has liability of TDS demand for previous financial years due to short deduction of TDS and interest amounting ₹1.60 Lacs. For detail, Please refer "Outstanding Litigation and Material Development" beginning on page 198 of Prospectus. Any such penalty and prosecution arising in future may lead to financial loss to our Company.

38. Our Promoters/Directors have provided personal guarantees for loan facilities obtained by our Company, and any failure or default by our Company to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations on them, which may impact their ability to effectively service their obligations as our Promoters/Directors and thereby, impact our business and operations.

Mr. Bhavik Suryakant Parikh, our Promoter/ Director and Mr. Nilaybhai Jagdishbhai Vora, Our Director, have personally guaranteed the repayment of loan facilities taken by us. As at March 31, 2017, outstanding amounts from credit facilities personally guaranteed was Rs 5120.16 Lacs. Additionally, Mrs. Shraddhaben Bhavik Parikh, our Promoter Group Member has provided personal property as collateral security to aforesaid loan facilities.

Any default or failure by us to repay its loans in a timely manner, or at all could trigger repayment obligations on the part of Mr. Bhavik Suryakant Parikh, Mr. Nilaybhai Jagdishbhai Vora and Mrs. Shraddhaben Bhavik Parikh in respect of such loans, which in turn, could have an impact on their ability to effectively service their obligations as Promoters/Directors of our Company, thereby having an effect on our business, results of operation and financial condition. Furthermore, in the event that these individual withdraw or terminate their guarantees and collateral security, our lenders for such facilities may ask for alternate guarantees and collateral security, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

For further details, please refer to chapter titled "Statement of Financial Indebtedness" beginning on page 183 of the Prospectus.

39. Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Prospectus is based on certain assumptions and has been subjected to rounding off, and future production and capacity utilization may vary.

Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials, assumptions relating to operational efficiencies, as well as assumptions in relation to the average density of garments manufactured by us. The assumptions for determining the proposed capacity are based on historical demand and supply, operational efficiency of the Company. It also depends upon the future demand of the Product of the Company. Actual production levels and utilization rates may differ significantly from the estimated production capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our production capacity or historical estimated capacity utilization information for our existing facilities included in this Prospectus. For further information, see the section titled "Our Business" on page 94 of this Prospectus.

40. Our business operations may be materially affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.

We have not experienced any major disruptions to our business operations due to disputes or other problems with our work force in the past, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material impact on our business, results of operations and financial condition. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Shortage of skilled personnel or work stoppages caused by disagreements with employees could have an effect on our business and results of operations.

41. Our growth and profitability depend on the level of consumer confidence and spending in India and the other jurisdictions in which we operate.

Our results of operations are sensitive to changes in overall economic and political conditions that impact consumer spending. The textiles industry, in particular, is very sensitive to broad economic changes, and retail purchases tend to decline during recessionary periods. Substantially all of our net revenues are derived from sales in India & exports sales to our overseas customers. Many factors outside of our control, including interest rates, volatility of the world's stock markets, inflation, tax rates and other government policies, and unemployment rates can affect consumer confidence and spending. The domestic and international political environments, including military conflicts and political turmoil or social instability, may also affect consumer confidence and reduce spending, which could in turn materially and affect our growth and profitability.

42. *Delays or defaults in client payments could affect our operations.*

We may be subject to working capital risks due to delays or defaults in payment by clients from India and Outside India, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on our part to supply the required quantity or quality of products, within the time stipulated by our agreements, to our customers may in turn cause delay in payment or refusal of payment by the customer. We typically extend credit terms to our customers. Such defaults/delays by our customers in meeting their payment obligations to us may have a material effect on our business, financial condition and results of operations.

43. Our Company have taken unsecured loans that may be recalled by the lenders at any time.

Our Company have currently availed unsecured loans which may be called by their lenders at any time. As on March 31, 2017, the unsecured loan amounting ₹ 49.86 Lacs were due to lenders. In the event that lender seeks a repayment of any such loan, our

company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Also there is no formal agreement with our lender. As a result, any such demand may affect our business, cash flows, financial condition and results of operations. Additionally our company has not executed any formal loan agreement of above unsecured loan, any dispute arises in relation to terms of loans may affect the loans by our company For further details on financing arrangements entered into by our Company, please refer chapter titled "Statement of Financial Indebtedness" beginning on page 183 of Prospectus.

44. Obsolescence, destruction, theft, breakdowns of our major plants or machineries or failures to repair or maintain the same may affect our business, cash flows, financial condition and results of operations

Obsolescence, destruction, theft or breakdowns of our major plants or machineries may significantly increase our machineries purchase cost and the depreciation of our plants and machineries, as well as change the way our management estimates the useful life of our plants and machineries. In such cases, we may not be able to acquire new plants or machineries or repair the damaged plants or machineries in time or at all, particularly where our plants or machineries are not readily available from the market or require services from original machinery manufacturers. Some of our major machineries or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an effect our business, cash flows, financial condition and results of operations

For further details of our Plant and Machineries, please refer to chapter titled "Our Business" beginning on page 94 of the Prospectus.

45. Marketing initiatives undertaken by us may turn out to be ineffective.

We rely on various marketing initiatives relating to overseas marketing and also we have signed a Business & Commission Agent Agreement with our overseas Agents to increase its exports sales. There can be no assurance that such marketing activities which may involve significant expense, will be well received by our customers and consequently such marketing activities may not result in the targeted levels of product sales or demand for our garments and other products. Marketing initiatives is important for sale of our Products. This requires us to enhance our marketing strategies and experiment with new marketing methods to keep pace with industry developments and customer preferences. An inability to refine our marketing strategies or introduce targeted marketing campaigns in a cost-effective manner could reduce our market share, cause our net revenues to decline and negatively impact our profitability.

46. Conflicts of interest may arise out of common business objects between our Company and Group Companies.

Conflicts may arise in the ordinary course of decision-making by the Promoters or Board of Directors. Our Promoters have interests in other companies such as Globe Texfeb - LLP and Kunthunath Impex LLP that undertake the same business as our Company. Our Group Companies are authorized to carry out, or engage in business similar to that of our Company. Conflicts of interests may arise in the Promoters' allocating or addressing business opportunities and strategies among our Company and Group Companies in circumstances where our respective interests diverge. In cases of conflict, there can be no assurance that our Promoters will not favour their own interests over those of our Company. Our Promoters have not signed any non-compete agreement with our Company as of date. Any such present and future conflicts could have an effect on our business, reputation, financial condition and results of operations.

For further details, please refer section titled "Our Promoter and Promoter Group" and Our Group Companies" beginning on Page 134 & 140 of this Prospectus.

47. Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition.

While we maintain insurance coverage, in amounts which we believe are commercially appropriate, including (i) Standard fire and special perils insurance policies, (ii) Fire Floater Insurance Policy; (iii) Burglary standard policy; and (iv) group personal accident insurance policy, we may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable and related to Product Liability Claim. Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on

commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an effect on our business, results of operations, financial condition and cash flows.

In addition, in the future, we may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an effect on our business, reputation, results of operations, financial condition and cash flows.

For further details of our Insurance Policies, please refer section titled "Our Business" beginning on Page 94 of this Prospectus.

48. Our Company's management will have flexibility in utilizing the Net Proceeds from the Issue. The deployment of the Net Proceeds from the Issue is not subject to any monitoring by any independent agency.

Our Company intends to primarily use the Net Proceeds towards working capital requirements and for general corporate purposes as described in "Objects of the Issue" on page no. 73 of this Prospectus. In terms of Regulation 16 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Issue size is not in excess of ₹ 500 crores. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds from the Issue. Our Company may have to revise its management estimates from time to time and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section "Risk Factors", may limit or delay our Company's efforts to use the Net Proceeds from the Issue to achieve profitable growth in its business.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders of our Company who do not agree to such proposal to vary the objects, in such manner as may be prescribed in future by the SEBI.

Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Issue and our business and financial results may suffer.

49. We have not independently verified certain data in this Prospectus.

We have not independently verified data from the Industry and related data contained in this Prospectus and although we believe the sources mentioned in the report to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

50. The part of the Issue proceeds will not be available to us.

As of the date of this Prospectus, Our Promoter and Director Mr. Bhavik Suryakant Parikh and Our Director Mr. Nilaybhai Jagdishbhai Vora has given their authorization letter dated March 22, 2017 for sale of 7,18,000 and 6,02,000 Shares respectively. Given that the Offer comprises of the Offer for Sale by Mr. Bhavik Suryakant Parikh and Mr. Nilaybhai Jagdishbhai Vora, the proceeds from the Offer will be remitted to the Selling Shareholder, and our Company will not benefit from such proceeds.

51. We have in the last 12 months issued Equity Shares at a price that may be at lower than the Issue Price.

In the last 12 months we may have issued fresh Equity Shares to the promoters and other shareholders of our Company which are as follows:-

- Bonus issue in the ratio of 2:1 dated March 27, 2017 issuing 58,05,400 Equity shares face value ₹10/- per Equity Share for consideration other than cash.

The Equity Shares allotted to investors pursuant to this Issue will may priced significantly higher due to various reasons including better performance by the Company, better economic conditions and passage of time.

For Further details of equity shares issued, please refer to the chapter titled "Capital Structure" beginning on page 58 of the Prospectus.

52. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we are not permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "Dividend Policy" on page 146 of this Prospectus.

53. The Issue Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the Issue Price and you may not be able to sell your Equity Shares at or above the Issue Price.

The Issue Price of our Equity Shares has been determined on the basis of the Fixed Price Process. This price is based on numerous factors. For further information, see "Basis for Issue Price" beginning on page 80 of this Prospectus and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price are:

- Quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

54. We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

55. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of us. Under the takeover regulations in India, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

56. Rights of shareholders under Indian law may be more limited than under the laws of other jurisdictions

The articles of association, resolutions of the board of directors, and Indian law govern the corporate affairs of companies operating in India. Legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company incorporated in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as our Company's shareholders than as shareholders of corporations in another jurisdiction.

57. The average cost of acquisition of Equity Shares by our Promoters could be lower than the Issue Price.

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price as may be decided by the Company and the Selling Shareholders, in consultation with the Lead Managers. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapters "Risk Factors - Prominent Notes" and "Capital Structure" beginning on pages 15 and 58 respectively of this Prospectus.

EXTERNAL RISK FACTORS

58. Changing laws, rules and regulations and legal uncertainties, including application of tax laws and regulations, may affect our business and financial performance.

Our business and financial performance could be affected by changes in law, or interpretations of existing laws, rules and regulations, or the promulgation of new laws, rules and regulations in India, applicable to us and our business.

The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material effect on our business, financial condition and results of operations.

The application of various Indian and international sales, value-added and other tax laws, rules and regulations to our services, currently or in the future, may be subject to interpretation by applicable authorities, and if amended/ notified, could result in an increase in our tax payments (prospectively or retrospectively) and/or subject us to penalties, which could affect our business operations. Further, we have not completed any income tax assessments for the previous years and we run the risk of the Income Tax Department assessing our tax liability that may be materially different from the provision that we carry in our books for the past

periods. The Government of India has proposed a comprehensive national goods and services tax, or GST, regime that will combine taxes and levies by the central and state governments into a unified rate structure. While the Government of India and other state governments have announced that all committed incentives will be protected following the implementation of the GST, given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to this or any other aspect of the tax regime following implementation of the GST. The implementation of this rationalized tax structure may be affected by any disagreement between certain state governments, which could create uncertainty. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

59. Our operations currently benefit from the Technology Up gradation Fund Scheme ("TUFS"). In the event we are unable to continue to benefit from TUFS, our financial condition and results of operations may be affected.

The Ministry of Textiles, GoI, launched the TUFS for the textile, jute and cotton ginning and pressing industries for a five year period from April 1, 1999 to March 31, 2004, which was later extended for the duration of the twelfth five year plan (financial year 2012 to 2017). TUFS aims at providing capital for modernisation of Indian textile industry, by leveraging investments in technology upgradation in the textiles and jute industry. The TUFS provides for interest reimbursement of 5% on the interest charged by a lending agency for financing of a project of technology upgradation in conformity with the TUFS. However for spinning machinery the coverage provided is 4% for new stand alone/replacement/modernisation of spinning machinery; and 5% for spinning units with matching capacity in weaving/ knitting/processing/garmenting. TUFS also provides for 6% interest reimbursement and 15% capital subsidy for specified processing machinery, garmenting machinery and machinery required in manufacture of technical textiles.

Our profitability may be affected in the future if any of the above mentioned benefits are reduced or withdrawn or if we are subject to any disagreements from nodal agencies appointed under TUFS, with respect to our eligibility under TUFS. There is no assurance that the TUFS will be extended beyond the current period of availability or whether we will continue to enjoy such benefits in the future. In the event we are unable to continue to benefit from TUFS, our results of operations may be affected. For further information relating to the TUFS, see "Regulations and Policies" and for information relating to the loans availed under the TUFS, see "Statement of Financial Indebtedness" on pages 103 and 183, respectively of this Prospectus.

60. Indian garments exporters face significant competition in our principal markets

We, as do all Indian garments exporters, face significant competition in our principal markets. Some of our competitors have significantly greater production and marketing resources than those available to us. Prior to January 1, 2005, export sales made to various countries (including the U.S. and the European Union) were subject to quantitative restrictions ('quotas') imposed on imports from a number of countries, including India. All textiles and clothing products now trade internationally without quota restrictions. Resultant competition from our competitors, including low cost manufacturers from countries such as Vietnam, Pakistan and Bangladesh, is likely to drive prices for our products lower. Our market position will also depend on effective marketing initiatives and our ability to anticipate and respond to various competitive factors affecting the industry, including new products and designs, competitors' pricing strategies and changes in consumer preferences and in general economic, political and social conditions in the countries in which we do business. Any failure by us to compete effectively, including in terms of the pricing of our garments, could have a material effect on our business, financial condition and results of operations.

61. We may be affected by competition law in India and any application or interpretation of the Competition Act could in turn affect our business.

The Competition Act was enacted for the purpose of preventing practices that have or are likely to have an effect on competition in India and has mandated the CCI to separate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Central Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission

of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable effect in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would affect our business, financial condition, results of operations and prospects.

62. Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our Company's financial condition. Our failure to successfully adopt IFRS may have an effect on the price of our Equity Shares. The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.

Our financial statements, including the financial statements provided in this Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. For details, see "Presentation of Financial, Industry and Market Data" on page no. 12 of this Prospectus. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited.

India has decided to adopt the "Convergence of its existing standards with IFRS" and not the "International Financial Reporting Standards" ("IFRS"), which was announced by the MCA, through the press note dated January 22, 2010. These "IFRS based / synchronized Accounting Standards" are referred to in India as IND (AS).

Public companies in India, including our Company, may be required to prepare annual and interim financial statements under IND (AS). The MCA, through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues, including tax related issues, are resolved. Further, the Finance Minister, during the Budget speech, 2014, proposed the adoption of IND (AS) by Indian companies from fiscal 2016 on a voluntary basis, and from fiscal 2017 on a mandatory basis. Accordingly, it is not possible to quantify whether our financial results will vary significantly due to the convergence to IND (AS), given that the accounting principles laid down in the IND (AS) are to be applied to transactions and balances carried in books of accounts as on the date of the applicability of the converged standards (i.e., IND (AS)) and for future periods.

Further, we have made no attempt to quantify or identify the impact of the differences between Indian GAAP and IFRS or to quantify the impact of the difference between Indian GAAP and IFRS as applied to its financial statements. There can be no assurance that the adoption of IND-AS will not affect our reported results of operations or financial condition. Any failure to successfully adopt IND-AS may have an effect on the trading price of our Equity Shares.

Moreover, our transition to IFRS reporting may be hampered by increasing competition and increased costs for the relatively small number of IFRS-experienced accounting personnel available as more Indian companies begin to prepare IFRS financial statements. Any of these factors relating to the use of IFRS-converged Indian Accounting Standards may affect our financial condition.

63. The recent currency demonetization measures imposed by the Government of India may affect the India Economy and our business.

Through notifications dated November 8, 2016 issued by the Ministry of Finance, GoI and the RBI ₹ 500 and ₹ 1,000 denominations of bank notes of then existing series issued by the RBI have ceased to be legal tender. Pursuant to this currency demonetisation, these high denomination notes have no value and cannot be used for transactions or exchange purposes with effect from November 9, 2016. These notes are currently being replaced with a new series of bank notes. In an effort to monitor replacement of demonetised

notes, the GoI has specified restrictive limits for exchange and withdrawal of currency all over India. The process of demonetisation and replacement of these high denomination notes is likely to reduce the liquidity in the Indian economy which has significant reliance on cash. These factors may result in reduction of purchasing power, and alteration in consumption patterns of the economy in general. While the comprehensive and long-term impact of this currency demonetisation measure cannot be ascertained at the moment, it is possible that there will be a slowdown in the economic activities in India as expressed by various experts, at least in the short term, given the demonetization impacts a majority quantity of the cash currency in circulation. Such a slowdown can affect the Indian economy, impacting the consumer sector, in turn affecting the operations of our company, which can affect their financials and profitability.

64. Our business is dependent on the Indian economy.

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by center or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise.

There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results.

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

65. Financial instability in Indian financial markets could adversely affect our results of operations and financial condition.

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in Asian emerging market countries. Financial turmoil in global economy in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

66. Our performance is linked to the stability of policies and the political situation in India.

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive Indian governments have pursued policies of economic liberalization and financial sector reforms. The current Government has announced its general intention to continue India's current economic and financial sector liberalization and deregulation policies. However there can be no assurance that such policies will be continued and a significant change in the government's policies in the future could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations.

Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and

deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

67. Civil disturbances, regional conflicts and other acts of violence in India and abroad may disrupt or otherwise adversely affect the Indian economy.

Certain events that are beyond the control of our Company, such as violence or war, including those involving India, the United Kingdom, the United States or other countries, may adversely affect worldwide financial markets and could potentially lead to a severe economic recession, which could adversely affect our business, results of operations, financial condition and cash flows, and more generally, any of these events could lower confidence in India's economy. Southern Asia has, from time to time, experienced instances of civil unrest and political tensions and hostilities among neighbouring countries. Political tensions could create a perception that there is a risk of disruption of services provided by India-based companies, which could have an adverse effect on our business, future financial performance and price of the Equity Shares. Furthermore, if India were to become engaged in armed hostilities, particularly hostilities that are protracted or involve the threat or use of nuclear weapons, the Indian economy and consequently Company's operations might be significantly affected. India has from time to time experienced social and civil unrest and hostilities, including riots, regional conflicts and other acts of violence. Events of this nature in the future could have an adverse effect on our ability to develop our business. As a result, our business, results of operations and financial condition may be adversely affected.

Prominent Notes:

1. Public Issue of 26,88,000 Equity Shares of Face Value of ₹ 10/- each of Globe Textiles (India) Limited ("GTIL" or "The Issuer", "Our Company") for Cash at a Price of ₹ 51.00Per Equity Share (Including a Share Premium of ₹ 41.00 per Equity Share) ("Issue Price") aggregating to ₹ 1370.88Lakhs, of which 1,44,000 Equity Shares of Face Value of ₹ 10/- each at a price of ₹ 51.00 aggregating to ₹73.44 Lacs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion") and Net Issue to Public of 25,44,000 Equity Shares of Face Value of Rs. 10/- each at a price of ₹ 51.00 aggregating to ₹ 1297.44 Lakhs (hereinafter referred to as the "Net Issue") The Issue and the Net Issue will constitute 26.68% and 25.25% respectively of the Post Issue paid up Equity Share Capital of Our Company.

2. This Issue is being made for at least 25 % of the post- issue paid-up Equity Share capital of our Company, pursuant to Rule 19(2) (b) (i) of the Securities Contracts (Regulation) Rules, 1957 as amended. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, since our is a fixed price issue 'the allocation' is the net issue to the public category shall be made as follows:

a) Minimum fifty percent to retail individual investors; and
b) Remaining to
   (i) Individual applicants other than retail individual investors; and
   (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

3. The Net worth of our Company as on March 31, 2017, March 31, 2016 and March 31, 2015 was Rs. 2486.22 Lakh Rs. 2161.50 Lakh and Rs. 2004.23 Lakh respectively based on Restated Financial Statements. For more information, see the section titled "Financial Information of the Company" beginning on page 147 of this Prospectus.

4. The NAV / Book Value per Equity Share (on basis of weighted average number of shares), based on Restated Financials Statements as on March 31, 2017, March 31, 2016 and March 31, 2015 was Rs. 28.55 /-, Rs. 24.82/- and Rs. 27.48/- per equity share respectively based on Restated Financial Statements. For more information, see the section titled "Financial Information of the Company" beginning on page 147 of this Prospectus.

5. The average cost of acquisition of Equity Shares by our Promoters is set out below:

Name of our Promoters	Number of Equity Shares Held	Average Cost of Acquisitions (Rs)
Mr. Bhavik Suryakant Parikh	30,76,860	37.64
Mr. Bhavin Suryakant Parikh	17,41,620	0.00

For further details, please see the section entitled "Capital Structure" on page 58 of this Prospectus.

6. The details of transactions of our Company with related parties, nature of transactions and the cumulative value of transactions please refer to section titled "Financial Information of the Company - Annexure R –Statement of Related Parties Transactions, on page 177 of Prospectus.

7. No Group companies have any business or other interest in our Company, except as stated in section titled "Financial Information of the Company - Annexure R - Statement of Related Parties Transactions, as Restated" on page 177 and "Our Group Companies" on page 140 and to the extent of any Equity Shares held by them and to the extent of the benefits arising out of such shareholding.

8. Our Company was originally incorporated on October 04, 1995 as "Swaroop Financial Services Private Limited" vide Registration no. 027673/1995-1996(CIN:U99999GJ1995PTC0027673) under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Later, the name of the Company was changed to "Globe Textile (India) Private Limited" vide Shareholder Resolution passed at the Extra Ordinary General Meeting of the Company held on March 31, 2006 and a fresh Certificate of Incorporation dated May 23, 2006 issued by the Registrar of Companies, Gujarat, Ahmedabad pursuant to change in name of our Company. Further, Our Company vide Shareholders Resolution passed at the Extra Ordinary General Meeting held on June 24, 2011 and a fresh Certificate of Incorporation dated July 17, 2011 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, the name of our Company was changed to "Globe Textiles (India) private Limited". Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Globe Textiles (India) Private Limited" to "Globe Textiles (India) Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on March 4, 2017 and a fresh certificate of incorporation dated March 22, 2017 issued by the Registrar of Companies, Gujarat, Ahmedabad.

For further details, please refer to Section titled "History and Certain Corporate Matters" on page 116 of this Prospectus.

9. None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of Prospectus.

10. Investors are advised to see the paragraph titled "Basis for Issue Price" beginning on page 80 of this Prospectus.

11. The Lead Manager, our Company and the Selling Shareholders shall update this Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares issued in terms of this Prospectus and commencement of trading.

12. Investors are free to contact the Lead Manager i.e. Hem Securities Limited for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.

13. In the event of over-subscription, allotment shall be made as set out in paragraph titled "Basis of Allotment" beginning on page 264 of this Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. NSE. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.

14. The Directors / Promoters of our Company have no interest in our Company except to the extent of remuneration and reimbursement of expenses (if applicable) and to the extent of any Equity Shares of our Company held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and/or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapter titled "Our

Management" beginning at page 122 chapter titled "Our Promoter & Promoter Group" beginning at page 134, and chapter titled "Financial Information of the Company" beginning at page 147 of this Prospectus.

15. No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Auditors Report. For details, please see "Financial Information of the Company" beginning on page 147 of this Prospectus.

SECTION III – INTRODUCTION

SUMMARY OF OUR INDUSTRY

Global economic outlook

Stalling global trade, weak investment, and heightened policy uncertainty have depressed world economic activity. Global growth is estimated to have fallen to 2.3 percent in 2016— the weakest performance since the global financial crisis and 0.1 percentage point below June 2016 Global Economic Prospects forecasts. Global growth is expected to rise to 2.7 percent in 2017, mainly reflecting a recovery in emerging market and developing economies (EMDEs).

Advanced economies continue to struggle with subdued growth and low inflation in a context of increased uncertainty about policy direction, tepid investment, and sluggish productivity growth. Activity decelerated in the United States and, to a lesser degree, in some other major economies. As a result, advanced-economy growth is now estimated to have slowed to 1.6 percent in 2016, a downward revision of 0.1 percentage point. Advanced-economy growth is expected to recover somewhat, to an average pace of 1.8 percent throughout the forecast period. In the United States, manufacturing activity is expected to rebound, contributing to a modest pickup in growth from 1.6 percent in 2016 to an average of 2.2 percent in 2017-18. This forecast does not incorporate the effects of policy proposals by the new U.S. administration, as their scope and ultimate form are still uncertain. Fiscal stimulus, if implemented, could result in stronger growth outcomes than currently predicted. In the Euro Area and Japan, supportive monetary policies will help stimulate activity throughout the forecast period. Inflation is expected to rise gradually, but it will remain below central banks' target in the Euro Area and Japan throughout the forecast horizon. Anemic growth in advanced economies was accompanied by a further weakening of global trade in 2016. Mitigating these headwinds, commodity prices have stabilized and are projected to increase moderately during 2017-19, providing support for commodity-exporting EMDEs. The rise in U.S. yields since early November has led to a notable tightening of financing conditions for EMDEs, in some cases resulting in significant currency depreciation and portfolio outflows. Despite this tightening, financing conditions still remain generally benign, as major central banks maintain accommodative monetary policies.

Major economies: Recent developments and outlook

Advanced economies continue to be afflicted by weak growth and low inflation, amid rising uncertainty about future policy direction. After slowing to 1.6 percent in 2016, growth is projected to recover somewhat in 2017-19, although the range of possible outcomes has significantly widened after the elections in the United States and the United Kingdom's decision to leave the European Union. In China, projections are unchanged, despite resurfacing concerns about buoyant property markets, as growth slows gradually toward more sustainable levels, with a rebalancing from manufacturing to services.

Across major advanced economies, the deceleration in growth in 2016 to 1.6 percent reflected renewed policy uncertainties, weak external demand, and subdued productivity growth (Figure 1.3). Activity is expected to regain modest momentum in 2017-19, but uncertainty associated with policies of the new administration in the United States and with the United Kingdom's decision to leave the European Union (Brexit) could significantly influence the growth trajectory of advanced economies. Growth projections for 2017 and 2018 have been revised down for the Euro Area and, especially, for the United Kingdom. For the United States, baseline forecasts for 2017 and 2018 are unchanged from June projections, in the absence of specific details about policy changes to be implemented by the new administration. Whereas constraints to monetary policy have intensified, fiscal policy is likely to play a greater role in the coming years. Weak productivity growth and rising demographic pressures, which weigh on labor supply and could contribute to a lower rate of return on capital, continue to constrain long-term prospects.

[Source: http://pubdocs.worldbank.org/en/691391481727525169/Global-Economic-Prospects-January-2017-Global-Outlook.pdf]

Indian Economy Overview

The Economic Survey of 2014-15 spoke about the sweet spot for the Indian economy that could launch India onto a trajectory of sustained growth of 8-10 percent. Last year's Survey assessed that "for now, but not indefinitely, that sweet spot is still beckoningly there." This year's stocktaking suggests that shifts in the underlying vision will be needed to overcome the major challenges ahead, thereby accelerating growth, expanding employment opportunities, and achieving social justice (Chapter 2 in this Survey). In the aftermath of demonetisation, and because cyclical developments will make economic management harder, articulating and embracing those shifts will be critical to ensuring that that sweet spot is enduring not evanescent This year has been marked by several historic economic policy developments. On the domestic side, a constitutional amendment paved the way for the long-awaited and transformational goods and services tax (GST) while demonetisation of the large currency notes signaled a regime shift to punitively

raise the costs of illicit activities. On the international front, Brexit and the US elections may herald a tectonic shift, forebodingly laden with darker possibilities for the global, and even the Indian, economy.

Start first with demonetisation. A radical governance-cum-social engineering measure was enacted on November 8, 2016. The two largest denomination notes, Rs 500 and Rs 1000—together comprising 86 percent of all the cash in circulation—were "demonetised" with immediate effect, ceasing to be legal tender except for a few specified purposes.1 These notes were to be deposited in the banks by December 30, while restrictions were placed on cash withdrawals. In other words, restrictions were placed on the convertibility of domestic money and bank deposits. The aim of the action was fourfold: to curb corruption, counterfeiting, the use of high denomination notes for terrorist activities, and especially the accumulation of "black money", generated by income that has not been declared to the tax authorities. The action followed a series of earlier efforts to curb such illicit activities, including the creation of the Special Investigation Team (SIT) in the 2014 budget, the Black Money Act, 2015; the Benami Transactions Act of 2016; the information exchange agreement with Switzerland, changes in the tax treaties with Mauritius and Cyprus, and the Income Disclosure Scheme.

Demonetisation was aimed at signaling a regime change, emphasizing the government's determination to penalize illicit activities and the associated wealth. In effect, the tax on illicit activities as well as on legal activities that were not disclosed to the tax authorities was sought to be permanently and punitively increased. The public debate on demonetisation has raised three questions. First, broader aspects of management, as reflected in the design and implementation of the initiative. Second, its economic impact in the short and long run. And, third, its implications for the broader vision underlying the future conduct of economic policy. This Survey is not the forum to discuss the first question.

Outlook for 2017-18

Turning to the outlook for 2017-18, we need to examine each of the components of aggregate demand: exports, consumption, private investment and government. As discussed earlier, India's exports appear to be recovering, based on an uptick in global economic activity. This is expected to continue in the aftermath of the US elections and expectations of a fiscal stimulus. The IMF's January update of its World Economic Outlook forecast is projecting an increase in global growth from 3.1 percent in 2016 to 3.4 percent in 2017, with a corresponding increase in growth for advanced economies from 1.6 percent to 1.9 percent. Given the high elasticity of Indian real export growth to global GDP, exports could contribute to higher growth next year, by as much as 1 percentage point.

The outlook for private consumption is less clear. International oil prices are expected to be about 10-15 percent higher in 2017 compared to 2016, which would create a drag of about 0.5 percentage points. On the other hand, consumption is expected to receive a boost from two sources: catch-up after the demonetisation-induced reduction in the last two quarters of 2016-17; and cheaper borrowing costs, which are likely to be lower in 2017 than 2016 by as much as 75 to 100 basis points. As a result, spending on housing and consumer durables and semidurables could rise smartly. It is too early to predict prospects for the monsoon in 2017 and hence agricultural production. But the higher is agricultural growth this year, the less likely that there would be an extra boost to GDP growth next year.

Since no clear progress is yet visible in tackling the twin balance sheet problem, private investment is unlikely to recover significantly from the levels of FY2017. Some of this weakness could be offset through higher public investment, but that would depend on the stance of fiscal policy next year, which has to balance the short-term requirements of an economy recovering from demonetisation against the medium-term necessity of adhering to fiscal discipline—and the need to be seen as doing so.

Putting these factors together, we expect real GDP growth to be in the 6¾ to 7½ percent range in FY2018. Even under this forecast, India would remain the fastest growing major economy in the world. There are three main downside risks to the forecast. First, the extent to which the effects of demonetisation could linger into next year, especially if uncertainty remains on the policy response. Currency shortages also affect supplies of certain agricultural products, especially milk (where procurement has been low), sugar (where cane availability and drought in the southern states will restrict production), and potatoes and onions (where sowings have been low). Vigilance is essential to prevent other agricultural products becoming in 2017-18 what pulses was in 2015-16.

Second, geopolitics could take oil prices up further than forecast. The ability of shale oil production to respond quickly should contain the risks of a sharp increase, but even if prices rose merely to $60-65/barrel the Indian economy would nonetheless be affected by way of reduced consumption; less room for public investment; and lower corporate margins, further denting private investment. The scope for monetary easing might also narrow, if higher oil prices stoked inflationary pressure. Third, there are risks from the possible eruption of trade tensions amongst the major countries, triggered by geo-politics or currency movements. This could reduce global growth and trigger capital flight from emerging markets. The one significant upside possibility is a strong

rebound in global demand and hence in India's exports. There are some nascent signs of that in the last two quarters. A strong export recovery would have broader spillover effects to investment.

[Source: http://finmin.nic.in/indiabudget2017-2018/es2016-17/echapter.pdf]

Textiles Industry

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 11 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.The textile industry employs about 40 million workers and 60 million indirectly. India's overall textile exports during FY 2015-16 stood at US$ 40 billion.

[Source: - http://indiainbusiness.nic.in/newdesign/index.php?param=industryservices_landing/351/1]

SUMMARY OF OUR BUSINESS

The following information should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Information of the Company "on page 15, 186 & 147 respectively

OVERVIEW

Globe Textiles (India) Limited was established in the year 1995 and engaged in manufacturing of Garments, cotton printed fabrics, home textiles and fancy fabrics. Our Company's manufacturing activities are undertaken at three different units situated at:-

- Unit I - Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad-380008, Gujarat, India
- Unit II - Godown No 3, Matiya Estate, Piplej Pirana Road, Taluka Mouje Village, Narol, Ahmedabad - 382405, Gujarat, India.
- Unit III - Godown No. 22, 23 & 24 Taluka Mouje Village, Saijpur, Gopalpur, Narol Ahmedabad - 382405, Gujarat, India.

Our Company caters both domestic as well as international markets. Our Company has also been recognized by Government of India as a "One Star Export House" and holds a valid certificate from September, 2016 till September, 2021 from the Director General of Foreign Trade. Also we have, over the years, received many accolades such as our manufacturing units are OKO-TEX certified textiles units for manufacturing of fabrics and home textiles. Our company majorly focuses in high quality of fabrics and garments across globe utilizing best technology, delivering quality textiles at the most competitive prices and maintaining long term association with our clients.

Our Company was founded by Mr. Suryakant Hiralal Parikh along with Mr. Vijaybhai Shah, Mr. Dilipbhai Adesara and Mr. Dilipbhai Pandya in the year 1995 and presently promoted by Mr. Bhavik Suryakant Parikh and Mr. Bhavin Suryakant Parikh who have experience of about two decades in textiles business. The vast experience of the Promoters has been instrumental in determining the vision and growth strategies for our Company. We further believe that our market position has been achieved by adherence to the vision of our Promoters and senior management team and their experience of over decades in the textiles and textiles products.

Further, our on-going manufacturing units are equipped with all equipment and facilities for manufacturing of fabrics along with all the other allied equipments. Our Company is also engaged in trading of yarns, denims and Non denims fabrics, Shirting fabrics and Jeans. Also we perform job work for many clients. Our Company based on its experience and its standards, conforms to major specifications and customer requirements. We firmly believe in benchmark product quality, customer centric approach, people focus, ethical business practices and good corporate citizenship.

For the period ended March 31, 2017 our Company's Total Income and Restated Profit after Tax was Rs. 19186.26 Lacs and Rs. 324.71 Lacs, respectively. For the year ended March 31, 2016, our Company's Total Income and Restated Profit after Tax were Rs. 18315.55 Lacs and Rs. 157.27 Lacs, respectively. For the year ended March 31, 2015, our Company's Total Income and Restated Profit after Tax was Rs. 17526.15 Lacs and Rs. 244.23 Lakhs respectively, compared to our Company's Total Income and Restated Profit after Tax of Rs 16630.44 Lacs and Rs. 223.45 Lacs respectively, over previous year ended i.e. March 31, 2014.

Salient Features of Our Products:-

- Blended fabrics i.e. Cotton, Polyester and viscose
- Excellent comfort
- Eco-friendly Products
- Wide range of Fabric Varieties
- Non-allergenic natural Fibre

COMPETITIVE STRENGTHS

Our principal competitive strengths are:

We have a key customer base with reputed international Customers

Our long-standing relationship with our major customers has been one of the most significant factors contributing to our growth. Our commitments to quality and customer service practices have been strong contributing factors to our robust customer relations. Over the years, we have steadily developed a robust base of international customers for our products in south-east Asian and gulf countries. Even though we do not have any long-term supply agreements with them, we have continually received repeat business from many of our international customers. This indicates their level of confidence in our ability to understand latest trends and ensure timely delivery of quality products.

Management and Key managerial Expertise

Our Directors and Key managerial persons are engaged in the Textiles business, have a proven background and rich experience of more than 20 years in the Textile industry. Also, our Company is managed by a team of experienced personnel. The team comprises of personnel having operational and business development experience. We believe that our management team's experience and their understanding of the textile industry will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business, including significant competition, the global economic crisis and fluctuations in fuel prices.

Cost effective production and timely fulfillment of orders

Our Company has taken various steps in order to ensure adherence to timely fulfillment and also to achieve greater cost efficiency as timely fulfillment of the orders is a prerequisite in our industry. These steps include identifying quality yarn, smooth labour relations, use of an efficient production system and ability to meet large and varied orders due to our capacity and linkages with raw material suppliers. Our Company also has enjoyed good relations with our suppliers and as a consequence have the benefit of timely supplies of the raw materials which has been one of the major reasons why we have been able to achieve timely fulfillment of orders of our customers. Our Company constantly endeavors to implement an efficient procurement policy for inputs required for production so as to ensure cost efficiency in procurement which in turn results in cost effective production.

Scalable Business Model

Our business model is order driven and focus on maximum capacity utilization, developing linkages with quality raw material suppliers and achieving consequent economies of scale. We believe that this business model has proved successful and scalable for us in the last few financial years. We can scale upward as per the requirement generated by our Company. The business scale generation is basically due to the development of new markets both international and domestic, by adopting aggressive marketing of the product, innovation in the product range and by maintaining the consistent quality of the product.

OUR STRATEGIES

The primary elements of our growth strategies are set forth below.

Expand our product portfolio to cater to consumer preferences

We aim to leverage our existing suite of products, knowhow and manufacturing capabilities to produce niche and higher-margin products. We believe that, given our manufacturing capacity and expertise, we would be able to produce and sell such fabrics at competitive prices compared to the international export markets. In the long run, we may also intend to enter into new product lines and target new consumer segments. We believe that such initiatives will optimally diversify our business and products portfolio and enable access to new markets.

Creativity

Our Company has always been driven by the quest to develop something new and constantly strives to develop better products which appeal to our constantly growing customer base. Also our company provides mix and match to attract our customers and dealers. Our Company's forte lies in its ability to translate its vision into realities using, technology and personnel who successfully supervise each new venture undertaken.

Expand our distribution network and export sales

Our historically developed distribution in domestic and international market has been critical to our growth. We intend to continue developing and nurturing existing market, and create new distribution channels in under and non-penetrated geographies. We aim to further develop our domestic sales networks in those territories where there are lower transportation costs and those which have a significant demand of our products, where we can sell at price-points that can effectively offset higher transportation costs. Such expansion plans are intended to be effected by in-house examination of the market potential of various territories and our available distribution network in such geographies. For our international export business, we intend to upscale our export operations to sell higher volumes of our products.

Invest in infrastructure and technology

Our Company believes in making investments for continuously achieving higher levels of excellence in its products and implement dynamic and diverse specifications of our customers. We have invested significantly in equipping our manufacturing facilities with the latest and specialized infrastructure and modern technology. We want to continue to work towards the upgradation and modernization of our infrastructure and technology.

SUMMARY OF OUR FINANCIALS

ANNEXURE I
STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

PARTICULARS		AS AT 31ST MARCH					
		2017	2016	2015	2014	2013	2012
		In Lacs	In Lacs	In Lacs	In Lacs	In Lacs	In Lacs
A)	**EQUITY AND LIABILITIES**						
1.	**Shareholders' Funds**						
(a)	Share Capital	870.81	290.27	290.27	223.60	187.50	150.00
(b)	Reserves & Surplus	1615.41	1871.23	1713.96	1136.37	732.43	410.58
		2486.22	**2161.50**	**2004.23**	**1359.97**	**919.93**	**560.58**
2.	**Non Current Liabilities**						
(a)	Long Term Borrowings	757.26	405.07	475.09	405.67	14.60	-
(b)	Deferred Tax Liabilities (Net)	26.94	20.08	-	14.82	-	-
(c)	Long Term Provisions	24.97	11.61	7.46	4.48	4.37	2.79
		809.17	**436.76**	**482.55**	**424.97**	**18.97**	**2.79**
3.	**Current Liabilities**						
(a)	Short Term Borrowings	4424.20	3489.68	2430.30	2873.92	1630.61	956.20
(b)	Trade Payables	2425.71	1442.30	1489.26	1571.46	1450.37	900.82
(c)	Other Current Liabilities	796.93	739.03	643.02	721.63	319.78	173.16
(d)	Short Term Provisions	67.30	13.00	15.49	60.43	27.99	38.31
		7714.14	**5684.02**	**4578.07**	**5227.44**	**3428.75**	**2068.49**
Total		**11009.53**	**8282.28**	**7064.85**	**7012.39**	**4367.65**	**2631.86**
B)	**ASSETS**						
1.	**Non Current Assets**						
(a)	Fixed Assets						
	i) Tangible Assets	1663.44	1427.10	69.14	65.44	38.63	16.10
	ii) Intangible Assets	10.27	1.08	-	-	-	-
	iii) Capital Work in Progress	520.93	26.27	1356.81	698.75	-	-
		2194.64	**1454.45**	**1425.95**	**764.19**	**38.63**	**16.10**
(b)	Non-Current Investment	-	-	-	-	-	-
(c)	Deferred Tax Assets (Net)	-	-	0.93	-	0.49	0.57
(d)	Long Term Loans & Advances	45.74	38.01	18.82	6.00	260.66	4.55
(e)	Other Non Current Assets	-	-	-	-	-	-
		45.74	**38.01**	**19.75**	**6.00**	**261.15**	**5.12**
2.	**Current Assets**						
(a)	Current Investments	-	-	-	-	0.20	0.20
(b)	Inventories	3835.77	2633.51	2306.68	2818.02	1936.80	1219.13
(c)	Trade Receivables	4359.43	3181.58	2632.44	2904.12	1872.46	1228.10
(d)	Cash and Cash equivalents	107.21	191.12	345.16	318.67	186.38	112.08
(e)	Short-Term Loans &Advances	398.46	779.59	295.76	175.25	61.82	50.83
(f)	Other current assets	68.28	4.02	39.12	26.14	10.21	0.30
		8769.15	**6789.82**	**5619.15**	**6242.20**	**4067.87**	**2610.64**
Total		**11009.53**	**8282.28**	**7064.85**	**7012.39**	**4367.65**	**2631.86**

Note-: The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE II

STATEMENT OF PROFIT AND LOSS AS RESTATED

PARTICULARS		FOR THE YEAR ENDED 31ST MARCH					
		2017	2016	2015	2014	2013	2012
		In Lacs	In Lacs	In Lacs	In Lacs	In Lacs	In Lacs
1	Revenue From Operation (Gross)	19042.48	18251.41	17078.36	16596.65	11533.40	7156.70
	Less: Excise Duty	-	-	-	-	-	-
	Revenue From Operation (Net)	19042.48	18251.41	17078.36	16596.65	11533.40	7156.70
2	Other Income	143.77	64.14	447.79	33.79	16.67	16.16
Total Revenue (1+2)		**19186.26**	**18315.55**	**17526.15**	**16630.44**	**11550.07**	**7172.86**
3	**Expenditure**						
(a)	Cost of Goods Consumed	12328.30	1736.86	9241.28	7753.08	9988.05	4381.13
(a)	Purchase of Traded Goods	5008.07	14696.60	6156.76	7479.78	1151.27	2334.10
(c)	Changes in Inventories of finished goods, work in progress and stock -in-trade	(889.93)	(372.62)	192.04	(410.01)	(531.04)	(231.31)
(d)	Employee Benefit Expenses	497.11	366.33	132.91	80.39	63.17	43.20
(e)	Finance Cost	458.61	434.90	361.89	279.53	111.91	96.30
(f)	Depreciation and Amortization Expenses	80.93	41.76	10.61	6.23	2.71	1.71
(g)	Other Expenses	1215.38	1180.74	1087.64	1086.78	528.55	404.55
4	**Total Expenditure 3(a) to 3(b)**	**18698.47**	**18084.58**	**17183.13**	**16275.79**	**11314.61**	**7029.69**
	Less : Exceptional items						
	DFIA Licence (Inventory) written off	-	-	-	-	-	1.17
5	**Profit/(Loss) Before Tax (2-4)**	**487.79**	**230.97**	**343.02**	**354.65**	**235.45**	**142**
6	**Tax Expense:**						
(a)	Tax Expense for Current Year	156.24	52.69	114.54	115.90	77.18	46.98
(b)	Adjustment of earlier provisions	-	-	-	-	23.84	-
(c)	Deferred Tax	6.84	21.01	(15.75)	15.31	0.09	(1.11)
	Net Current Tax Expenses	**163.08**	**73.70**	**98.79**	**131.21**	**101.10**	**45.88**
7	**Profit/(Loss) for the Year (5-6)**	**324.71**	**157.27**	**244.23**	**223.45**	**134.35**	**96.12**

Note-: The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE III

CASH FLOW STATEMENT AS RESTATED

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH					
	2017	2016	2015	2014	2013	2012
	In Lacs	In Lacs	In Lacs	In Lacs	In Lacs	In Lacs
A) Cash Flow From Operating Activities :						
Net Profit before tax	487.79	230.97	343.02	354.65	235.45	142
Adjustment for:						
Depreciation	80.93	41.76	10.61	6.23	2.71	1.71
Write off of DFIA License Expired	-	-	-	-	-	1.17
ROC filing Expense for Increase in Authorised capital	-	-	-	1.30	-	-
Bad Debt Written Off	-	-	8.30	-	-	-
Loss on sale of fixed asset	-	-	0.04	0.06	-	-
Liabilities / provisions no longer required written back	-	-	-	-	0.33	(0.00)
Bank Charges - Processing Fees	-	-	-	-	4.64	2.02
Interest expense	413.77	402.05	304.80	279.53	95.07	64.45
Net unrealized exchange (gain) / loss	(16.72)	(37.29)	(14.12)	-	4.31	(7.61)
Interest Income	413.77	(16.38)	(32.13)	(33.79)	(15.95)	(2.42)
Interest Subsidy Income	(65.05)	-	-	-	-	-
Dividend Income	-	-	-	-	-	-
Write off of Preliminary Expenditure	-	-	-	-	-	-
Prior Period Income adjusted with Reserves	-	-	-	-	-	-
Operating profit before working capital changes	**1314.48**	**621.12**	**620.53**	**607.99**	**326.56**	**201.32**
Changes in Working Capital						
(Increase)/Decrease in Inventories	(1146.51)	(326.84)	511.34	(881.22)	(717.67)	(484.63)
(Increase)/Decrease in Trade Receivables	(1161.13)	(511.85)	277.49	(1031.66)	(648.68)	(823.48)
(Increase)/Decrease in Short Term Loans & Advances	361.12	(483.83)	(120.51)	(113.43)	(10.99)	(33.89)
Increase/(Decrease) in Trade Payables	983.41	(46.96)	(82.19)	121.09	549.22	337.64
Increase/(Decrease) in Other Current Assets	(0.45)	(2.18)	(0.45)	-	-	-
Increase/(Decrease) in Other Current Liabilities	30.54	99.05	(126.86)	335.42	144.34	14.47
Increase/(Decrease) in Short Term Provisions	(1.71)	8.67	1.52	0.48	0.78	0.83
(Increase)/Decrease in Long Term Loans & Advances	(7.96)	3.87	(12.55)	254.67	(251.78)	(4.46)
Increase/(Decrease) in Long Term Provisions	13.36	4.15	2.98	0.11	1.58	2.79

Cash generated from operations	**405.15**	**(634.80)**	**1071.28**	**(706.55)**	**(606.63)**	**(789.40)**
Less:- Income Taxes paid	(99.97)	(86.91)	(161.04)	(83.94)	(116.46)	(35.81)
Cash Flow Before Extraordinary Item	**(305.18)**	**(721.70)**	**910.24**	**(790.49)**	**(723.08)**	**(825.21)**
Loss on Amalgamation	-	-	-	-	-	-
Net cash flow from operating activities	**(305.18)**	**(721.70)**	**910.24**	**(790.49)**	**(723.08)**	**(825.21)**
B) Cash Flow From Investing Activities :						
Capital expenditure on fixed assets, including capital advances & CWIP	(821.12)	(84.90)	(658.01)	(731.85)	(25.24)	(1.61)
Investment in FD having maturity exceeding 12 months	-	-	-	-	(120.00)	-
Sale of Investment	-	120	-	0.20	-	-
Interest Received	-	53.66	19.60	17.86	6.04	2.21
Net cash flow from investing activities	**(821.12)**	**88.76**	**(638.41)**	**(713.78)**	**(139.20)**	**0.60**
C) Cash Flow From Financing Activities :						
Proceeds from Issue of Share Capital	-	-	400.02	216.60	225	185
Increase/(Decrease) in Short Term Borrowings	822.86	1059.38	(443.62)	1243.31	(24.73)	6.30
Net increase / (decrease) in working capital borrowings	-	-	-	-	699.25	806.60
Increase/(Decrease) in Long Term Borrowings	304.93	(65.56)	117.67	457.49	16.78	(3.58)
ROC Filing Expense	-	-	-	(1.30)	-	-
Bank Charges - Processing Fees	-	-	-	-	(4.64)	(2.02)
Interest Paid	(413.77)	(402.05)	(304.80)	(279.53)	(95.07)	(64.45)
Net cash flow from financing activities	**714.02**	**591.76**	**(230.73)**	**1636.57**	**816.58**	**927.85**
Net Increase/(Decrease) In Cash & Cash Equivalents	**198.09**	**(41.18)**	**41.10**	**132.29**	**(45.70)**	**103.24**
Cash equivalents at the begining of the year	**191.12**	**225.16**	**198.67**	**66.38**	**112.08**	**8.85**
Cash equivalents at the end of the year	**107.21**	**191.12**	**225.15**	**198.67**	**66.38**	**112.08**
PARTICULARS	**As on 31st March, 2017**	**As on 31st March, 2016**	**As on 31st March, 2015**	**As on 31st March, 2014**	**As on 31st March, 2013**	**As on 31st March, 2012**
Component of Cash and Cash equivalents						
Cash on hand	18	14	7	2	5	23
Balance With banks	87	136	7	2	2	10
Other Bank Balance	3	40	211	195	60	79
	107	**191**	**225**	**199**	**66**	**112**

Notes:

1. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS PROSPECTUS	
Equity Shares Issued: Public Issue of Equity Shares by our Company	26,88,000 Equity Shares of Face Value of ₹ 10/- each for Cash at a Price of ₹ 51.00 Per Equity Share (Including a Share Premium of ₹ 41.00 per Equity Share) aggregating to ₹ 1370.88 lakh^
of which	
Fresh Issue[(1)]	13,68,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51.00/- per equity share aggregating to ₹ 697.68 lakhs
Offer for Sale[(2)]	13,20,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51.00/- per equity share aggregating to ₹ 673.20 lakhs
of which	
Issue Reserved for the Market Makers	1,44,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51.00/- per share aggregating ₹ 73.44 lakhs
Net Issue to the Public*	25,44,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51.00/- per share aggregating ₹ 1297.44 lakhs
	of which
	12,72,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51.00/- per share (including a premium of ₹ 41.00 per Equity Share) will be available for allocation for allotment to Retail Individual Investors of up to ₹ 2.00 Lacs
	12,72,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 51.00/- per share (including a premium of ₹ 41.00 per Equity Share) will be available for allocation for allotment to Other Investors of above ₹ 2.00 Lacs
Equity Shares outstanding prior to the Issue	87,08,100 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Issue	1,00,76,100 Equity Shares of face value of ₹10 each
Objects of the Issue/ Use of Issue Proceeds	Please see the chapter titled "*Objects of the Issue*" on page 73 of this Prospectus

[(1)]Fresh Issue and Offer for sale of 26,88,000 Equity Shares in terms of Prospectus has been authorized pursuant to a resolution of our Board of Directors dated March 22, 2017 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of the members held on March 27, 2017.

[(2)] The offer for sale by Mr. Nilaybhai Jagdishbhai Vora and Mr. Bhavik Suryakant Parikh ("Promoter and Promoter Group Selling Shareholders") for 6,02,000 and 7,18,000 equity shares Respectively authorized by their respective Authorization letters dated March 22, 2017.

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please see the section titled "Issue Related Information" beginning on page 223 of this Prospectus

*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, the present issue is a fixed price issue 'the allocation' is the net issue to the public category shall be made as follows:

a) Minimum fifty percent to retail individual investors; and
b) Remaining to
   (i) Individual applicants other than retail individual investors; and
   (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

For further details please refer to the chapter titled *"Issue Structure"* beginning on page 229 of this Prospectus.

GENERAL INFORMATION

Our Company was originally incorporated on October 04, 1995 as "Swaroop Financial Services Private Limited" vide Registration no. 027673/1995-1996(CIN:U99999GJ1995PTC0027673) under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Later, the name of the Company was changed to "Globe Textile (India) Private Limited" vide Shareholder's Resolution passed at the Extra Ordinary General Meeting of the Company held on March 31, 2006 and a fresh Certificate of Incorporation dated May 23, 2006 issued by the Registrar of Companies, Gujarat, Ahmedabad pursuant to change in name of our Company. Further, Our Company vide Shareholders Resolution passed at the Extra Ordinary General Meeting held on June 24, 2011 and a fresh Certificate of Incorporation dated July 17, 2011 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, the name of our Company was changed to "Globe Textiles (India) private Limited". Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Globe Textiles (India) Private Limited" to "Globe Textiles (India) Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on March 4, 2017 and a fresh certificate of incorporation dated March 22, 2017 issued by the Registrar of Companies, Gujarat, Ahmedabad.

For further details please refer to chapter titled "History and Certain Corporate Matters" beginning on page 116 of this Prospectus.

Registered Office of our Company

Globe Textiles (India) Limited
Plot No. 38 to 41, Ahmedabad Apparel Park,
GIDC Khokhra, Ahmedabad -380008, Gujarat, India
Tel. No. +91-79-2293 1881/82/83/84/85
Fax No. - +91-79-26442808
E-mail: info@globetextiles.net
Website: www.globetextiles.net
Corporate Identification Number: U65910GJ1995PLC027673
Registration Number: 027673/1995-1996

For details relating to changes to the address of our Registered Office, please see "History and Certain Corporate Matters - Changes to the address of the Registered Office of our Company" on page 116 of this Prospectus.

Factories Address

Globe Textiles (India) Limited

Unit –I:
Plot No. 38 to 41, Ahmedabad Apparel Park,
GIDC Khokhra, Ahmedabad -380008, Gujarat, India

Unit –II:
Godown No 3, Matiya Estate, Piplej Pirana Road,
Taluka Mouje Village, Narol,
Ahmedabad - 382405, Gujarat, India.

Unit – III:
Godown No. 22, 23 & 24 Taluka Mouje Village,
Saijpur, Gopalpur, Narol
Ahmedabad - 382405, Gujarat, India.

Address of Registrar of Companies

Registrar of Companies, Ahmedabad, Gujarat
ROC Bhawan, Opp. Rupal Park Society,
Behind Ankur Bus Stop, Naranpur,
Ahmedabad- 380013, Gujarat, India

Phone: 079-27437597
Fax: 079-27438371
Email: roc.ahmedabad@mca.gov.in
Website: http://www.mca.gov.in

Board of Directors of our Company

The Board of Directors of our Company consists of:

Name	Designation	Address	DIN
Mr. Bhavik Suryakant Parikh	Chairman and Managing Director	1001, B Chandanbala Flat, Op. Suvidha Shopping Center, Paldi Ahmedabad 380007 Gujarat, India	00038223
Mr. Nilaybhai Jagdishbhai Vora	Whole time Director	B - 303, Sagar Samrat Apartment Near Jalaram Mandir, Ellisbridge Ahmedabad 380006 Gujarat, India	02158990
Mrs. Purvi Bhavin Parikh	Non Executive Director	A-1002, Chandanbala Apartment, Opp. Suvidha Shopping Centre, Paldi, Ahmedabad 380007 Gujarat, India	07732523
Mr. Yogesh Kanhiyalal Vaidya	Non Executive Independent Director	45/B, Yogeshwar Nagar Society Near Bhattha, Vasna Road, Paldi Ahmedabad-380007, Gujarat, India	00468732
Mr. Monish Harbans Bhalla	Additional Non Executive Independent Director	Sector 2, Kalhaar Bunglows- 16 P.O.Box.1, Sub .P.o. Shilaj Po. Bopal Ahmedabad-380058, Gujarat, India	00221254
Mr. Bharatbhai Samjibhai Patel	Additional Non Executive Independent Director	7,Shishir Bunglows, 3/4 Wood Fiwld Row-House, Opp.Rajpath Club, S.G.Road, Ahmedabad-380054, Gujarat, India	00243783

For further details of the Directors of our Company, please refer to the chapter titled "Our Management" on page 122 of this Prospectus.

Company Secretary and Compliance Officer

Mr. Yash Manojbhai Shah
Plot No. 38 to 41, Ahmedabad Apparel Park,
GIDC Khokhra, Ahmedabad -380008, Gujarat, India
Tel. No. +91-79-2293 1881/82/83/84/85
Fax No. - +91-79-26442808
E-mail: cs@globetextiles.net
Website: www.globetextiles.net

Chief Financial Officer & Chief Executive Officer

Mr. Bhavin Suryakant Parikh
Plot No. 38 to 41, Ahmedabad Apparel Park,
GIDC Khokhra, Ahmedabad -380008, Gujarat, India
Tel. No. +91-79-2293 1881/82/83/84/85
Fax No. - +91-79-26442808
E-mail: cfo@globetextiles.net
Website: www.globetextiles.net

Investors may contact our Company Secretary and Compliance Officer and/ or the Registrar to the Issue and/ or the Lead Manager, in case of any pre-Issue or post-Issue related problems such as non-receipt of Intimation for Allotment, credit of allotted Equity Shares in the respective beneficiary account.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The applicant should give full details such as name of the sole or first applicant, ASBA Form number, applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the applicant.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/ information mentioned hereinabove.

For all Issue related queries, and for Redressal of complaints, applicant may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange shall be forwarded to the Lead Manager, who shall respond to the same.

Promoter & Promoter Group Selling Shareholders:-

The details of our Promoter and Promoter Group Selling Shareholders are set forth below:

Sr. No.	Name of Selling Shareholder	Number of Equity Shares offered for sale
1.	Mr. Nilaybhai Jagdishbhai Vora	6,02,000
2.	Mr. Bhavik Suryakant Parikh	7,18,000
	Total	**13,20,000**

Details of Key Intermediaries pertaining to this Issue and our Company:

LEAD MANAGER OF THE ISSUE

HEM SECURITIES LIMITED
14/15 Khatau Building, 1st Floor, 40 Bank Street,
Fort, Mumbai – 400001, Maharashtra, India
Tel No.:+91-22-49060000
Fax No.:+91-22-22625991
Email: ib@hemsecurities.com
Investor Grievance Email: redressal@hemsecurities.com
Website: www.hemsecurities.com
Contact Person: Mr. Anil Bhargava
SEBI Regn. No.: INM000010981

LEGAL ADVISOR TO THE ISSUE

VEDANTA LAW CHAMBERS
Ist Floor, SSK House, B-62, Sahakar Marg, Lal Kothi,
Jaipur-302015 Rajasthan, India
Tel: +91- 141 -2740911, +91- 141 -4014091
Fax: +91- 141 -2740911
Website: www.vedantalawchamber.com
Email: vedantalawchambers@gmail.com
Contact Person: Advocate Nivedita Ravindra Sarda

REGISTRAR TO THE ISSUE

BIGSHARE SERVICES PRIVATE LIMITED
E-2 & 3, Ansa Industrial Estate, Sakivihar Road, Sakinaka.
Andheri (East), Mumbai-400072,
Maharashtra-India
Tel No.:+91-022-40430200
Fax No.: +91-022-28475201
Email: ipo@bigshareonline.com
Investor Grievance Email: investor@bigshareonline.com
Website: www.bigshareonline.com

Contact Person: Mr. Vipin Gupta
SEBI Regn. No.: INR000001385

BANKERS TO THE COMPANY

THE KARUR VYSYA BANK LIMITED
Block B, Sakar VII,
Nehru Bridge Corner, Ashram Road,
Ahmedabad, Gujarat - 380009
Tel No. - +9825026244
Fax No. - +079-26582474
Email Id. – Ahmedabad@kvbmail.com
Email – www.kvb.co.in
Contact Person – Mr. K V N Sarveswara Rao

STATUTORY AUDITOR & PEER REVIEW AUDITOR OF THE COMPANY

M/S. DHARMESH PARIKH & CO.
CHARTERED ACCOUNTANTS
303/304, "Milestone", Nr. Drive-in-Cinema,
Opp. TV Tower, Thaltej, Ahmedabad-380054 Gujarat, India
Tel. No: +91-79-27474466 **Fax:** +91-79-27479955
Email: anuj@dharmeshparikh.net
Firm Registration No.: 112054W
Contact Person: CA Anuj Jain

BANKER TO THE ISSUE

HDFC BANK LIMITED
FIG- OPS Department, Lodha I, Think Techno Campus,
Level O-3, Opp. Crompton Greaves,
Next to Kanjurmarg Railway Station,
Kanjurmarg (E), Mumbai - 400042.
Tel No.: +91 – 22 – 3075 2928/27/2914
Fax No.: 022-25799801
Email: vincent.dsouza@hdfcbank.com, siddharth.jadhav@hdfcbank.com, prasanna.uchil@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Vincent Dsouza, Siddhartha Jadhav, Prasanna Uchil
SEBI Registration No. : INB100000063

STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Hem Securities Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not required.

SELF CERTIFIED SYNDICATE BANKS ("SCSBS")

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on www.sebi.gov.in/pmd/scsb.pdf For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated

Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time

REGISTERED BROKERS

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the NSE at www.nseindia.com, as updated from time to time.

REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange at www.nseindia.com, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept application forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange at www.nseindia.com, as updated from time to time.

BROKERS TO THE ISSUE

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

CREDIT RATING

This being an Issue of Equity Shares, credit rating is not required.

IPO GRADING

Since the Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of appointing an IPO Grading agency.

DEBENTURE TRUSTEES

As the Issue is of Equity Shares, the appointment of Debenture trustees is not required.

TRUSTEES

As the Issue is of Equity Shares, the appointment of Trustees is not mandatory.

MONITORING AGENCY

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 50000.00 Lacs.

APPRAISING ENTITY

No appraising entity has been appointed in respect of any objects of this Issue

EXPERTS OPINION

Except for the reports in the section “Financial Information of the Company” and “Statement of Tax Benefits” on page 147 and page 83 of this Prospectus from the Statutory Auditor and Peer Review Auditor, our Company has not obtained any expert opinions. We have received written consent from the Peer Review Auditor and Statutory Auditor for inclusion of their name. However, the term “expert” shall not be construed to mean an “expert”" as defined under the U.S. Securities Act 1933.

WITHDRAWAL OF THE ISSUE

Our Company and the Selling Shareholders, in consultation with the LM, reserve the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company and the Selling Shareholders withdraw the Issue anytime after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-issue advertisements have appeared and the Stock Exchange will also be informed promptly. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company and/or the Selling Shareholders withdraw the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

UNDERWRITING

The Company and the Lead Manager to the issue hereby confirm that the issue is 100% Underwritten by **Hem Securities Limited** in the capacity of Underwriter to the issue.

Pursuant to the terms of the Underwriting Agreement dated June 01, 2017, entered into by Company, the selling shareholders and Underwriter- **Hem Securities Limited**, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (` in Lakh)	% of Total Issue Size Underwritten
Hem Securities Limited 203, Jaipur Tower, M.I. Road, Jaipur, Rajasthan **Tel:** 0141- 4051000 **Website:** www.hemsecurities.com **Email:** underwriter@hemsecurities.com **Contact Person:** Mr. Anil Bhargava **SEBI Regn. No**. INM000010981	26,88,000* Equity Shares of ₹ 10/- being Issued at ₹ **51.00** each	**1370.88**	100%

Includes 1,44,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker* **Hem Finlease Private Limited *in its OWN account in order to claim compliance with the requirements of Regulation 106 V (4) of the SEBI (ICDR) Regulations, 2009, as amended.*

As per Regulation 106P (2) of SEBI (ICDR) Regulations, the Lead Manager has agreed to underwrite to a minimum extent of Issue out of its own account.

In the opinion of the Board of Directors of our Company, the resources of the above mentioned Underwriter are sufficient to enable them to discharge their respective obligations in full.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Lead Manager has entered into Market Making Agreement dated June 01, 2017 with the following Market Maker, to fulfill the obligations of Market Making for this Issue:

Name	Hem Finlease Private Limited
Correspondence Address:	203, Jaipur Tower, M.I. Road, Jaipur – 302 001, Rajasthan, India
Tel No.:	+ 91 - 141 – 4051000, 5108133
E-mail:	hem@hemsecurities.com

Website:	www.hemsecurities.com
Contact Person:	Mr. Anil Bhargava
SEBI Registration No.:	INB231110033
Market Maker Registration No.	11100

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker(s).

2) The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of SME Platform of NSE and SEBI from time to time.

3) The minimum depth of the quote shall be ₹ 1,00,000/-. However, the investors with holdings of value less than ` 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that script provided that he sells his entire holding in that script in one lot along with a declaration to the effect to the selling broker.

4) The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is 2000 equity shares; however the same may be changed by the SME Platform of NSE from time to time).

5) After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.

6) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.

7) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

8) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

9) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.

10) The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.

11) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final

12) The Market Maker(s) shall have the right to terminate said arrangement by giving a six months notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

    In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market

Maker from its duties in order to ensure compliance with the requirements of regulation 106 V of the SEBI (ICDR) Regulations, 2009, as amended. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.

13) **Risk containment measures and monitoring for Market Makers**: NSE SME Exchange will have all margins, which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.

14) **Punitive Action in case of default by Market Makers:** NSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

    The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

15) Price Band and Spreads: The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time

16) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to ₹ 20 Crore	25%	24%
₹ 20 to ₹ 50 Crore	20%	19%
₹ 50 to ₹ 80 Crore	15%	14%
Above ₹ 80 Crore	12%	11%

17) All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of the Prospectus and after giving effect to this Issue, is set forth below:

Amount (Rs. in Lacs, except share data)

Sr. No.	Particulars	Aggregate nominal Value	Aggregate Value at Issue Price
A	**Authorized Share Capital** 1,10,00,000 Equity Shares having Face Value of Rs 10/- each	1100.00	-
B	**Issued, Subscribed & Paid-up Share Capital before the Issue** 87,08,100 Equity Shares having Face Value of Rs.10/- each fully paid up before the Issue.	870.81	-
C	**Present Issue in terms of the Prospectus** 26,88,000 Equity Shares having Face Value of Rs.10/- each with a premium of ₹ 41.00 per Equity Share.	268.80	1370.88
	Which Comprises		
I.	**Reservation for Market Maker portion** 1,44,000 Equity Shares of Rs. 10/- each at a premium of ₹ 41.00 per Equity Share	14.40	73.44
II.	**Net Issue to the Public** 25,44,000 Equity Shares of Rs.10/- each at a premium of ₹ 41.00 per Equity Share	254.40	1297.44
	of which		
	12,72,000 Equity Shares of Rs.10/- each at a premium of ₹ 41.00 per Equity Share will be available for allocation for allotment to Retail Individual Investors applying for a value of up to Rs. 2.00 Lacs	127.20	648.72
	12,72,000 Equity Shares of Rs.10/- each at a premium of ₹ 41.00 per Equity Share will be available for allocation for allotment to Other Investors applying for a value of above Rs. 2.00 Lacs	127.20	648.72
D	**Issued, Subscribed and Paid up Equity Share capital after the Issue** 1,00,76,100 Equity Shares having Face Value of ₹ 10/- each	1007.61	
E	**Securities Premium Account*** Before the Issue After the Issue	345.81 906.69	

**The amount disclosed is prior to deduction of Issue expenses.*

[(1)]Fresh Issue and Offer for sale of 26,88,000 Equity Shares in terms of Prospectus has been authorized pursuant to a resolution of our Board of Directors dated March 22, 2017 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of the members held on March 27, 2017.

[(2)] The offer for sale by Mr. Nilaybhai Jagdishbhai Vora and Mr. Bhavik Suryakant Parikh ("Promoter & Promoter Group Selling Shareholders") for 6,02,000 and 7,18,000 equity shares respectively authorized by their respective Authorization letters dated March 22, 2017

Class of Shares

Our Company has only one class of share capital i.e. Equity Shares of Rs.10/- each only. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of the Prospectus.

Details of changes in Authorized Share Capital of our Company:

Since the incorporation of our Company, the authorized share capital of our Company has been altered in the manner set forth below:

a) The initial authorised share capital of our Company was ₹ 1.00 Lakh divided into 10,000 Equity Shares of ₹10/- each. This authorised capital was increased to ₹ 100.00 Lakh divided into 10,00,000 Equity Shares of ₹ 10/- each pursuant to a resolution passed by our Shareholders in their extra-ordinary general meeting held on July 29, 2005

b) The authorised capital of our Company of ₹ 100.00 Lakh divided into 10,00,000 Equity Shares of ₹10/- each was increased to ₹ 150.00 Lakh divided into 15,00,000 Equity Shares of ₹ 10/- each pursuant to a resolution passed by our Shareholders in their extra-ordinary general meeting held on July 6, 2010.

c) The authorised capital of our Company of ₹ 150.00 Lakh divided into 15,00,000 Equity Shares of ₹10/- each was increased to ₹ 200.00 Lakh divided into 20,00,000 Equity Shares of ₹ 10/- each pursuant to a resolution passed by our Shareholders in their extra-ordinary general meeting held on March 12, 2012.

d) The authorised capital of our Company of ₹ 200.00 Lakh divided into 20,00,000 Equity Shares of ₹10/- each was increased to ₹ 300.00 Lakh divided into 30,00,000 Equity Shares of ₹ 10/- each pursuant to a resolution passed by our Shareholders in their extra-ordinary general meeting held on March 25, 2014.

e) The authorised capital of our Company of ₹ 300.00 Lakh divided into 30,00,000 Equity Shares of ₹10/- each was increased to ₹ 500.00 Lakh divided into 50,00,000 Equity Shares of ₹ 10/- each pursuant to a resolution passed by our Shareholders in their extra-ordinary general meeting held on June 4, 2015.

f) The authorised capital of our Company of ₹ 500.00 Lakh divided into 50,00,000 Equity Shares of ₹10/- each was increased to ₹ 1100.00 Lakh divided into 1,10,00,000 Equity Shares of ₹ 10/- each pursuant to a resolution passed by our Shareholders in their extra-ordinary general meeting held on March 4, 2017

Notes to Capital Structure

1. Equity Share Capital History of our Company:

(a) The history of the equity share capital and the securities premium account of our company are set out in the following table:-

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (Rs.)	Cumulative Securities Premium (Rs.)
On Incorporation*	400	10	10	Cash	Subscription to MOA[(i)]	400	4,000	Nil
Till March 31, 2006	9,600	10	10	Cash	Further Allotment[(ii)]	10,000	1,00,000	Nil
June 05, 2006	9,90,000	10	10	Cash	Further Allotment[(iii)]	10,00,000	1,00,00,000	Nil
July 20, 2010	80,000	10	50	Cash	Further Allotment[(iv)]	10,80,000	1,08,00,000	32,00,000
March 28, 2011	1,00,000	10	50	Cash	Further Allotment[(v)]	11,80,000	1,18,00,000	72,00,000
June 27, 2011	70,000	10	50	Cash	Further Allotment [(vi)]	12,50,000	1,25,00,000	1,00,00,000
March 30, 2012	2,50,000	10	60	Cash	Conversion of Loan into Equity[(vii)]	15,00,000	1,50,00,000	2,25,00,000
February 20, 2013	3,75,000	10	60	Cash	Conversion of Loan into Equity [(viii)]	18,75,000	1,87,50,000	4,12,50,000

March 31, 2014	3,61,000	10	60	Cash	Conversion of Loan into Equity [ix]	22,36,000	2,23,60,000	5,93,00,000
December 15, 2014	6,66,700	10	60	Cash	Right Issue[x]	29,02,700	2,90,27,000	9,26,35,000
March 27, 2017^	58,05,400	10	-	-	Bonus Issue in the ratio of 2:1 [xi]	87,08,100	8,70,81,000	3,45,81,000

* The Shares was subscribed to Initial Subscriber to Memorandum of Association on September 29th, 1995.
^ Bonus issue of 58,05,400 equity shares in the ratio of 2:1 dated March 27, 2017 has been issued by Capitalization of Reserve & Surplus of the Company.

All the above mentioned shares are fully paid up since the date of allotment.

Notes:

1. ***Initial Subscribers to the Memorandum of Association subscribed 400 Equity Shares of Face Value of Rs. 10/- each, details of which are given below:***

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Suryakant Hiralal Parikh	100
2.	Mr. Vijaybhai Manubhai Shah	100
3.	Mr. Dilipbhai Kantilal Adesara	100
4.	Mr. Dilipbhai Chandulal Pandya	100
	Total	**400**

(ii) ***Further allotment from incorporation till March 31, 2006 of 9600 Equity Shares of Face Value of Rs. 10/- each fully paid:***

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Suryakant Hiralal Parikh	4,800
2.	Mr. Bhavin Suryakant Parikh	4,800
	Total	**9,600**

(iii) ***Further allotment of 9,90,000 Equity Shares of Face Value of Rs. 10/- each fully paid:***

S. No.	Names of Person	Number of Shares Allotted
1.	Alembics Securities Private Limited	50,000
2.	Alliance Internet Work Private Limited	50,000
3.	Alpha Chemical Trade Agencies Private Limited	50,000
4.	Buniyad Chemicals Private Limited	50,000
5.	Goldstar Invest Private Limited	50,000
6.	Luna Financial Institutions	1,50,000
7.	Mahasagar Private limited	50,000
8.	Mihir Agencies Private Limited	50,000
9.	Mahavire Enterprises Private Limited	69,500
10.	Mr. M. N Shah	50,500
11.	Natraj Finance India Private Limited	2,00,000
12.	Riechmood Securities Private Limited	50,000
13.	Shree Radhe Enterprises	10,000
14.	Shyam Enterprises	60,000
15.	Talent Infoways Ltd	50,000
	Total	**9,90,000**

(iv) ***Further allotment of 80,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 50/-***

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Nilaybhai Jagdishbhai Vora	40,000
2.	Mr. Jagdishbhai Keshavlal Sanghavi	40,000
	Total	**80,000**

(v) ***Further allotment of 1,00,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 50/-***

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Jagdishbhai Keshavlal Sanghavi	20,000
2.	Jagdishbhai Manilal Vora HUF (through Karta Mr. Jagdishbhai Manilal Vora)	20,000
3.	Mr. Jagdishbhai Manilal Vora	10,000
4.	Mrs. Guniben J Vora	10,000
5.	Mrs. Ramilaben J Sanghavi	20,000
6.	Mr. Nilaybhai Jagdishbhai Vora	20,000
	Total	**1,00,000**

(vi) ***Further allotment of 70,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 50/-***

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Nilaybhai Jagdishbhai Vora	70,000
	Total	**70,000**

(vii) ***Further allotment of 2,50,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 60/-***

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Nilaybhai Jagdishbhai Vora	17,500
2.	Mrs. Guniben J Vora	7,500
3.	Mr. Bhavik Suryakant Parikh	2,25,000
	Total	**2,50,000**

(viii) ***Further allotment of 3,75,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 60/-***

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Bhavik Suryakant Parikh	3,75,000
	Total	**3,75,000**

(ix) ***Further allotment of 3,61,000 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 60/-***

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Bhavik Suryakant Parikh	3,50,000
2.	Mr. Nilaybhai Jagdishbhai Vora	4,500
3.	Jagdishbhai Manilal Vora HUF (through Karta Mr. Jagdishbhai Manilal Vora)	6,500
	Total	**3,61,000**

(x) Right Issue of 6,66,700 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of Rs. 60/- in proportion of existing capital of 22,36,000 Equity Shares. The details of Equity Shares Offered, Received, Renounced and Subscribed by the existing shareholders is as under:-

S. No.	Names of Person	Equity Shares Offered	Equity Shares Received/ (Renounced)	Net Balance of Equity Shares	Equity Share Subscribed	Lapse of Equity Shares
1.	Mr. Bhavik Suryakant Parikh	4,53,213	2,13,487	6,66,700	6,66,700	--
2.	Mr. Nilaybhai Jagdishbhai Vora	1,79,496	(1,79,496)	--	--	--
3.	Mrs. Guniben J Vora	20,126	(20,126)	--	--	--
4.	Jagdishbhai Manilal Vora HUF	7,902	(7,902)	--	--	--
5.	Mr. Jagdishbhai Manilal Vora	2,982	(2,982)	--	--	--
6.	Shaileshbhai C Shah	2,862	(2,862)	--	--	--
7.	Urmilaben S Shah	119	(119)	--	--	--
	Total	**6,66,700**	--	--	--	--

(xii) ***Bonus allotment of 58,05,400 Equity Shares of Face Value of Rs. 10/- each fully paid in the ration 2:1 i.e.2 Bonus Equity Shares for every 1 Equity Shares held***

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Bhavik Suryakant Parikh	20,51,240
2.	Mr. Bhavin Suryakant Parikh	11,61,080
3.	Mr. Nilaybhai Jagdishbhai Vora	12,04,000
4.	Mrs. Purvi Bhavin Parikh	5,80,540
5.	Mrs. Shraddha Bhavik Parikh	5,80,540
6.	Jagdishbhai Manilal Vora HUF (through Karta Mr. Jagdishbhai Manilal Vora)	53,000
7.	Mr. Suryakant Hiralal Parikh	1,75,000
	Total	**58,05,400**

b) As on the date of the Prospectus, our Company does not have any preference share capital.

2. Issue of Equity Shares for consideration other than cash

Save and Except as set out below we have not issued any Equity Shares for consideration other than cash:

Date of the allotment	No. of Equity shares allotted	Face Value (₹)	Issue Price (₹)	Reasons for allotment	Benefit Accrued to our Company	Allottees	No. of Shares allotted
March 27, 2017	58,05,400	10	--	Bonus Issue of equity shares in the ratio of 2:1 by way of capitalization of Reserves & Surplus of ₹ 5,80,54,000/-	Expansion of Capital	Mr. Bhavik Suryakant Parikh	20,51,240
						Mr. Bhavin Suryakant Parikh	11,61,080
						Mr. Nilaybhai Jagdishbhai Vora	12,04,000
						Mrs. Purvi Bhavin Parikh	5,80,540
						Mrs. Shraddha Bhavik Parikh	5,80,540
						Jagdishbhai Manilal Vora HUF (through Karta Mr. Jagdishbhai Manilal Vora)	53,000
						Mr. Suryakant Hiralal Parikh	1,75,000
						Total	**58,05,400**

*Above allotment of shares have been made out of Reserves & Surplus available for distribution to shareholders and no part of revaluation reserve has been utilized for the purpose.

3. Details of Allotment made in the last two years preceding the date of the Prospectus:

Except as mentioned in point 1 (a) (xii) above, we have not issued any Equity Shares in the last two years preceding the date of the Prospectus

4. No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956.

5. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

6. Except as mentioned below, no Equity Shares have been issued which may at price below the Issue Price within last one year from the date of the Prospectus.

Date of Allotment	Allottees	No. of Equity Shares Allotted	Face Value (in ₹)	Issue Price (in ₹)	Reason for Allotment	Category of Allottees
March 27, 2017	Mr. Bhavik Suryakant Parikh	20,51,240	10	-	Bonus Issue of Shares	Promoter
March 27, 2017	Mr. Bhavin Suryakant Parikh	11,61,080	10	-	Bonus Issue of Shares	Promoter
March 27, 2017	Mr. Nilaybhai Jagdishbhai Vora	12,04,000	10	-	Bonus Issue of Shares	Promoter Group
March 27, 2017	Mrs. Purvi Bhavin Parikh	5,80,540	10	-	Bonus Issue of Shares	Promoter Group
March 27, 2017	Mrs. Shraddha Bhavik Parikh	5,80,540	10	-	Bonus Issue of Shares	Promoter Group
March 27, 2017	Jagdishbhai Manilal Vora HUF (through Karta Mr. Jagdishbhai Manilal Vora)	53,000	10	-	Bonus Issue of Shares	Promoter Group
March 27, 2017	Mr. Suryakant Hiralal Parikh	1,75,000	10	-	Bonus Issue of Shares	Promoter Group

7. Capital Build up in respect of shareholding of our Promoters:

As on date of the Prospectus, our promoters Mr. Bhavik Suryakant Parikh and Mr. Bhavin Suryakant Parikh hold 30,76,860 & 17,41,620 Equity Shares respectively of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

Date of Allotment and made fully paid up /transfer	Nature of Issue	No. of Equity Shares	Face Value Per Share (₹)	Issue /Acquisition/ Transfer Price per Equity Share (₹)	Pre-Issue Shareholding %	Post-Issue Shareholding %	Lock in Period	Source of Funds
Mr. Bhavik Suryakant Parikh								
March 30, 2012	Allotment	2,25,000	10	60	2.58	2.23	--	Own fund
August 1, 2012	Acquisition of Shares by way of Transfer[(i)]	8,920	10	33	0.10	0.09	1 Year	Own fund
		5,61,080			6.44	5.57	--	
February 20, 2013	Allotment	3,75,000	10	60	4.31	3.72	--	Own fund
March 31, 2014	Allotment	2,49,940	10	60	2.87	2.48	1 Year	Own fund
		1,00,060			1.15	0.99	OFS	
December 15, 2014	Right Issue	48,760	10	60	0.56	0.48	3 Years	Own fund
		6,17,940			7.10	6.13	OFS	

February 28, 2017	Transfer[(ii)]	(11,61,080)	10	--	(13.33)	(11.52)	--	--
March 27, 2017	Bonus	20,51,240	10	--	23.56	20.36	3 Years	--
Total (A)		**30,76,860**						
Mr. Bhavin Suryakant Parikh								
Before March 31, 2006	Allotment	4,800	10	10	0.06	0.05	--	Own fund
	Transfer	(4,800)	10	--	(0.06)	(0.05)	--	--
February 28, 2017	Acquisition of Shares by way of Transfer[(ii)]	5,80,540	10	--	6.67	5.76	1 Year	--
March 27, 2017	Bonus	11,61,080	10	--	13.33	11.52	1 Year	--
Total (B)		**17,41,620**						
Grand Total A+B		**48,18,480**						

(i) Details of Acquisition of Share by Mr. Bhavik Suryakant Parikh dated August 1st, 2012

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1	01.08.2012	Jagdishkumar Keshavlal Sanghvi	1,60,000	Bhavik Suryakant Parikh
2	01.08.2012	Rajeshkumar K. Sanghvi	50,000	Bhavik Suryakant Parikh
3	01.08.2012	Paras V. Sanghvi	50,000	Bhavik Suryakant Parikh
4	01.08.2012	Shantaben K. Sanghvi	50,000	Bhavik Suryakant Parikh
5	01.08.2012	Vinodkumar K. Sanghvi	50,000	Bhavik Suryakant Parikh
6	01.08.2012	Ramilaben V. Sanghvi	50,000	Bhavik Suryakant Parikh
7	01.08.2012	Dipesh V. Sanghvi	50,000	Bhavik Suryakant Parikh
8	01.08.2012	Ramila J. Sanghvi	60,000	Bhavik Suryakant Parikh
9	01.08.2012	Mamtaben R. Sanghvi	50,000	Bhavik Suryakant Parikh
		Total	**5,70,000**	

(ii) Details of Transfer by Mr. Bhavik Suryakant Parikh dated February 28th, 2017

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1	28.02.2017	Bhavik Suryakant Parikh	4,55,000	Bhavin Suryakant Parikh
2	28.02.2017	Bhavik Suryakant Parikh	1,25,540	Bhavin Suryakant Parikh
3	28.02.2017	Bhavik Suryakant Parikh	2,90,270	Shraddha Bhavik Parikh
4	28.02.2017	Bhavik Suryakant Parikh	2,90,270	Purvi Bhavin Parikh
		Total	**11,61,080**	

(iii) Details of Transfer by Mr. Bhavin Suryakant Parikh before March 31, 2006

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1	Before March 31, 2006	Bhavin Suryakant Parikh	4800	Shaileshbhai C Shah
		Total	**4,800**	

(iv) Details of Acquisition of Share by Mr. Bhavin Suryakant Parikh February 28th, 2017

S. No.	Date of Transfer	Name of Transferor	No. of Share Transfer	Name of Transferee
1	28.02.2017	Bhavik Suryakant Parikh	5,80,540	Bhavin Suryakant Parikh
		Total	**5,80,540**	

8. The average cost of acquisition of or subscription to Equity Shares by our Promoter is set forth in the table below:

Name of the Promoter	No. of Shares held	Average Cost of Acquisition per Share (In Rs.)
Mr. Bhavik Suryakant Parikh	30,76,860	37.64

Mr. Bhavin Suryakant Parikh	17,41,620	0.00

9. Except as provided below there are no Equity Shares purchased/acquired or sold by our Promoters, Promoter Group and/or by our Directors and their immediate relatives within six months immediately preceding the date of filing of the Prospectus.

Date of Transaction	Number of Equity Shares Allotted/ Acquired/Sold	Face Value (Rs.)	Issue Price/ Acquired Price (Rs.)*	Nature	Nature of Consideration	Name of the Allottees/ Transferor/transferee	Category
February 28th, 2017	5,80,540	10	-	Acquisition by Transfer	-	Bhavin Suryakant Parikh	Promoter
	2,90,270	10	-	Acquisition by Transfer	-	Shraddha Bhavik Parikh	Promoter Group
	2,90,270	10	-	Acquisition by Transfer	-	Purvi Bhavin Parikh	Promoter Group
	(11,61,080)	10	-	Transfer	-	Bhavik Suryakant Parikh	Promoter
	87,500	10	-	Acquisition by Transfer	-	Suryakant Hiralal Parikh	Promoter Group
	(67,500)	10	-	Transfer	-	Guniben Vora	Promoter Group
	(10,000)	10	-	Transfer	-	Jagdishbhai Manilal Vora	Promoter Group
March 27, 2017	11,61,080	10	-	Allotment	-	Bhavin Suryakant Parikh	Promoter
	5,80,540	10	-	Allotment	-	Shraddha Bhavik Parikh	Promoter Group
	5,80,540	10	-	Allotment	-	Purvi Bhavin Parikh	Promoter Group
	20,51,240	10	-	Allotment	-	Bhavik Suryakant Parikh	Promoter
	12,04,000	10	-	Allotment	-	Nilaybhai Jagdishbhai Vora	Promoter Group
	53,000	10	-	Allotment	-	Jagdish Manilal Vora HUF (through Karta Mr. Jagdishbhai Manilal Vora)	Promoter Group
	1,75,000	10	-	Allotment	-	Suryakant Hiralal Parikh	Promoter Group

*The maximum and minimum price at which the aforesaid transaction was made is nil per Equity Share.

10. Details of the Pre and Post Issue Shareholding of our Promoter and Promoter Group as on the date of the Prospectus is as below:-

S .No	Names	Pre Issue		Post Issue	
		Shares Held	% Shares Held	Shares Held	% Shares Held
	Promoter				
1.	Bhavik Suryakant Parikh	30,76,860	35.33	23,58,860	23.41
2.	Bhavin Suryakant Parikh	17,41,620	20.00	17,41,620	17.28
	TOTAL (A)	**48,18,480**	**55.33**	**41,00,480**	**40.69**
	Promoter Group				
1.	Suryakant Hiralal Parikh	2,62,500	3.01	2,62,500	2.61
2.	Shraddha Bhavik Parikh	8,70,810	10.00	8,70,810	8.64

3.	Purvi Bhavin Parikh	8,70,810	10.00	8,70,810	8.64
4.	Nilaybhai Jagdishbhai Vora	18,06,000	20.74	12,04,000	11.95
5.	Jagdishbhai Manilal Vora HUF (through Karta Mr. Jagdishbhai Manilal Vora)	79,500	0.91	79,500	0.79
	TOTAL (B)	**38,89,620**	**44.67**	**32,87,620**	**32.63**
	GRAND TOTAL (A+B)	**87,08,100**	**100.00**	**73,88,100**	**73.32**

11. Details of Promoter's Contribution locked in for three years:

Date of Allotment / transfer of fully paid up Shares	Date when made Fully paid up	Nature of Allotment/ Acquired/Transfer	No. of shares Allotted/ Acquired Transferred	Face Value (Rs.)	Issue Price/ Transfer Price (Rs.)	% of Pre Issue Shareholding	% of Post Issue Shareholding	Lock in Period
Bhavik Suryakant Parikh								
December 15, 2014	December 15, 2014	Right Issue	48,760	10.00	60.00	0.56	0.48	3 Years
March 27, 2017	March 27, 2017	Bonus	20,51,240	10.00	--	23.56	20.36	3 Years
			21,00,000			**24.16**	**20.84**	

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "promoter" under the SEBI ICDR Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 33 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 36(a) of the SEBI ICDR Regulations, 2009 i.e. for a period of three years from the date of allotment of Equity Shares in this Issue.

No Equity Shares proposed to be locked-in as Minimum Promoters Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

The entire pre-Issue shareholding of the Promoters, other than the Minimum Promoters contribution which is locked in for three years and shares offered in Offer for sale, shall be locked in for a period of one year from the date of allotment in this Issue.

Our Promoter, Mr. Bhavik Suryakant Parikh has, by a written undertaking, consented to has 21,00,000 Equity Shares held by him to be locked in as Minimum Promoters Contribution for a period of three years from the date of allotment in this Issue and will not be disposed/sold/transferred by the promoter during the period starting from the date of filing this Prospectus with SME Platform of NSE till the date of commencement of lock-in period as stated in this Prospectus. The Equity Shares under the Promoters contribution will constitute 20.84% of our post-Issue paid up share capital.

Our Promoters have also consented that the Promoters contribution under Regulation 32 of the SEBI ICDR Regulations will not be less than 20% of the post Issue paid up capital of our Company.

Eligibility of Share for "Minimum Promoters Contribution in terms of clauses of Regulation 33 (1) of SEBI (ICDR) Regulations, 2009

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
33(1) (a) (i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The Minimum Promoter's contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. **Hence Eligible**
33 (1) (a) (ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or	The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible**

Reg. No.	Promoters' Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
	from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution	
33 (1) (b)	Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being issued to public in the initial public issue	The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible.**
33 (1) (c)	Specified securities allotted to promoters during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible	The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible.**
33 (1) (d)	Specified securities pledged with any creditor.	Our Promoter's has not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible.**

Details of Share Capital Locked In For One Year

In terms of Regulation 36(b) and 37 of the SEBI ICDR Regulations, in addition to the Minimum Promoters contribution which is locked in for 3 (three) years, as specified above, the entire pre-issue equity share capital held by promoters and entire pre-issue capital held by persons other than promoters of our Company i.e. Promoter Group Entities and public shareholders, except the shares issued for sale through the Issue constituting 52,88,100 Equity Shares shall be locked in for a period of 1 (one) year from the date of allotment of Equity Shares in this Issue.

The Equity Shares which are subject to lock-in shall carry inscription **'non-transferable'** along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

Other requirements in respect of lock-in:

a) In terms of Regulation 39 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
b) In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 36 or 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further in terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

12. Our Shareholding Pattern

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of the Prospectus:

I – Summary of Shareholding Pattern:-

Category	Category of shareholder	Nos. of share holders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights		Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Share s held (b)	
								Class Equity Shares of Rs.10/- each^	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX			X	XI=VII+X	XII		XIII		XIV
(A)	Promoter & Promoter Group	7	87,08,100	-	-	87,08,100	100.00	87,08,100	87,08,100	100.00	-	100.00	-		-		87,08,100
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C)	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C1)	Shares underlying	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-		-		-
	Total	**7**	**87,08,100**	-	-	**87,08,100**	**100.00**	**87,08,100**	**87,08,100**	**100.00**	-	**100.00**	-		-		87,08,100

**As on date of this Prospectus 1 Equity share holds 1 vote.*

^ We have only one class of Equity Shares of face value of Rs. 10/- each.

13. The Top Ten Shareholders of our Company and their Shareholding is set forth below:-

As on the date of the Prospectus, our Company has 7 (Seven) shareholders.

a) Our top ten shareholders as on the date of filing of the Prospectus are as follow:

S.No.	Names	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Mr. Bhavik Suryakant Parikh	30,76,860	35.33
2.	Mr. Nilaybhai Jagdishbhai Vora	18,06,000	20.74
3.	Mr. Bhavin Suryakant Parikh	17,41,620	20.00
4.	Mrs. Shraddha Bhavik Parikh	8,70,810	10.00
5.	Mrs. Purvi Bhavin Parikh	8,70,810	10.00
6.	Mr. Suryakant Hiralal Parikh	2,62,500	3.01
7.	Jagdish Manilal Vora HUF (through Karta Mr. Jagdishbhai Manilal Vora)	79,500	0.92
	Total	**87,08,100**	**100.00**

b) Our top ten shareholders 10 days prior filing of the Prospectus are as follows:

S.No.	Names	Shares Held (Face Value of Rs. 10 each)	% shares held (% Pre Issue paid up Capital)
1.	Mr. Bhavik Suryakant Parikh	30,76,860	35.33
2.	Mr. Nilaybhai Jagdishbhai Vora	18,06,000	20.74
3.	Mr. Bhavin Suryakant Parikh	17,41,620	20.00
4.	Mrs. Shraddha Bhavik Parikh	8,70,810	10.00
5.	Mrs. Purvi Bhavin Parikh	8,70,810	10.00
6.	Mr. Suryakant Hiralal Parikh	2,62,500	3.01
7.	Jagdish Manilal Vora HUF (through Karta Mr. Jagdishbhai Manilal Vora)	79,500	0.92
	Total	**87,08,100**	**100.00**

c) Details of top ten shareholders of our Company two years prior to the date of filing of the Prospectus are as follows:

S.No.	Names	Shares Held (Face Value of Rs. 10 each)	% of Paid Up Equity Shares as on 2 years prior to the date of filing of the Prospectus
1.	Mr. Bhavik Suryakant Parikh	21,86,700	75.33
2.	Mr. Nilaybhai Jagdishbhai Vora	6,02,000	20.74
3.	Mrs. Guniben Vora	67,500	2.33
4.	Jagdish Manilal Vora HUF (through Karta Mr. Jagdishbhai Manilal Vora)	26,500	0.91
5.	Mr. Jagdish Manilal Vora	10,000	0.34
6.	Mr. Shaileshbhai C Shah	9,600	0.33
7.	Mrs. Urmilaben S Shah	400	0.02
	Total	**29,02,700**	**100.00**

**Details of shares held on March 31, 2015 and Percentage held has been calculated based on the paid up capital of our company as on March 31, 2015.*

14. We have no public shareholder in our Company as on the date of Prospectus.

15. Except as provided below, no subscription to or sale or purchase of the securities of our Company within three years preceding the date of filing of the Prospectus by our Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre- issue share capital of our Company.

S. No.	Name of Shareholder	Date of Transaction	Promoter/ Promoter Group/ Director	Number of Equity Shares subscribed to/Acquired	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred
1.	Mr. Bhavik Suryakant Parikh.	31.03.2014	Promoter	3,50,000	-	Subscribed
		15.12.2014	Promoter	6,66,700	-	Subscribed
		28.02.2017	Promoter	-	(11,61,080)	Transfer
		March 27, 2017	Promoter	20,51,240	-	Subscribed
2.	Mr. Bhavin Suryakant Parikh	28.02.2017	Promoter	580540	-	Acquired
		March 27, 2017	Promoter	11,61,080	-	Subscribed
3.	Mr. Nilaybhai Jagdishbhai Vora	March 27, 2017	Promoter Group	12,04,000	-	Subscribed
4.	Mrs. Shraddha Bhavik Parikh	28.02.2017	Promoter Group	2,90,270	-	Acquired
		March 27, 2017	Promoter Group	5,80,540	-	Subscribed
5.	Mrs. Purvi Bhavin Parikh	28.02.2017	Promoter Group	2,90,270	-	Acquired
		March 27, 2017	Promoter Group	5,80,540	-	Subscribed
6.	Jagdish Manilal Vora HUF (through Karta Mr. Jagdishbhai Manilal Vora)	March 27, 2017	Promoter Group	53,000	-	Subscribed
7.	Mr. Suryakant Hiralal Parikh	28.02.2017	Promoter Group	87,500	-	Acquired
		March 27, 2017	Promoter Group	1,75,000	-	Subscribed

16. None of our Directors or Key Managerial Personnel hold any Equity Shares other than as set out below:

Name	Designation	No. of Equity Shares held
Mr. Bhavik Suryakant Parikh	Chairman & Managing Director	30,76,860
Mr. Nilaybhai Jagdishbhai Vora	Whole Time Director	18,06,000
Mrs. Purvi Bhavin Parikh	Director	8,70,810
Mr. Bhavin Suryakant Parikh	Chief Financial Officer & Chief Executive Officer	17,41,620

17. None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Prospectus.

18. Neither, we nor our Promoters, Directors, Selling Shareholders and the Lead Manager to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.

19. As on the date of filing of the Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person, any option to acquire our Equity Shares after this Initial Public Offer.

20. As on the date of the Prospectus, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.

21. Our Company has not raised any bridge loan against the proceeds of the Issue.

22. Since the entire Issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.

23. As on the date of the Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.

24. The Lead Manager i.e. Hem Securities Ltd. and their associates do not hold any Equity Shares in our Company as on the date of filing of the Prospectus.

25. We here by confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares Issued have been listed or application moneys refunded on account of failure of Issue.

26. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments

27. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.

28. An over-subscription to the extent of 10% of the total Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue. In such an event, the Equity Shares held by the Promoter is used for allotment and lock- in for three years shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

29. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange i.e. NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

30. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, 2009 and its amendments from time to time.

31. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.

32. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.

33. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

34. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.

35. As on the date of the Prospectus, Our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.

36. There are no Equity Shares against which depository receipts have been issued.

37. Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of the Prospectus.

38. We have 7 (Seven) Shareholders as on the date of filing of the Prospectus.

39. There are no safety net arrangements for this Public Issue.

40. Our Promoters and Promoter Group will not participate in this Issue except for the sale of Equity Shares offered by them for sale in the Offer.

41. This Issue is being made through Fixed Price method.

42. Except as disclosed in the Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of the Prospectus.

43. No person connected with the Issue shall issue any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

44. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering the Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed. The Selling Shareholders shall not transfer their Equity Shares during the period commencing from submission of the Prospectus with Stock Exchange until the final approval on Basis of Allotment has been obtained from the Stock Exchange for the Equity Shares Allotted/ to be Allotted pursuant to the Issue except for transfer the Equity Shares held by them to demat escrow account as mutually agreed between our Company, Selling Shareholder and the Lead Manager.

45. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.

46. As per RBI regulations, OCB's are not allowed to participate in the Issue

47. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

48. The details of equity shares being offered for sale are as follows:

Sr. No.	Name of Selling Shareholder	Number of Equity Shares
1.	Mr. Bhavik Suryakant Parikh	7,18,000
2.	Mr. Nilaybhai Jagdishbhai Vora	6,02,000
	Total	**13,20,000**

OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of 13,68,000 Equity Shares of our Company at an Issue Price of 51.00 per Equity Share and an Offer for Sale for 13,20,000 equity shares of our Company at an Offer Price of 51.00 per Equity Share.

The Offer for Sale

Our Company will not receive any proceeds from the Offer for Sale.

The Fresh Issue

The Net Proceeds from the Fresh Issue will be utilized towards the following objects:

1. To Meet Working Capital Requirement
2. General Corporate Purpose
3. To Meet the Issue Expenses

*(Collectively referred as the **"objects")***

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the SME Platform of NSE ("NSE EMERGE"). It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

Our Company is primarily in the business of Garment manufacturing and trading. The main object clause of our Memorandum enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association.

Requirement of Funds:-

The following table summarizes the requirement of funds:

S.No	Particulars	Amt (₹ in Lacs)
1.	To Meet Working Capital Requirement	630.00
2.	Public Issue Expenses	37.60
3.	General Corporate Expenses	30.08
Gross Issue Proceeds		697.68
Less: Issue Expenses		37.60
Net Issue Proceeds		660.08

Utilization of Net Issue Proceeds: The Net Issue Proceeds will be utilized for following purpose:

S.No	Particulars	Amt (₹ in Lacs)
1.	To Meet Working Capital Requirement	630.00
2.	General Corporate Expenses	30.08
	Total	660.08

Means of Finance: - We intend to finance our Objects of Issue through Net Issue Proceeds which is as follows:

Particulars	Amt (₹ in Lacs)
Net Issue Proceeds	660.88
Total	660.08

Since the entire fund requirement are to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 4(2) (g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

We further confirm that no part proceed of the Issue shall be utilised for repayment of any Part of unsecured loan outstanding as on date of Prospectus

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled *"Risk Factors"* beginning on page 15 of the Prospectus.

Details of Use of Issue Proceeds:

1. To Meet Working Capital Requirement

Our business is working capital intensive as the capital is invested in manufacturing of garment, fancy fabrics and home textiles. The Company will meet the requirement to the extent of ₹ 630.00 Lacs from the Net Proceeds of the Issue and balance from borrowings at an appropriate time as per the requirement.

Details of Estimation of Working Capital requirement are as follows:

(₹ In Lacs)

S. No.	Particulars	Actual (Restated)	Actual (Restated)	Actual (Restated)	Estimated
		31-March-15	31-March-16	31-March-17	31- March-18
I	**Current Assets**				
	Inventories	2306.68	2633.51	3835.77	4286.61
	Trade receivables	2632.44	3181.58	4359.43	4872.14
	Cash and cash equivalents	345.16	191.12	107.21	144.34
	Short Term Loans and Advances	295.76	779.59	398.46	447.09
	Other Current Assets	39.11	4.02	68.28	65.00
	Total(A)	**5619.15**	**6789.82**	**8769.15**	**9815.18**
II	**Current Liabilities**				
	Trade payables	1489.26	1442.30	2425.71	2286.19
	Short Term Provisions	15.49	13.00	67.30	185.77
	Other Current Liabilities	643.02	739.03	796.93	783.49
	Total (B)	**2147.77**	**2194.33**	3289.94	3255.45
III	**Total Working Capital Gap (A-B)**	**3471.38**	**4595.49**	**5479.21**	**6559.73**

IV	Funding Pattern				
	Short term borrowing & Internal Accruals	3471.38	4595.49	5479.21	5929.73
	IPO Proceeds				630.00

Justification:

S. No.	Particulars
Debtors	We expect Debtors holding days to be at 75.05 Days for FY 2017-18 based on increased sales of services and better credit Management policies ensuring timely recovery of dues.
Creditors	We expect Creditors payments days to be 40.56 days due to reduction in credit period.
Inventories	We expect Inventory level of Finished Goods to maintain at 76.04 Days for FY 2017-18 due to our Production cycle and maintaining required level of inventory

2. General Corporate Purposes

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Issue proceeds aggregating ₹ 30.08 Lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

3. Public Issue Expenses:-

The estimated Issue related expenses includes Issue Management Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately ₹ 73.88 lakhs which is 5.39 % of the Issue Size. All the Issue related expenses shall be proportionately met out from proceeds of the Issue and from Selling Shareholders as per applicable laws. The break-up of the same is as follows:

Activity	(Rs .in Lacs)*
Payment to Merchant Banker including underwriting and selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, etc*	66.63
Printing and Stationery and postage expenses	2.25
Advertising and Marketing expenses	2.00
Statutory expenses	3.00
Total Estimated Issue Expenses	73.88

**Included Commission/ processing fees for SCSB, Brokerage and selling commission for Registered Brokers, RTA's and CDPs*

Proposed Schedule of Implementation:

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

(₹ In Lakhs)

S. No.	Particulars	Amount to be deployed and utilized in F.Y. 17-18
1.	To Meet Working Capital Requirement	630.00
2.	General Corporate Purpose	30.08
	Total	660.08

Funds Deployed and Source of Funds Deployed:

Our Statutory Auditors **M/s. Dharmesh Parikh & Co.**., Chartered Accountants vide their certificate dated June 03, 2017 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt (₹ in Lakh)*
Issue Expenses	6.87
Total	**6.87**

** Amount inclusive of applicable taxes.*

Sources of Financing for the Funds Deployed:

Our Statutory Auditors **M/s. Dharmesh Parikh & Co.**, Chartered Accountants vide their certificate dated June 03, 2017 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amt (₹ in Lakh)*
Internal Accruals	6.87
Total	6.87

** Amount inclusive of applicable taxes.*

Appraisal

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

Shortfall of Funds

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

Bridge Financing Facilities

As on the date of this Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

Monitoring Utilization of Funds

The Audit committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

Interim Use of Proceeds

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoter or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Other confirmations

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Group Companies, in relation to the utilization of the Net Proceeds. Except for the proceeds from the Offer for Sale by Mr. Bhavik Suryakant Parikh and Mr. Nilaybhai Jagdishbhai Vora, no part of the proceeds of the Issue will be paid by us to the Promoter and Promoter Group, Group Companies, the Directors, associates or Key Management Personnel, except in the normal course of business and in compliance with SEBI ICDR Regulation 2009.

BASIC TERMS OF ISSUE

Authority for the Present Issue

Fresh Issue

This Issue in terms of this Prospectus has been authorized by the Board of Directors pursuant to a resolution dated March 22, 2017 and by the shareholders pursuant to a special resolution passed in an Extra Ordinary General Meeting held on March 27, 2017 under section 62 (1) (c) of the Companies Act, 2013.

Offer for Sale

The Offer for Sale has been authorised by a resolution of the Board of Directors of the Company passed at their meeting held on March 22, 2017 and by the shareholders pursuant to a special resolution passed in an Extra Ordinary General Meeting held on March 27, 2017. The Selling Shareholders Mr. Bhavik Suryakant Parikh and Mr. Nilay Jagdishbhai Vora have authorised the sale of 7,18,000 and 6,02,000 Equity Shares respectively pursuant to the Offer vide his authorisation letter dated March 22, 2017.

Terms of the Issue

The Equity Shares, being issued, shall be subject to the provisions of the Companies Act, ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the terms and conditions of the Prospectus, Prospectus, Application form, Confirmation of Allocation Note ***("CAN"),*** the guidelines for listing of securities issued by the Government of India and the Depositories Act, Stock Exchange, RBI, RoC and/or other authorities as in force on the date of the Issue and to the extent applicable.

In addition, the Equity Shares shall also be subject to such other conditions as may be incorporated in the Share Certificates, as per the SEBI (ICDR) Regulations, 2009, notifications and other regulations for the issue of capital and listing of securities laid down from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Equity Shares.

Face Value	Each Equity Share shall have the face value of ₹ 10.00 each.
issue Price	Each Equity Share is being issued at a price of ₹ 51.00 each and is 5.10 times of Face Value.
Market Lot and Trading Lot	The Market lot and Trading lot for the Equity Share is 2000 and the multiple of 2000; subject to a minimum allotment of 2000 Equity Shares to the successful Applicant.
Terms of Payment	100% of the issue price of ₹ 51.00 per share shall be payable on Application. For more details please refer "Terms of the Issue" beginning to page 223 of the Prospectus.
Ranking of the Equity Shares	The Equity Shares being issued pursuant to this issued shall be subject to the provisions of Companies Act, Memorandum and Articles of Association of the Company and shall rank pari passu in all respects including dividends with the existing Equity Shares of the Company. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please see "Main Provisions of the Articles of Association" on page 274 of the Prospectus.

Minimum Subscription

In accordance with Regulation [106P] (1) of SEBI ICDR Regulations, this Issue is 100% underwritten. Also, in accordance with explanation to Regulation [106P] (1) of SEBI ICDR Regulations the underwriting shall not be restricted up to the minimum subscription level.

If our Company does not receive subscription of 100% of the Issue including devolvement of Underwriters within 60 (Sixty) days from the date of closure of the Issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed in the Companies Act, the SEBI (ICDR) Regulations and other applicable Laws, if any.

Further, In accordance with Regulation [106R] of SEBI ICDR Regulations, No allotment shall be made pursuant to the Issue, if the number of prospective allottees is less than 50 (fifty). For further details, please refer to section titled "Terms of the Issue" beginning on page 223 of the Prospectus.

BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled "Risk Factors", the details about our Company under the section titled "Our Business" and its financial statements under the section titled "Financial Information of the Company" beginning on page no. 15, page no. 94 and page no 147 respectively of the Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price has been determined by the Company and the Selling Shareholders in consultation with the LM on the basis of the key business strengths of our Company. The face value of the Equity Shares is Rs. 10 and Issue Price is 51.00 which is 5.10 times of the face value.

QUALITATIVE FACTORS

- Key customer base with reputed international Customers
- Management and Key Managerial Expertise
- Cost effective production and timely fulfillment of orders
- Scalable Business Model

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled *"Our Business"* beginning on page no 94 of the Prospectus.

QUANTITATIVE FACTORS

Information presented below is derived from our Company's Restated Financial Statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. **Basic & Diluted Earnings per share (EPS), as restated:**

S. No	Period	Basic & Diluted (₹)	Weights
1.	FY 2014-15	3.35	1
2.	FY 2015-16	1.81	2
3.	FY 2016-17	3.73	3
	Weighted Average	**3.03**	**6**

*Not Annualized

Notes:

i. The figures disclosed above are based on the restated financial statements of the Company.
ii. The face value of each Equity Share is ₹ 10.00.
*iii. Earnings per Share has been calculated in accordance with **Accounting Standard 20 – "Earnings per Share"** issued by the Institute of Chartered Accountants of India.*
iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.

2. **Price Earning (P/E) Ratio in relation to the Offer Price of ₹ 51.00 per share:**

S. No	Particulars	P/E
1	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2016-17	13.67
2	P/E ratio based on the Weighted Average EPS, as restated for FY 2016-17	16.83

Peer Group P/ E*

S. No	Particulars	P/E
1	Highest (Vardhman Polytex Limited)	583.90
2	Lowest (Sportking India Limited)	0.25
	Industry Composite	23.47

**Source: ACE Equity data dated June 01, 2017.*

Return on Net worth (RoNW)*

S. No	Period	RONW (%)	Weights
1.	FY 2014-15	12.19%	1
2.	FY 2015-16	7.28%	2
3.	FY 2016-17	13.06%	3
	Weighted Average	**10.99%**	

*Restated Profit after tax/Net Worth
Not Annualized

4. Minimum Return on Net Worth after Issue to maintain Pre- Issue EPS

(a) Based on Basic and Diluted EPS, as restated of FY 2016-17 of ₹ 3.73 at the Issue Price of ₹ 51.00 per share:

- 11.80 % on the restated financial statements.

(b) Based on Weighted Average Basic and Diluted EPS, as adjusted of ₹ 3.03 at the Issue Price of ₹ 51.00 per share:

- 9.59% on the restated financial statements.

5. Net Asset Value (NAV) per Equity Share :

Sr. No.	As at	NAV Standalone (₹)
1.	March 31, 2015	69.05
2.	March 31, 2016	74.47
3.	March 31, 2017	28.55
4.	NAV after Issue	31.60
	Issue Price	51.00

6. Comparison of Accounting Ratios with Industry Peers[1]

S. No.	Name of Company	Face Value (₹)	EPS (₹)[3]	PE[4]	RoNW (%)	NAV per Share (₹)
1.	Ashapura Intimates Fashion Ltd.	10.00	7.82	51.59	22.36	44.16
2.	Bella Casa Fashion & Retail Ltd	10.00	3.36	35.74	14.56	20.17
3.	Kewal Kiran Clothing Ltd.	10.00	69.19	24.79	21.97	290.51
4.	Libas Designs Ltd.	10.00	1.21	49.68	29.59	28.84
5.	S.P. Apparels Ltd.	10.00	22.45	18.54	34.34	152.11
6.	Globe Textiles (India) Limited	10.00	3.73	13.67	13.06	28.55

[1] *Source: **ACE Equity data dated June 01, 2017.***
[2] *Based on March 31, 2017 restated financial statements*
[3] *Basic & Diluted Earnings per share (EPS), as adjusted*
[4] *Price Earning (P/E) Ratio in relation to the Issue Price of ₹51.00 per* share.

7. The face value of our shares is ₹ 10.00 per share and the Issue Price is of ₹ 51.00 per share which is 5.10 times of the face value.

8. Our Company and Selling Shareholders in consultation with the Lead Manager believe that the Issue Price of ₹ 51.00 per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the offer Document to have more informed view about the investment.

Investors should read the above mentioned information along with section titled "Our Business", "Risk Factors" and "Financial Information of the Company" beginning on page 94, 15 and 147 respectively including important profitability and return ratios, as set out in "Annexure Q" *to* the Financial Information of the Company on page 176 of the Prospectus to have a more informed view.

STATEMENT OF TAX BENEFITS

To,

The Board of Directors,
Globe Textiles (India) Limited
Plot No. 38 to 41, Ahmedabad Apparel Park,
GIDC Khokhra, Ahmedabad – 380008
Gujarat, India

Dear Sir,

Subject: Statement of possible tax benefits ('the Statement') available to Globe Textiles (India) Limited ("the Company") and its shareholders prepared in accordance with the requirement in SCHEDULE VIII – CLAUSE (VII) (L) of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended ('the Regulation')

We hereby report that the enclosed annexure prepared by the Company, states the possible special Tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares ("the Issue") by the Company.

We do not express any opinion or provide any assurance as to whether: a) The Company or its Equity Shareholders will continue to obtain these benefits in future; or b) The conditions prescribed for availing the benefits have been / would be met with. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Prospectus/ Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Dharmesh Parikh &Co.
Chartered Accountants
Firm Registration No. 112054W

CA Anuj Jain
Partner
Membership No. 119140

Date: 30.03.2017
Place: Ahmedabad

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

A. SPECIAL TAX BENEFITS TO THE COMPANY :-

The following specific tax benefits are available to the Company after fulfilling conditions as per the respective provisions of the relevant tax laws.

Income arising from unit established in Special Economic Zone (SEZ)

As per the provisions of section 10AA of the Act, the eligible units of the Company are eligible to claim a deduction in respect of its profits from export of goods or services as under:

a) 100% deduction for the first five years, beginning with the year in which the unit begins to manufacture goods or provide services;
b) 50% deduction for the next five years (i.e. 6th to 10th year); and
c) 50% deduction for the subsequent five years (i.e. 11th to 15th year), subject to satisfaction of further conditions prescribed for reinvestment in the business.

The deduction under section 10AA of the Act is subject to fulfilment of prescribed conditions specified under the relevant provisions of the Act.

The Company is entitled to claim the deduction under section 10AA of the Act with respect to its manufacturing Unit at **Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad,** which has started to manufacture in the year 2015-16.

However, the aforesaid deductions are not available while computing tax liability of the Company under Minimum Alternative Tax (MAT). Nonetheless, such MAT paid/payable on the book profits of the Company computed in terms of the provisions of IT Act, read with the Companies Act, 2013 would be eligible for credit against tax liability arising under normal provisions of tax post tax holiday period.

Except as above there is no Special Tax Benefits to the Company.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER :- NIL

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.

Global economic outlook

Stalling global trade, weak investment, and heightened policy uncertainty have depressed world economic activity. Global growth is estimated to have fallen to 2.3 percent in 2016— the weakest performance since the global financial crisis and 0.1 percentage point below June 2016 Global Economic Prospects forecasts. Global growth is expected to rise to 2.7 percent in 2017, mainly reflecting a recovery in emerging market and developing economies (EMDEs).

Advanced economies continue to struggle with subdued growth and low inflation in a context of increased uncertainty about policy direction, tepid investment, and sluggish productivity growth. Activity decelerated in the United States and, to a lesser degree, in some other major economies. As a result, advanced-economy growth is now estimated to have slowed to 1.6 percent in 2016, a downward revision of 0.1 percentage point. Advanced-economy growth is expected to recover somewhat, to an average pace of 1.8 percent throughout the forecast period. In the United States, manufacturing activity is expected to rebound, contributing to a modest pickup in growth from 1.6 percent in 2016 to an average of 2.2 percent in 2017-18. This forecast does not incorporate the effects of policy proposals by the new U.S. administration, as their scope and ultimate form are still uncertain. Fiscal stimulus, if implemented, could result in stronger growth outcomes than currently predicted. In the Euro Area and Japan, supportive monetary policies will help stimulate activity throughout the forecast period. Inflation is expected to rise gradually, but it will remain below central banks' target in the Euro Area and Japan throughout the forecast horizon. Anemic growth in advanced economies was accompanied by a further weakening of global trade in 2016. Mitigating these headwinds, commodity prices have stabilized and are projected to increase moderately during 2017-19, providing support for commodity-exporting EMDEs. The rise in U.S. yields since early November has led to a notable tightening of financing conditions for EMDEs, in some cases resulting in significant currency depreciation and portfolio outflows. Despite this tightening, financing conditions still remain generally benign, as major central banks maintain accommodative monetary policies.

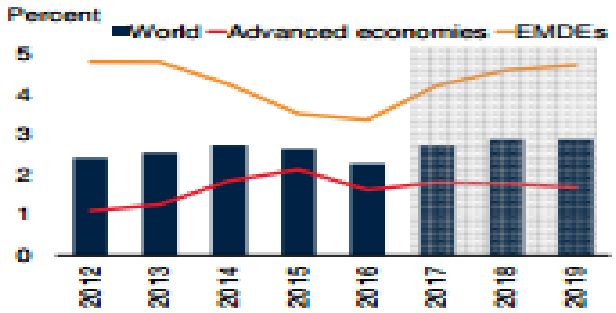
EMDEs grew at an estimated 3.4 percent in 2016, broadly in line with previous expectations. Commodity exporters as a group continued to expand at markedly lower rates than commodity importers. Growth in commodity exporters for 2016 is estimated at 0.3 percent. Improved performance in some large EMDE exporters— including a more rapid bottoming out in the Russian Federation and an easing in the pace of contraction in Brazil—and an increase in commodity prices from their early-2016 lows offset additional weakness in other exporters, most notably in Sub-Saharan Africa. Meanwhile, commodity importers are estimated to have grown 5.6 percent, reflecting resilient domestic demand, low commodity prices, and generally accommodative macroeconomic policies.

EMDE growth is expected to accelerate to 4.2 percent in 2017 and to an average of 4.7 percent in 2018-19. EMDEs are forecast to contribute 1.6 percentage points to global growth in 2017, accounting for about 60 percent of global growth for the first time since 2013. With the anticipated increases in commodity prices, particularly for oil, the divergence in growth outlooks between commodity exporters and importers is set to narrow. The waning effect of currency depreciations in commodity exporters, and of past declines in energy prices for importers, should also narrow differences in inflation between the two groups. That said, the long-term EMDE outlook is clouded by a number of factors—most prominently, uncertainty about global trade prospects and advanced-economy policies, a weakening in potential output resulting from subdued investment, sluggish productivity growth, and demographic factors.

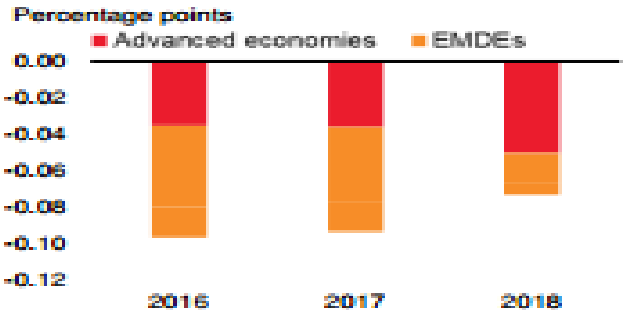
Within the broader group of EMDEs, growth in low-income countries (LICs) is estimated to have decelerated slightly to 4.7 percent in 2016. Some oil and metal exporters slowed sharply, as they continue to struggle to adjust to low commodity prices. In addition, a number of LICs faced domestic headwinds, including droughts, political tensions, and security challenges. However, many

commodity-importing LICs continued to grow solidly. External and domestic conditions should improve gradually, with LICs growth rebounding to 5.6 percent in 2017 and reaching 6.1 percent by 2019.

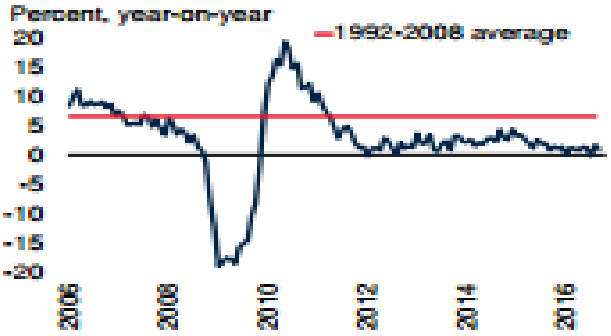
A. Global growth



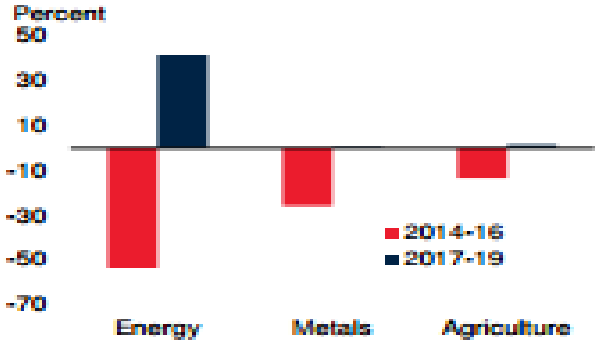
B. Contribution to global growth revisions



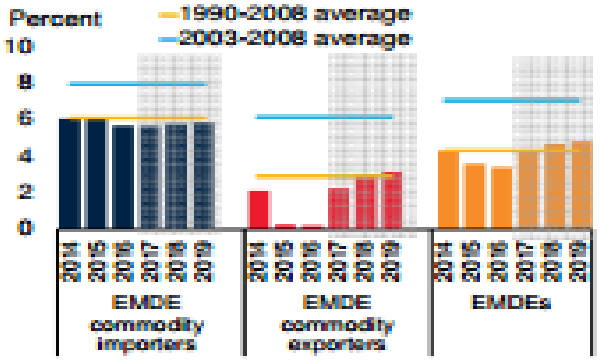
C. Global goods trade growth



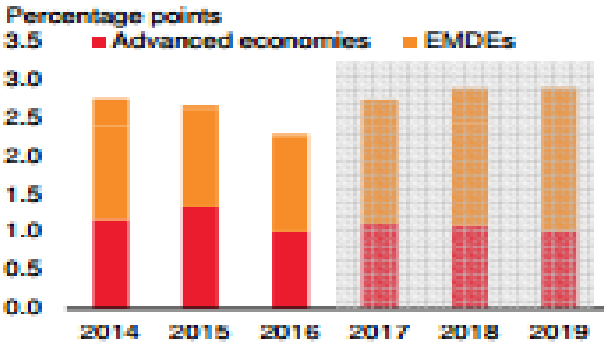
D. Changes in commodity prices



E. Growth by country groups



F. Contribution to global growth

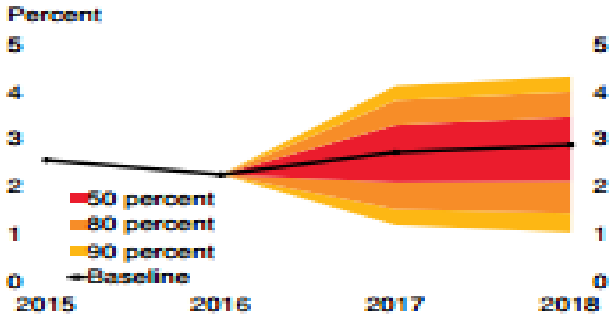


There is substantial uncertainty around baseline projections. For example, while the central forecast for global growth in 2017 is 2.7 percent, there is a 50-percent probability that actual growth will be between 2 percent to 3.2 percent. The materialization of downside risks could derail a fragile global economic recovery. The heightened level of policy uncertainty, especially regarding trade, has been exacerbated by recent political developments—most notably, electoral outcomes in the United States and the United

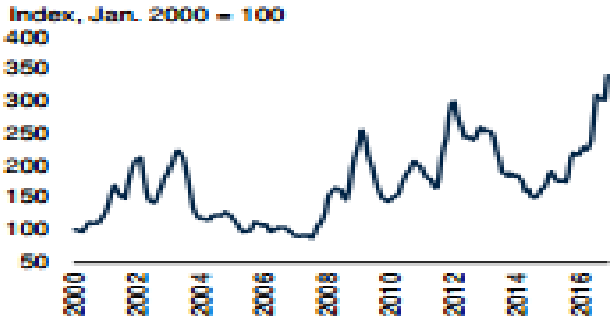
Kingdom. This and other risks— particularly financial market disruptions amid tighter global financing conditions—may be amplified over the medium term by mounting protectionist tendencies, slower potential growth, and elevated vulnerabilities in some EMDEs. However, fiscal stimulus in key major economies could lead to stronger-than-expected activity in the near term and thus represent a substantial upside risk to the outlook—particularly, in the United States, where the new administration has signaled an intention to pursue expansionary fiscal policies, including tax cuts and the facilitation of infrastructure spending.

The sluggish economic outlook underscores the need to implement structural policies that support domestic demand and, especially, reinvigorate investment. In advanced economies, extremely low and negative real equilibrium interest rates constrain the effectiveness of monetary policy and may warrant more supportive fiscal policies. More generally, macroeconomic policies should remain accommodative until evidence of capacity constraints emerge and inflation is on a clear upward trend. In EMDEs, finding an appropriate balance between fiscal adjustment, measures to reduce vulnerabilities, and growth-oriented reforms aimed at raising human capital and physical infrastructure will be challenging for some countries. Policies that boost domestic sources of long-term growth—critically, long-term investment and productivity—are a priority. Investing in human and physical capital will help narrow unmet investment gaps in skills and infrastructure. These policies could be reinforced by efforts to further international integration, such as those that support growth in EMDE services trade, and that create an environment to maximize the benefits of foreign direct investment (FDI).

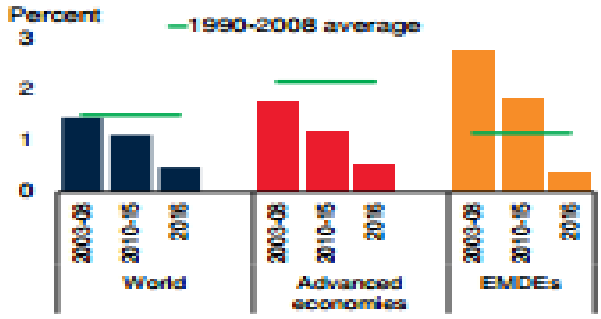
A. Risks to global growth projections



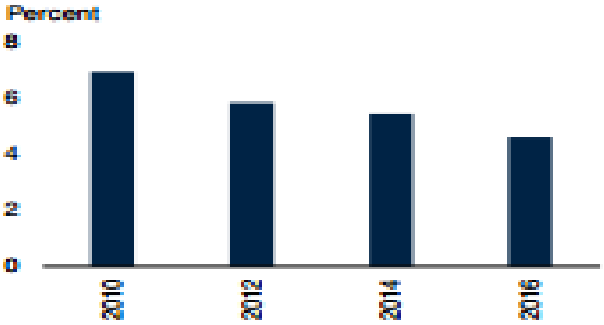
B. Global policy uncertainty

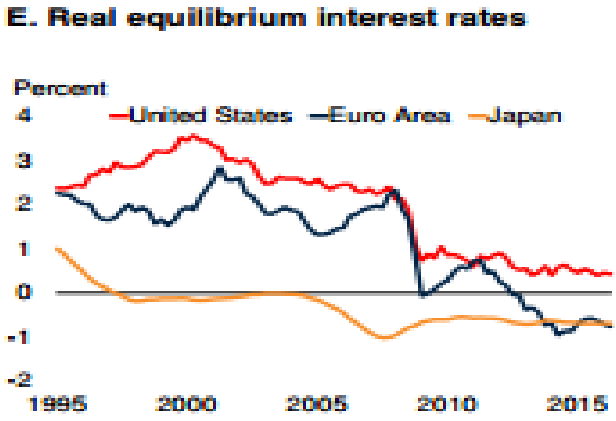


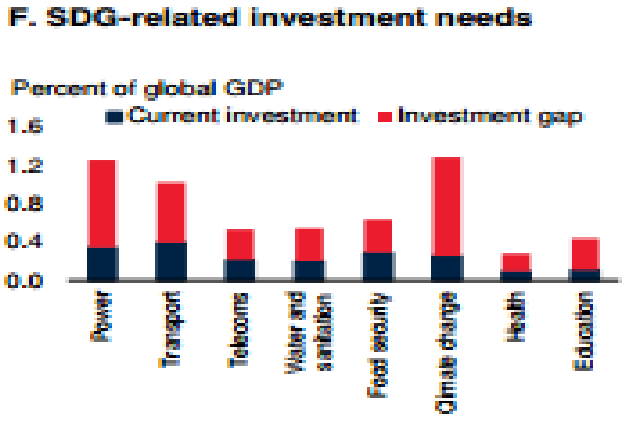
C. Labor productivity growth



D. Five–year ahead investment growth forecasts for EMDEs







Major economies: Recent developments and outlook

Advanced economies continue to be afflicted by weak growth and low inflation, amid rising uncertainty about future policy direction. After slowing to 1.6 percent in 2016, growth is projected to recover somewhat in 2017-19, although the range of possible outcomes has significantly widened after the elections in the United States and the United Kingdom's decision to leave the European Union. In China, projections are unchanged, despite resurfacing concerns about buoyant property markets, as growth slows gradually toward more sustainable levels, with a rebalancing from manufacturing to services.

Across major advanced economies, the deceleration in growth in 2016 to 1.6 percent reflected renewed policy uncertainties, weak external demand, and subdued productivity growth (Figure 1.3). Activity is expected to regain modest momentum in 2017-19, but uncertainty associated with policies of the new administration in the United States and with the United Kingdom's decision to leave the European Union (Brexit) could significantly influence the growth trajectory of advanced economies. Growth projections for 2017 and 2018 have been revised down for the Euro Area and, especially, for the United Kingdom. For the United States, baseline forecasts for 2017 and 2018 are unchanged from June projections, in the absence of specific details about policy changes to be implemented by the new administration. Whereas constraints to monetary policy have intensified, fiscal policy is likely to play a greater role in the coming years. Weak productivity growth and rising demographic pressures, which weigh on labor supply and could contribute to a lower rate of return on capital, continue to constrain long-term prospects.

[Source: http://pubdocs.worldbank.org/en/691391481727525169/Global-Economic-Prospects-January-2017-Global-Outlook.pdf]

Indian Economy Overview

The Economic Survey of 2014-15 spoke about the sweet spot for the Indian economy that could launch India onto a trajectory of sustained growth of 8-10 percent. Last year's Survey assessed that "for now, but not indefinitely, that sweet spot is still beckoningly there." This year's stocktaking suggests that shifts in the underlying vision will be needed to overcome the major challenges ahead, thereby accelerating growth, expanding employment opportunities, and achieving social justice (Chapter 2 in this Survey). In the aftermath of demonetisation, and because cyclical developments will make economic management harder, articulating and embracing those shifts will be critical to ensuring that that sweet spot is enduring not evanescent This year has been marked by several historic economic policy developments. On the domestic side, a constitutional amendment paved the way for the long-awaited and transformational goods and services tax (GST) while demonetisation of the large currency notes signaled a regime shift to punitively raise the costs of illicit activities. On the international front, Brexit and the US elections may herald a tectonic shift, forebodingly laden with darker possibilities for the global, and even the Indian, economy.

Start first with demonetisation. A radical governance-cum-social engineering measure was enacted on November 8, 2016. The two largest denomination notes, Rs 500 and Rs 1000—together comprising 86 percent of all the cash in circulation—were "demonetised" with immediate effect, ceasing to be legal tender except for a few specified purposes.1 These notes were to be deposited in the banks by December 30, while restrictions were placed on cash withdrawals. In other words, restrictions were placed on the convertibility of domestic money and bank deposits. The aim of the action was fourfold: to curb corruption, counterfeiting, the use of high denomination notes for terrorist activities, and especially the accumulation of "black money", generated by income that has not been declared to the tax authorities. The action followed a series of earlier efforts to curb such illicit activities, including

the creation of the Special Investigation Team (SIT) in the 2014 budget, the Black Money Act, 2015; the Benami Transactions Act of 2016; the information exchange agreement with Switzerland, changes in the tax treaties with Mauritius and Cyprus, and the Income Disclosure Scheme.

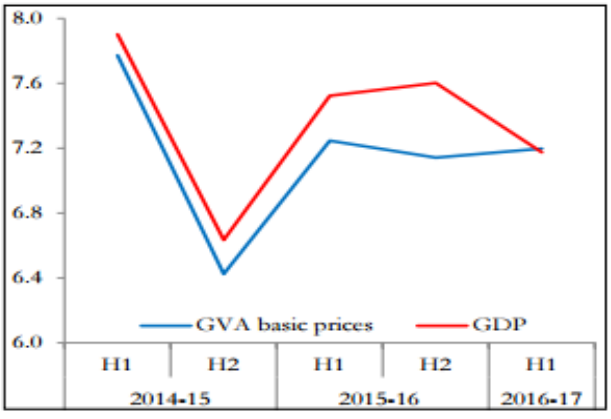
Demonetisation was aimed at signaling a regime change, emphasizing the government's determination to penalize illicit activities and the associated wealth. In effect, the tax on illicit activities as well as on legal activities that were not disclosed to the tax authorities was sought to be permanently and punitively increased. The public debate on demonetisation has raised three questions. First, broader aspects of management, as reflected in the design and implementation of the initiative. Second, its economic impact in the short and long run. And, third, its implications for the broader vision underlying the future conduct of economic policy. This Survey is not the forum to discuss the first question.

Short-term costs have taken the form of inconvenience and hardship, especially those in the informal and cash-intensive sectors of the economy who have lost income and employment. These costs are transitory, and may be minimised in recorded GDP because the national income accounts estimate informal activity on the basis of formal sector indicators, which have not suffered to the same extent. But the costs have nonetheless been real and significant. The benefits of lower interest rates and dampened price pressure may have cushioned the short-term macroeconomic impact At the same time, demonetisation has the potential to generate long-term benefits in terms of reduced corruption, greater digitalization of the economy, increased flows of financial savings, and greater formalization of the economy, all of which could eventually lead to higher GDP growth, better tax compliance and greater tax revenues. The magnitudes of short-term costs remain uncertain, as do the timing and extent of long-term benefits. These magnitudes will depend importantly on how policy responds to the current situation. Needed actions include: demonetizing the economy expeditiously by supplying as much cash as necessary, especially in lower denomination notes; and complementing demonetisation with more incentive-compatible actions such as bringing land and real estate into the GST, reducing taxes and stamp duties, and ensuring that the follow-up to demonetisation does not lead to over-zealous tax administration.

Review of Developments in 2016-17

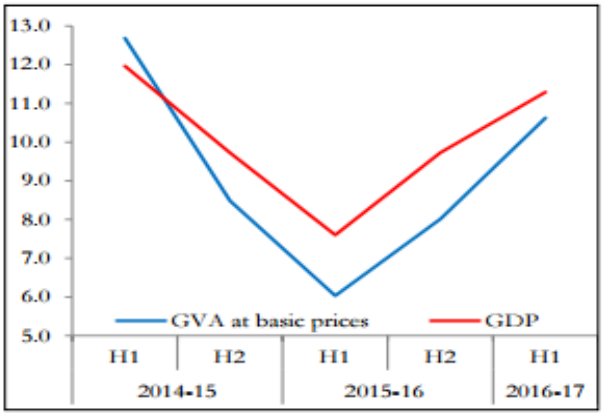
Real GDP growth in the first half of the year was 7.2 percent, on the weaker side of the 7.0-7.75 per cent projection in the Economic Survey 2015-16 and somewhat lower than the 7.6 percent rate recorded in the second half of 2015-16. The main problem was fixed investment, which declined sharply as stressed balance sheets in the corporate sector continued to take a toll on firms' spending plans. On the positive side, the economy was buoyed by government consumption, as the 7th Pay Commission salary recommendations were implemented, and by the long-awaited start of an export recovery as demand in advanced countries began to accelerate. Nominal GDP growth recovered to respectable levels, reversing the sharp and worrisome dip that had occurred in the first half of 2015-16.

Figure 1a. GVA and GDP Growth (Constant Prices)



Source: **CSO**

Figure 1b. GVA and GDP Growth (Current Prices)



Source: **CSO**

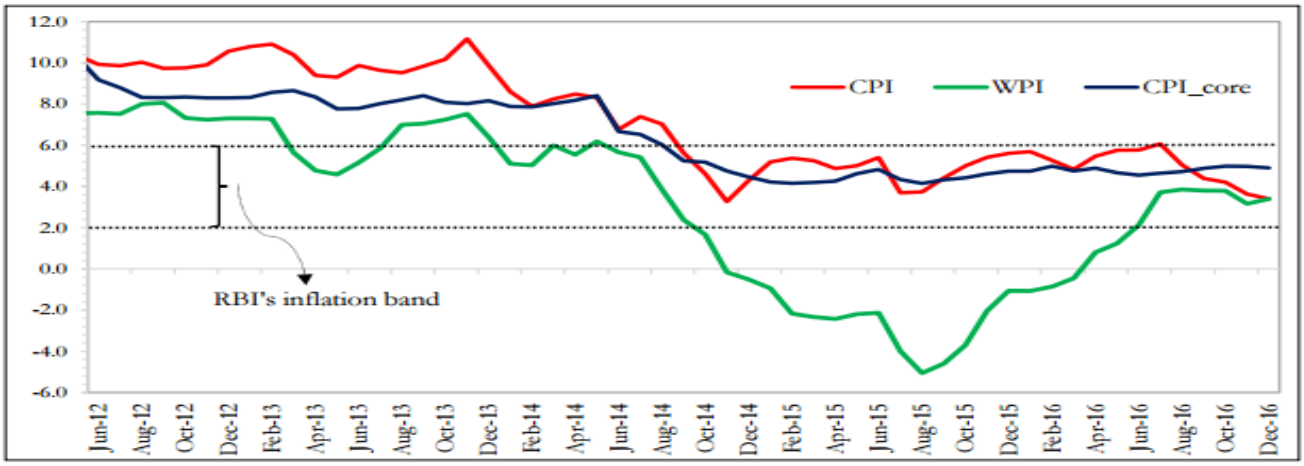
The major highlights of the sectoral growth outcome of the first half of 2016-17 were: (i) moderation in industrial and nongovernment service sectors; (ii) the modest pick-up in agricultural growth on the back of improved monsoon; and (iii) strong

growth in public administration and defence services— dampeners on and catalysts to growth almost balancing each other and producing a real Gross Value Addition (GVA) growth (7.2 per cent), quite similar to the one (7.1 per cent) in H2 2015-16.

Inflation this year has been characterized by two distinctive features. The Consumer Price Index (CPI)-New Series inflation, which averaged 4.9 per cent during April-December 2016, has displayed a downward trend since July when it became apparent that kharif agricultural production in general, and pulses in particular would be bountiful. The decline in pulses prices has contributed substantially to the decline in CPI inflation which reached 3.4 percent at end-December.

The second distinctive feature has been the reversal of WPI inflation, from a trough of (-) 5.1 percent in August 2015 to 3.4 percent at end-December 2016, on the back of rising international oil prices. The wedge between CPI and WPI inflation, which had serious implications for the measurement of GDP discussed in MYEA (Box 3, Chapter 1, MYEA 2015-16), has narrowed considerably. Core inflation has, however, been more stable, hovering around 4.5 percent to 5 percent for the year so far. The outlook for the year as a whole is for CPI inflation to be below the RBI's target of 5 percent, a trend likely to be assisted by demonetisation.

Figure 2. WPI and CPI Inflation



Source: CSO

Outlook for 2017-18

Turning to the outlook for 2017-18, we need to examine each of the components of aggregate demand: exports, consumption, private investment and government. As discussed earlier, India's exports appear to be recovering, based on an uptick in global economic activity. This is expected to continue in the aftermath of the US elections and expectations of a fiscal stimulus. The IMF's January update of its World Economic Outlook forecast is projecting an increase in global growth from 3.1 percent in 2016 to 3.4 percent in 2017, with a corresponding increase in growth for advanced economies from 1.6 percent to 1.9 percent. Given the high elasticity of Indian real export growth to global GDP, exports could contribute to higher growth next year, by as much as 1 percentage point.

The outlook for private consumption is less clear. International oil prices are expected to be about 10-15 percent higher in 2017 compared to 2016, which would create a drag of about 0.5 percentage points. On the other hand, consumption is expected to receive a boost from two sources: catch-up after the demonetisation-induced reduction in the last two quarters of 2016-17; and cheaper borrowing costs, which are likely to be lower in 2017 than 2016 by as much as 75 to 100 basis points. As a result, spending on housing and consumer durables and semidurables could rise smartly. It is too early to predict prospects for the monsoon in 2017 and hence agricultural production. But the higher is agricultural growth this year, the less likely that there would be an extra boost to GDP growth next year.

Since no clear progress is yet visible in tackling the twin balance sheet problem, private investment is unlikely to recover significantly from the levels of FY2017. Some of this weakness could be offset through higher public investment, but that would depend on the stance of fiscal policy next year, which has to balance the short-term requirements of an economy recovering from demonetisation against the medium-term necessity of adhering to fiscal discipline—and the need to be seen as doing so.

Putting these factors together, we expect real GDP growth to be in the 6¾ to 7½ percent range in FY2018. Even under this forecast, India would remain the fastest growing major economy in the world. There are three main downside risks to the forecast. First, the extent to which the effects of demonetisation could linger into next year, especially if uncertainty remains on the policy response. Currency shortages also affect supplies of certain agricultural products, especially milk (where procurement has been low), sugar (where cane availability and drought in the southern states will restrict production), and potatoes and onions (where sowings have been low). Vigilance is essential to prevent other agricultural products becoming in 2017-18 what pulses was in 2015-16.

Second, geopolitics could take oil prices up further than forecast. The ability of shale oil production to respond quickly should contain the risks of a sharp increase, but even if prices rose merely to $60-65/barrel the Indian economy would nonetheless be affected by way of reduced consumption; less room for public investment; and lower corporate margins, further denting private investment. The scope for monetary easing might also narrow, if higher oil prices stoked inflationary pressure. Third, there are risks from the possible eruption of trade tensions amongst the major countries, triggered by geo-politics or currency movements. This could reduce global growth and trigger capital flight from emerging markets. The one significant upside possibility is a strong rebound in global demand and hence in India's exports. There are some nascent signs of that in the last two quarters. A strong export recovery would have broader spillover effects to investment.

[Source: http://finmin.nic.in/indiabudget2017-2018/es2016-17/echapter.pdf]

Textiles Industry

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 11 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. The textile industry has two broad segments. First, the unorganised sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organised sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale. The textile industry employs about 40 million workers and 60 million indirectly. India's overall textile exports during FY 2015-16 stood at US$ 40 billion.

Market Size

The Indian textiles industry, currently estimated at around US$ 108 billion, is expected to reach US$ 223 billion by 2021. The industry is the second largest employer after agriculture, providing employment to over 45 million people directly and 60 million people indirectly. The Indian Textile Industry contributes approximately 5 per cent to India's Gross Domestic Product (GDP), and 14 per cent to overall Index of Industrial Production (IIP).

The Indian textile industry has the potential to reach US$ 500 billion in size according to a study by Wazir Advisors and PCI Xylenes & Polyester. The growth implies domestic sales to rise to US$ 315 billion from currently US$ 68 billion. At the same time, exports are implied to increase to US$ 185 billion from approximately US$ 41 billion currently.

Investments

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US$ 1.85 billion during April 2000 to March 2016.
Some of the major investments in the Indian textiles industry are as follows:

- Trident Group, one of the leading manufacturers and exporters of terry towel, home textile, yarn and paper in India, has entered into a partnership with French firm Lagardere Active Group, to launch a premium range of home textiles under the renowned French lifestyle brand Elle Décor in India.

- The Clothing Manufacturers' Association of India (CMAI) has signed a memorandum of understanding (MOU) with China Chamber of Commerce for Import and Export of Textiles (CCCT) to explore potential areas of mutual co-operation for increasing apparel exports from India.

- The Department of Handlooms and Textiles, Government of India, has tied up with nine e-commerce players and 70 retailers to increase the reach of handlooms products in the Indian market, which will generate better prices and continuous business, besides facilitating direct access to markets and consumers for weavers.

- The Union Ministry of Textiles, which has set a target of doubling textile exports in 10 years, plans to enter into bilateral agreements with Africa and Australia along with working on a new textile policy to promote value addition, apart from finalising guidelines for the revised Textile Upgradation Fund Scheme (TUFS).

- The Government of India has started promotion of its 'India Handloom' initiative on social media like Facebook, Twitter and Instagram with a view to connect with customers, especially youth, in order to promote high quality handloom products.

- Subsidies on machinery and infrastructure

  The Revised Restructured Technology Up gradation Fund Scheme (RRTUFS) covers manufacturing of major machinery for technical textiles for 5 per cent interest reimbursement and 10 per cent capital subsidy in addition to 5 per cent interest reimbursement also provided to the specified technical textile machinery under RRTUFS.

  Under the Scheme for Integrated Textile Parks (SITP), the Government of India provides assistance for creation of infrastructure in the parks to the extent of 40 per cent with a limit up to Rs 40 crore (US$ 6 million). Under this scheme the technical textile units can also avail its benefits.

  The major machinery for production of technical textiles receives a concessional customs duty list of 5 per cent.

  Specified technical textile products are covered under Focus Product Scheme. Under this scheme, exports of these products are entitled for duty credit scrip equivalent to 2 per cent of freight on board (FOB) value of exports

- The Government of India has implemented several export promotion measures such as Focus Market Scheme, Focus Product Scheme and Market Linked Focus Product Scheme for increasing share of India's textile exports.

- Under the Market Access Initiative (MAI) Scheme, financial assistance is provided for export promotion activities on focus countries and focus product countries.

- Under the Market Development Assistance (MDA) Scheme, financial assistance is provided for a range of export promotion activities implemented by Textiles Export Promotion Councils.

- The government has also proposed to extend 24/7 customs clearance facility at 13 airports and 14 sea ports resulting in faster clearance of import and export cargo.

- The Ministry of Textiles has approved a 'Scheme for promoting usage of geotechnical textiles in North East Region (NER)' in order to capitalise on the benefits of geotechnical textiles. The scheme has been approved with a financial outlay of Rs 427 crore (US$ 63.67 million) for five years from 2014-15.

Road Ahead

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The organised apparel segment is expected to grow at a Compound Annual Growth Rate (CAGR) of more than 13 per cent over a 10-year period.

[Source: - http://indiainbusiness.nic.in/newdesign/index.php?param=industryservices_landing/351/1]

India's Textiles and clothing exports:

India's textiles and clothing industry is one of the mainstays of the national economy. It is also one of the largest contributing sectors of India's exports worldwide. The report of the Working Group constituted by the Planning Commission on boosting India's manufacturing exports during 12th Five Year Plan (2012-17) envisages India's exports of Textiles and Clothing at US$ 64.41 billion by the end of March, 2017. The textiles industry accounts for 14% of industrial production, which is 4% of GDP; employs 45 million people and accounts for 13% share of the country's total exports basket. India is major exporting country as far as textile sector is concerned and not dependent on import. Majority of import takes place for re-export or special requirement. In the global exports of clothing, as per the UN Comtrade, 2013 data released in June 2014 India is ranked as 2nd largest Textile and Clothing exporter in globe with USD 40 bn. while in clothing exports India was ranked 6th largest exporters amongst all exporting countries

with worth of USD 15.7 bn. clothing exports. As per UN Comtrade China is largest T&C exporter followed by India, Italy, Germany, Bangladesh and Turkey in 2013 while in clothing export category China, Bangladesh, Italy, Germany, Vietnam and India are the major exporters in their respective position.

The year 2014-15 began with a challenging note for export of Indian T&C products in a difficult economic backdrop as the world was emerging from the shadows of a grim recessionary period as in 2013-14. However concerted efforts were made to reverse the trend in 2014-15. The Ministry of Textiles remained conscious of the fact that textile export is not just an end itself but means of providing gainful employment to millions of people in the country. To address these issues and reverse the trend of declining exports, a multi-pronged strategy was adopted by the Ministry of Textiles. The Ministry significantly stepped up external economic engagement with the other information and negotiated a number of bilateral agreements to gain significant market access. Various procedural bottlenecks in exports were also addressed while supporting the textiles exports sector through various provisions of the Foreign Trade Policy and the other policy initiatives to enable the sector to increase market share in the global textiles markets. As a result of focused efforts made by the Ministry of Textiles, not only the declining trend of textile exports was arrested but a significant growth in export was witnessed during 2014-15.

[Source:- http://texmin.nic.in/sites/default/files/note_on_indian_textile_and_clothing_exports_intl_trade_section_0.pdf]

Indian Textile Industry By 2025

India has its own textile raw materials; in fact, the country has a surplus of textile raw materials whether it is cotton or man-made fibres. The spinning/weaving capacity built over the years has resulted in low cost of production per unit in India's textile industry. This has given a strong competitive advantage to the country's textile exporters in comparison to key global competitors. The sector has also witnessed increasing outsourcing over the years, as Indian players adjusted themselves up in the value chain from being mere converters to brand partners of global retail giants. The same is getting reflected in increasing value of exports.

The Indian textile industry has enjoyed parity between international and domestic cotton prices and this advantage needs to be sustained for further development of the cotton textile value chain. India's growing population has been a key driver of textile consumption growth in the country. The increase in young population complemented with an increasing female workforce has resulted in changing of tastes, preferences and fashion. The country's population has increased with a CAGR of 1.5% in the last 13 years and at CAGR of 1.8% from 1980. Presently (2013), the population is around 1.25 billion.

The domestic textile and apparel industry is projected to grow at a CAGR of 12% for the next 10 years, so as to reach a level of US $350 billion. Encouraged by the turnaround in the textile exports, India is expected to grow at a CAGR of 20% for the next 10 years so as to reach a level of US $300 billion. India's share can reach 20% of the global textile and apparel trade from a present level of 5.2% in 2013. The Government of India has envisioned an investment in this sector to the extent of US $120 billion for the next 10 years to create additional employment of 35 million jobs.

[Source: www.caionline.in/download_publication/391]

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year. In this section, a reference to the "Company" or "we", "us" or "our" means Globe Textiles (India) Limited.

All financial information included herein is based on our "Financial information of the Company" included on page 147 of this Prospectus.

OVERVIEW

Globe Textiles (India) Limited was established in the year 1995 and engaged in manufacturing of Garments, cotton printed fabrics, home textiles and fancy fabrics. Our Company's manufacturing activities are undertaken at three different units situated at:-

- Unit I - Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad – 380008, Gujarat, India
- Unit II - Godown No 3, Matiya Estate, Piplej Pirana Road, Taluka Mouje Village, Narol, Ahmedabad - 382405, Gujarat, India.
- Unit III - Godown No. 22, 23 & 24 Taluka Mouje Village, Saijpur, Gopalpur, Narol Ahmedabad - 382405, Gujarat, India.

Our Company caters both domestic as well as international markets. Our Company has also been recognized by Government of India as a "One Star Export House" and holds a valid certificate from September, 2016 till September, 2021 from the Director General of Foreign Trade. Also we have, over the years, received many accolades such as our manufacturing units are an OKO-TEX certified textiles units for manufacturing of fabrics and home textiles. Our company majorly focuses in high quality of fabrics and garments across globe utilizing best technology, delivering quality textiles at the most competitive prices and maintaining long term association with our clients.

Our Company was founded by Mr. Suryakant Hiralal Parikh along with Mr. Vijaybhai Shah, Mr. Dilipbhai Adesara and Mr. Dilipbhai Pandya in the year 1995 and presently promoted by Mr. Bhavik Suryakant Parikh and Mr. Bhavin Suryakant Parikh who have experience of about two decades in textiles business. The vast experience of the Promoters has been instrumental in determining the vision and growth strategies for our Company. We further believe that our market position has been achieved by adherence to the vision of our Promoters and senior management team and their experience of over decades in the textiles and textiles products.

Further, our on-going manufacturing units are equipped with all equipment and facilities for manufacturing of fabrics along with all the other allied equipments. Our Company is also engaged in trading of yarns, denims and Non denims fabrics, Shirting fabrics and Jeans. Also we perform job work for many clients. Our Company based on its experience and its standards, conforms to major specifications and customer requirements. We firmly believe in benchmark product quality, customer centric approach, people focus, ethical business practices and good corporate citizenship.

We have been developing a marketing strategy for our products. Our Company's proficiency lies in understanding the prevailing trends in all the products which we market in addition to the buying preferences of our consumers and accordingly manufacture quality fabrics to assure them of product quality, comfort and fit uniformity. Further, our experience also lies in identifying the gaps and foraying into the untapped market of garment segments with distinct products. Further our Company has appointed Business and Commission Agents for Middle East/ Gulf Countries to increase the presence in foreign countries.

For the period ended March 31, 2017 our Company's Total Income and Restated Profit after Tax was Rs. 19186.26 Lacs and Rs. 324.71 Lacs, respectively. For the year ended March 31, 2016, our Company's Total Income and Restated Profit after Tax were Rs. 18315.55 Lacs and Rs. 157.27 Lacs, respectively. For the year ended March 31, 2015, our Company's Total Income and Restated Profit after Tax was Rs. 17526.15 Lacs and Rs. 244.23 Lakhs respectively, compared to our Company's Total Income and Restated Profit after Tax of Rs 16630.44 Lacs and Rs. 223.45 Lacs respectively, over previous year ended i.e. March 31, 2014.

COMPETITIVE STRENGTHS

Our principal competitive strengths are:

We have a key customer base with reputed international Customers

Our long-standing relationship with our major customers has been one of the most significant factors contributing to our growth. Our commitments to quality and customer service practices have been strong contributing factors to our robust customer relations. Over the years, we have steadily developed a robust base of international customers for our products in south-east Asian and gulf countries. Even though we do not have any long-term supply agreements with them, we have continually received repeat business from many of our international customers. This indicates their level of confidence in our ability to understand latest trends and ensure timely delivery of quality products.

Management and Key managerial Expertise

Our Directors and Key managerial persons are engaged in the Textiles business, have a proven background and rich experience of more than 20 years in the Textile industry. Also, our Company is managed by a team of experienced personnel. The team comprises of personnel having operational and business development experience. We believe that our management team's experience and their understanding of the textile industry will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business, including significant competition, the global economic crisis and fluctuations in fuel prices.

Cost effective production and timely fulfillment of orders

Our Company has taken various steps in order to ensure adherence to timely fulfillment and also to achieve greater cost efficiency as timely fulfillment of the orders is a prerequisite in our industry. These steps include identifying quality yarn, smooth labour relations, use of an efficient production system and ability to meet large and varied orders due to our capacity and linkages with raw material suppliers. Our Company also has enjoyed good relations with our suppliers and as a consequence have the benefit of timely supplies of the raw materials which has been one of the major reasons why we have been able to achieve timely fulfillment of orders of our customers. Our Company constantly endeavors to implement an efficient procurement policy for inputs required for production so as to ensure cost efficiency in procurement which in turn results in cost effective production.

Scalable Business Model

Our business model is order driven and focus on maximum capacity utilization, developing linkages with quality raw material suppliers and achieving consequent economies of scale. We believe that this business model has proved successful and scalable for us in the last few financial years. We can scale upward as per the requirement generated by our Company. The business scale generation is basically due to the development of new markets both international and domestic, by adopting aggressive marketing of the product, innovation in the product range and by maintaining the consistent quality of the product.

OUR STRATEGIES

The primary elements of our growth strategies are set forth below.

Expand our product portfolio to cater to consumer preferences

We aim to leverage our existing suite of products, knowhow and manufacturing capabilities to produce niche and higher-margin products. We believe that, given our manufacturing capacity and expertise, we would be able to produce and sell such fabrics at competitive prices compared to the international export markets. In the long run, we may also intend to enter into new product lines and target new consumer segments. We believe that such initiatives will optimally diversify our business and products portfolio and enable access to new markets.

Creativity

Our Company has always been driven by the quest to develop something new and constantly strives to develop better products which appeal to our constantly growing customer base. Also our company provides mix and match to attract our customers and dealers. Our Company's forte lies in its ability to translate its vision into realities using, technology and personnel who successfully supervise each new venture undertaken.

Expand our distribution network and export sales

Our historically developed distribution in domestic and international market has been critical to our growth. We intend to continue developing and nurturing existing market, and create new distribution channels in under and non-penetrated geographies. We aim to further develop our domestic sales networks in those territories where there are lower transportation costs and those which have a significant demand of our products, where we can sell at price-points that can effectively offset higher transportation costs. Such expansion plans are intended to be effected by in-house examination of the market potential of various territories and our available

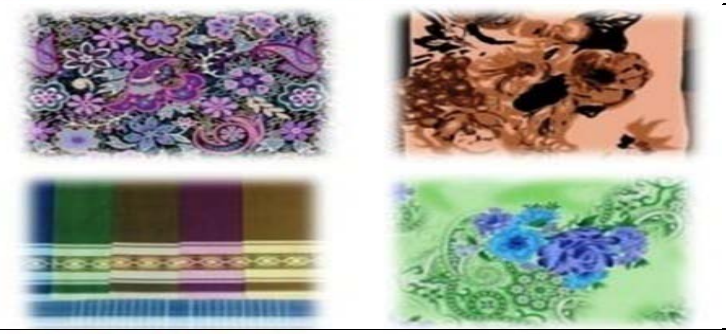
distribution network in such geographies. For our international export business, we intend to upscale our export operations to sell higher volumes of our products.

Invest in infrastructure and technology

Our Company believes in making investments for continuously achieving higher levels of excellence in its products and implement dynamic and diverse specifications of our customers. We have invested significantly in equipping our manufacturing facilities with the latest and specialized infrastructure and modern technology. We want to continue to work towards the upgradation and modernization of our infrastructure and technology.

OUR PRODUCTS

We have developed variety of Products as below:-

S.No.	Name of Products	Description	
1.	Garments		Garments include Denims and Non Denims garments they are made from many different fabrics and yarns and their characteristics depend of type of cloths. This includes Jeans, Shirting, work wear and leisure wear.
2.	Fancy Fabrics		Fancy Fabrics includes light weight fabrics such as polyster's print, polysters dyed, chadri voile, scarfs, sarongs, cotton prints and cotton dyed.
3.	Home Textiles		Home textiles includes beds sets and sheets, bed spreads, flat in cotton and microfiber fitted sheets alongside other furnishings and accessories like curtain, table linen/runner nakins and tray cloths

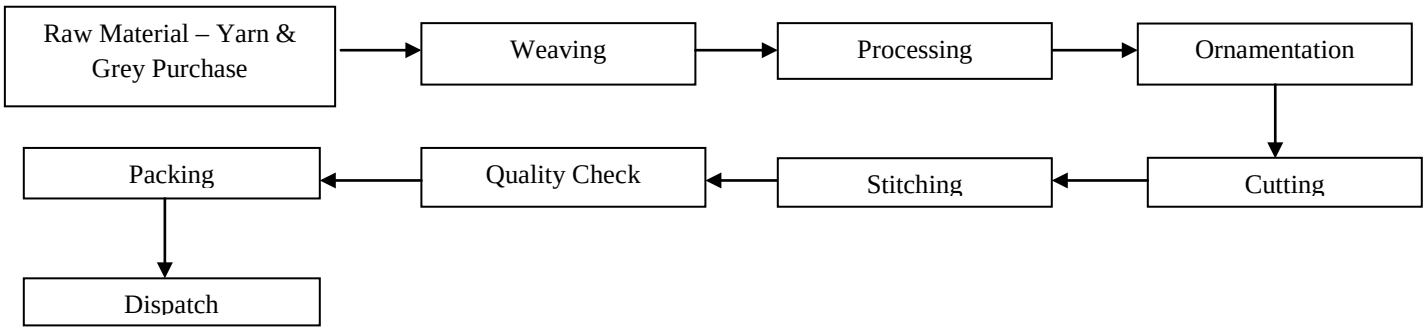
Salient Features of Our Products:-

- Blended fabrics i.e. Cotton, Polyester and viscose
- Excellent comfort
- Eco-friendly Products
- Wide range of Fabric Varieties
- Non-allergenic natural Fibre

Our Location:-

Registered Office	Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad -380008, Gujarat, India
Factory	Unit I - Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad -380008, Gujarat, India Unit II - Godown No 3, Matiya Estate, Piplej Pirana Road, Taluka Mouje Village, Narol, Ahmedabad - 382405, Gujarat, India. Unit III - Godown No. 22, 23 & 24 Taluka Mouje Village, Saijpur, Gopalpur, Narol Ahmedabad - 382405, Gujarat, India.
Godown	Godown No. 7, 8, 9, 10, 11 & 19, Taluka Mouje Village, Saijpur, Gopalpur, Narol, Ahmedabad - 382405, Gujarat, India. Godown No. 21, Taluka Mouje Village, Saijpur, Gopalpur, Narol, Ahmedabad - 382405, Gujarat, India.
Marketing Office	Office No. 601, 6th Floor, Sai Plaza, Andheri Kurla Road, Sakinaka, Mumbai-400072, Maharashtra, India

MANUFACTURING PROCESS FLOW CHARTS:-



STEPS INVOLVED IN MANUFACTURING PROCESS OF FABRICS:-

1. **Procurement of Yarn & fabrics: -** Our Company purchases yarn and fabrics from the local market. Our Company uses man-made yarns like polyester, nylon, viscose, metallic yarn, etc. to manufacture synthetic fabrics. These raw materials are received on paper tubes, packed in cartons.

2. **Weaving: -** Weaving is the process of fabric manufacturing technology. The final product of weaving i.e. fabric is obtained by interlacing of warp & weft yarns disposed in perpendicular direction. The wrap yarns are placed in the longitudinal in woven fabrics & the weft yarns are used for cross wise interlacing with the warp yarns. Cloth is produced on looms. The basic purpose of any loom is to hold the warp threads under tension to facilitate the interweaving of the weft threads through shuttle. The precise shape of the loom and its mechanics may vary, but the basic function is the same.

3. **Processing: -** At this Stage, the finish fabric is being processed with use of chemicals and dyed solution. The grey fabric comes into its final finish shape. Grey Fabrics are passed through several water intensive wet processing stages. These processes enhance the appearance, durability and serviceability of the fabric and make the fabric worth of apparel making. At processing stage various properties/qualities are developed which make the grey fabrics in its usable/acceptable form. In our Case the processing of grey fabrics are outsourced on job work basis from local market.

4. **Ornamentation: -** fabrics are often combined with embroidery and other ornamentation techniques to obtain a final decorative and functional artefact. At this stage the fabric is converted into various design and patterns for making the garments.

5. **Cutting & Stitching: -** The fabrics are cutted in appropriate pieces and sizes for stitching of garments. Stitching are the fundamental elements of sewing, knitting, embroidery, crochet, and needle lace-making, whether by hand or machine.

6. **Quality Check, Packing and Dispatch: -** Our Company continuously monitors quality assurance and timely supply of the materials. This stage also involves cutting and removing loose threads, checking the product for any defects, making minor alterations, ironing and folding the products as per pre agreed sizes. This is an important stage because packing plays a very important role in attracting the customer's attention. Further after quality check and dispatch all products are segregated as per

their specifications, designs and order details. These are then dispatched as per the shipping instructions of the customers to multiple locations.

CAPACITY UTILISATION

Particulars	Existing		Proposed		
	2015-16	2016-17	2017-18	2018-19	2019-20
Total Installed Capacity (Mtr)	576000	900000	900000	900000	900000
Capacity Utilization (in %)	50.12%	70%	85%	85%	90%

Note: The total installed capacity for the year 2014-15 is not available as the total production before the year 2015-16 was undertaken by Job work from third party.

PLANT & MACHINERY:-

We have installed sufficient Plant and Machinery in all the manufacturing units such as High speed needle lock stitch machine, Automatic pocketseter, pocket creasing machine, Needle lockstitch Machine, automatic thread trimmer, Automatic Sewing Machine, Power driven Cloth Cutting machine, automatic fabric spreading machine, needle double chain stitch flatbed Machine, automatic thread trimmer auto lifter, automatic belt loop Machine, Lockstitch Edge cutter machine, industrial sewing Machine, Button Attached machine, apparel Inkjet with cutter plotter, power operated over lock machine, computer controlled cycle machine.

COLLABORATIONS/TIE UPS/ JOINT VENTURES:-

Except as disclosed in this Prospectus and normal course of business, we do not have any Collaboration/Tie Ups/ Joint Ventures as on date.

EXPORT OBLIGATION:

Our Company does not have any export obligation as on date except as below:-

Particulars	Authorization Date	Duty Saved	Remarks
Import of Capital Goods	14.10.2016	14,29,962	Export Obligation under EPCG Scheme is required to be fulfilled by export of goods manufacture by us which is equal to six times of the total duty saved on import of capital goods, to be fulfilled in 6 years (Block year 1st to 4th year – 50% and 5th to 6th year – 50%) reckoned from authorization issue date

SALES AND MARKETING:-

Marketing is an important function of our organization. Our success lies in the strength of our relationship with our customers who have been associated with our Group for a long period. Our promoter & Director, Mr. Bhavik Suryakant Parikh and our Director Mr. Nilaybhai Jagdishbhai Vora, through their vast experience and good rapport with clients owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform for our Company. To retain our customers, we regularly interact with them and focus on gaining an insight into the designs and other additional needs of such customers. With large sales potential, low infrastructure costs, raw material proximity and the availability of professional expertise of our Promoters, we plan to grow geographically.

Also our Company has entered with Business & commission Agent Agreement with agent for Middle East/ Gulf Countries for marketing of textiles goods & Garments manufacturing by the Company. The company sells the final fabrics in the foreign market, mainly in the Gulf countries and south-east Asia mainly targeting ladies wear. Our Director Mr. Nilaybhai Jagdishbhai Vora is used to take a regular visit to these foreign countries and give all after sale services to the customer and take feedback for further improvements. The Company is holding regular repetitive orders from the customer. We are currently exporting our products to the countries such as Bangladesh, Colombia, Egypt, Georgia, Hong Kong, Israel, Kuwait, Lebanon, Malaysia, Myanmar, Saudi Arabia, Sri Lanka, Thailand, Uruguay, Vietnam, Yemen, UAE, Germany, Cambodia, Dominican Republic, Ethiopia, Guatemala, Iraq, Panama and South Korea.

Below are the details of the Country wise revenue:-

Particulars	31-Mar-17	31-Mar-16
Exports Sales:		

BANGLADESH		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	24661767	40032586
COLOMBIA		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	9590	534720
EGYPT		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	-	10482802
GEORGIA		
Home Textiles (includes beds sets and sheets, bed spreads, curtain, table linen/runner nakins and tray cloths)	-	5588668
HONG KONG		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	-	58565156
ISRAEL		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	4342325	5264258
Home Textiles (beds sets and sheets, bed spreads, curtain, table linen/runner nakins and tray cloths)	117585446	102668800
KUWAIT		
Garments (includes Jeans, Shirting, work wear and leisure wear)	3646736	10906751
LEBANON		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	-	4713696
MALAYSIA		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	29924239	44844701
MYANMAR		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	125234439	290694352
SAUDI ARABIA		
Garments (includes Jeans, Shirting, work wear and leisure wear)	58293787	122520436
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	-	10434929
Home Textiles (includes beds sets and sheets, bed spreads, curtain, table linen/runner nakins and tray cloths)	3374209	-
SRI LANKA		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	4494656	2268724
THILAND		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	169528956	152158859
URUGUAY		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	-	2136014
VIETNAM		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	-	203903
YEMAN		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	6317595	2126048
UAE		
Garments (includes Jeans, Shirting, work wear and leisure wear)	168197143	163676530
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	70472257	55206620
GERMANY		
Home Textiles (includes beds sets and sheets, bed spreads, curtain, table linen/runner nakins and tray cloths)	5008129	4530408
COMBODIA		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	729338	-
DOMINICAN REPUBLIC		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	15245013	-
ETHOPIA		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	1930019	-
GAUTEMALA		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	15550591	-

IRAQ		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	111606502	-
PANAMA		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	15669650	-
SOUTH KOREA		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	4537950	-
DOMESTIC SALES		
Garments (includes Jeans, Shirting, work wear and leisure wear)	-	1033495
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	848550658	652947818
Home Textiles (includes beds sets and sheets, bed spreads, curtain, table linen/runner nakins and tray cloths)	30976612	-

***Marketing Strategy*:**

We intend to focus on following marketing strategies:

1. Focus on existing markets and increasing our customer base.
2. Appointment of Dealers &Wholesaler in new market.
3. Emphasizing on providing Value Added Services.
4. Continuously holding markets Trends.

COMPETITION:-

Much of the market in which we operate is unorganized and fragmented with many small and medium-sized entities. We face substantial competition for our products from other manufacturers in domestic market. Our competition varies for our products and regions. We compete with other manufacturers on the basis of product range, product quality, and product price including factors, based on reputation, regional needs, and customer convenience. While these factors are key parameters in client's decisions matrix in purchasing goods; product range, product quality and product price is often the deciding factor in most deals. Some of our major competitors are:-

- Ashapura Intimates Fashion Ltd.
- Bella Casa Fashion & Retail Ltd.
- Kewal Kiran Clothing Ltd.
- Libas Designs Ltd.
- S.P. Apparels Ltd.

INFRASTRUCTURE & UTILITIES:-

Raw Materials:-
The major raw material used in the manufacturing of the garments, fancy fabrics and home textile products are fabrics and yarns. We have not entered into any long tern supply contracts for the supply of the fabrics and the yarns. The fabrics and the yarn are procured from local suppliers available in region of Ahmedabad which is cost efficient and easily available. Further, the raw materials used for the processing of the grey fabrics are also procured from the local supplies available.

Power:-
The requirement of power for our operations, like power for lighting and operating the machinery/equipment is met through Torrent Power Limited for all the Units.

Water:-
Water requirement for the manufacturing and allied processes is very minimal and the same is procured locally by way of existing water supply network in that area.

Human Resource:-
As on March 31, 2017 our Company has 365 employees including Senior Management, Middle level and workers. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Further our company hires causal worker for factories on contract. Our manufacturing processes include skilled/ semi-skilled/ unskilled resources together with our strong management team have enabled us to successfully implement our growth plans.

INSURANCE:-

We maintain a range of insurance policies to cover our assets, risks and liabilities. Substantially all of our insurance policies related to our registered office and factories provide appropriate coverage in relation to fire, explosions, Burglary and Personal Accident Insurance. We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We believe that the amount of insurance coverage presently maintained by us represents an appropriate level of coverage required to insure our business and operations and is in accordance with the industry standard in India.

PROPERTY:-

Intellectual Property:-

Set forth below are the trademarks registered/abandoned/objected in the name of our Company under the Trademarks Act, 1999:-

S.No.	Logo/ Trademark	Class	Nature of Trademark	Owner	Application No. & Date	Remark
1.	Trademark	24		Globe Textiles (India) Pvt. Ltd.	2980663 05/06/2015	Advertisement before Acceptance
2.	Trademark	24		Globe Textiles (India) Pvt. Ltd.	2860665 10/12/2014	Objected
3.	Trademark	25		Globe Textiles (India) Pvt. Ltd.	2860666 10/12/2014	Objected
4	Trademark	25		Globe Textiles (India) Pvt. Ltd.	2980664 05/06/2015	Advertisement before Acceptance

The Details of Domain Name registered on the name of the Company is:-

S.No.	Domain Name and ID	Sponsoring Registrar and IANA ID	Registrant Name, and Address	Creation Date	Registration Expiry Date
1.	Domain Name: www.Globetextiles.Net Registry Domain ID: 1655361837_DOMAIN_NET-VRSN	Registrar: ENOM, INC. Registrar IANA ID: 48	Registrant Name: WEB MASTER Address:- B-502 Aagarwal Apartment, Nr. Anand Nagar, Satellite, Ahmedabad	10/05/2011	10/05/2018

IMMOVABLE PROPERTY:-

Details of our properties are as follows: -

Registered Office and Units:-

S.No.	Details of the Property	Use	Owned/ Leased/License	Lessor	Consideration/ Lease Rental/ License Fees (Rs.)
1.	Plot No. 38, 39, 40 and 41 in the Ahmedabad apparels park, GIDC Khokhra consisting of revenue Survey No. 29, 31, 32/P within the Village Limit of Mithipur Taluka City, District	Registered office & Unit - I	Leased	Gujarat Industrial Development Corporation	Lease Deed dated 03.12.2013 for a period of 30 years from 29.11.2012 to 28.11.2042 executed between Gujarat Industrial Development Corporation and Globe Textiles (India) Private Limited on the allotment price of Rs. 4,91,40,000/-

	Ahmedabad containing by admeasurements 11702.65 Sq meters.				(Rupees Four Crore Ninety One Lacs and Forty Thousand Only) and to pay the annual rental of Rs. 14/- (Rupees Fourteen Only).
2.	Godown No 3, Matiya Estate, Piplej Pirana Road, Taluka Mouje Village, Narol, Ahmedabad	Unit - II	Leased	Navdhanbhai Mumanbhai Bharwad aged around 35, resident of New Bharwad Vas, Village Piplaj, Pirana Road, Opposite Bus Stand, Narol, Ahmedabad	Leave and License Agreement dated 25.11.2015 for a period of 3 years beginning from 01.11.2015 to 01.11.2018 executed between Navdhanbhai Mumanbhai Bharwad and Globe Textiles (India) Private Limited on a monthly rental of Rs. 30,000/- (Rupees Thirty Thousand Only)
3.	Godown No. 22, 23 & 24 Taluka Mouje Village, Saijpur, Gopalpur, Narol Ahmedabad covering total area of 1800 Sq yards	Unit - III	Leased	Owner: M/s Shree Shakti Estate & Warehouse at Piplaj - Pirana Road, Saijpur Gopalpur Piplaj, Ahmedabad, Gujarat	Rent Agreement dated 16.02.2016 for a period of 3 years executed between Shree Shakti Estate & Warehouse and Globe Textiles (India) Private Limited on a monthly rental of Rs. 14, 750/- (Rupees fourteen thousand seven hundred and fifty)
4.	Godown No. 7, 8, 9, 10, 11 & 19, Taluka Mouje Village, Saijpur, Gopalpur, Narol, Ahmedabad	Godown	Leased	Owner: M/s Shree Shakti Estate & Warehouse at Piplaj - Pirana Road, Saijpur Gopalpur Piplaj, Ahmedabad, Gujarat	Rent Agreement dated 16.02.2016 for a period of 3 years executed between M/s Shree Shakti Estate & Warehouse and Globe Textiles (India) Private Limited on a monthly rental of Rs. 14, 750/- (Rupees fourteen thousand seven hundred and fifty)
5.	Godown No. 21, Taluka Mouje Village, Saijpur, Gopalpur, Narol, Ahmedabad	Godown	Leased	Hiteshbhai Bhavanbhai Bharwad	Rent Agreement dated 16.02.2016 for a period of 3 years executed between Hiteshbhai Bhavanbhai Bharwad Power of Attorney holder on behalf of owners and Globe Textiles (India) Private Limited on a monthly rental of Rs. 59000/- (Rupees Fifty nine thousand)
6.	Office No. 601, 6th Floor, Sai Plaza, Andheri Kurla Road, Sakinaka, Mumbai - 400072, Maharashtra, India admeasuring 486 sq feet carpet area	Marketing Office	Leased	Licensor: M/s Commodity Commercial Link (AAFFC1874R) at 52/2, Juhu Supreme Shopping Centre, Gulmohar Cross Road No. 9, Vile Parle (West), Mumbai-400049.	Leave and License Agreement dated 19.08.2016 for a period of 36 months beginning from 19.08.2016 to 18.08.2019 executed between M/s Commodity Commercial Link and Globe Textiles (India) Private Limited on a monthly License fee of Rs. 70,000/- (Rupees Seventy Thousand Only)

REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled "Government and other Approvals" on page 203 of this Prospectus.

This chapter has been classified as under:

A. Business and Trade related regulations
B. Statutory and business laws
C. Laws relating to Labour and Employment
D. Environmental laws
E. Tax Laws
F. Intellectual Property Laws
G. Foreign Investment Regulations

A. BUSINESS AND TRADE RELATED REGULATIONS

National Textile Policy 2000 ("NTP 2000")

The NTP 2000 aims at facilitating the growth of the textile industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing. This objective is sought to be achieved by liberalizing controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. One of the key focus areas of the NTP 2000 is on the implementation, in a time bound manner, of the Technology Upgradation Fund Scheme ("TUFS") covering all manufacturing segments of the industry, seeking to build world class state of the art manufacturing capabilities in conformity with environmental standards. Additionally, certain sector specific initiatives envisaged under the NTP 2000 include raw materials, clothing, exports, and knitting. The GoI constituted an expert level committee in December 2013 to review the NTP 2000 and to formulate a new textile policy to address concerns of adequate skilled work force, labour reforms, attracting investments in the textile sector and for providing a future road map for the textile and clothing industry.

The Government of India, in July 2014, submitted a draft of a new national textile policy, the Vision, Strategy and Action Plan for Indian Textile and Apparel Sector (2024) ("Draft NTP") with the objective of achieving US$300.0 billion exports and 20% share of the global trade in the textile sector by 2024-25. However, they said the Draft NTP is not yet notified.

- **Scheme for Integrated Textile Parks (SITP)**

  Government of India has launched "Integrated Textile Parks" scheme. SITP would create new textile parks of international standards at potential growth centers by 2007-08. The SITP is launched by merging the existing two schemes namely, the Scheme for Apparel Parks for Exports (APE) and the Textile Center Infrastructure Development Scheme (TCIDS). One of the main purposes of introducing the SITP is to provide the industry with world-class infrastructure facilities for setting up their textile units. Industry Associations / Group of Entrepreneurs are the main promoters of the Integrated Textiles Park (ITP).

- **100% Foreign Direct Investment (FDI) in the Textile Sector**

  The Indian Government has allowed foreign equity investment upto 100% through automatic route, in the textile sector. Indian manufacturing companies are allowed 100% FDI to carry out wholesale trading on "a cash and carry basis" and also export trading through the automatic route, without seeking prior Government approval.

- **Export Promotion Capital Goods Scheme**

The Scheme facilitates import of capital goods at 3% concessional rate of duty with appropriate export obligation. The Foreign Trade Policy also permits EPCG license holders to opt for technological upgradation for their existing capital goods imported under the EPCG license, subject to certain prescribed conditions.

- **Duty Drawback Scheme**

Duty Drawback scheme is a duty remission scheme enabling post export replenishment/remission of duty on inputs used in export products, whereby exporters are allowed refund of the excise and import duty paid on raw materials under Duty Drawback so as to make the products more competitive in the international market.

- **Revised Restructured Technology Upgradation Fund Scheme**

The Ministry of Textiles, Government of India, launched a Technology Upgradation Fund ("TUF") scheme for the textile and jute industry for a five year period from April 1, 1999 to March 31, 2004. It was subsequently extended in 2004 and 2007 with modifications. It was further restructured with effect until March 31, 2012 and extended until March 78 31, 2013. On October 4, 2013, the Ministry of Textiles provided the financial and operational parameters and implementation mechanism for the Revised Restructured-TUF ("RR-TUF") scheme for the 12th Five Year Plan period i.e. until March 31, 2017. The TUF scheme provided for interest reimbursement of 5% on the interest charged by a lending agency for financing of a project of technology upgradation in conformity with the TUF scheme. Pursuant to the RR-TUF scheme, in cases of standalone spinning units, the interest reimbursement is 2% for new standalone/replacement/modernization of spinning machinery and 5% for spinning units with forward integration and matching capacity in weaving/knitting/processing/garmenting. The RR-TUF scheme also provides for 5% interest reimbursement and 10% capital subsidy for specified processing machinery, garmenting machinery and machinery required in manufacture of technical textiles. The RR-TUF scheme is monitored by an inter-ministerial steering committee constituted under the chairmanship of the minister of textiles. Only loans sanctioned on or after April 1, 2012 are eligible for grant of benefits under this scheme.

- **Amended Technology Upgradation Fund Scheme (ATUFS)**

Ministry of Textiles, Government of India has notified Amended Technology Up gradation Fund Scheme vide notification dated January 13, 2016. In order to promote ease of doing business, promote make in India and increase the employment, government will be providing credit linked Capital Investment Subsidy (CIS) under the ATUFS. The Scheme would facilitate augmenting of investment, productivity, quality, employment and exports. It will also increase investment in textile industry (using benchmarked technology). Entities registered as Companies which have acknowledgment of Industrial Entrepreneur Memorandum(IEM) with DIPP except MSME units registered with the concerned Directorates of the State Government showing clearly the activity for which the unit is registered, will only be eligible to get benefits under the scheme. Only benchmarked machinery as specified will be eligible for the subsidy under the scheme. The maximum subsidy for overall investment by an individual entity under ATUFS will be restricted to Rs. 30 Crore.

- **Advance Licensing Scheme**

With a view to facilitating exports and to access duty-free inputs under the scheme, standard input-output norms for about 300 textiles and clothing export products have been prescribed and this scheme remained under operation.

- **Duty entitlement pass-book ("DEPB") scheme**

DEPB credit rates have been prescribed for 83 textiles and clothing products. The scheme aims to neutralize the incidence of basic and special custom duty on the import content of the export product, by way of grant of duty credit against the export product at specified rates. However, these export incentives may be reviewed shortly to make them WTO compatible.

- **Merchandise Exporter from India ("MEI") Scheme**

Pursuant to the Foreign Trade Policy (2015-2020), the MEI scheme has replaced five earlier schemes and was introduced to offset infrastructure inefficiencies and associated costs in export of goods, especially those having high export intensity, employment potential and able to enhance our export competitiveness. The basis for calculation of the reward under the MEI scheme is on the FOB value of exports realized in free foreign exchange or on the FOB value of exports mentioned in the shipping bill, whichever is less, unless otherwise specified. With effect from June 1, 2015, the MEI scheme mandatorily

requires a declaration of intent to be endorsed on the shipping bills (except free shipping bills) to be eligible to claim any reward under the MEI scheme.

Gujarat Textile Policy, 2012

With the object of continuing leadership position in textile sector, State Government of Gujarat issued Gujarat Textile Policy, 2012. The State Government wants to strengthen entire value chain for overall growth of textile sector in the State of Gujarat. Eligible entities will be provided various incentives under the different schemes of the policy.
Major benefits under the policy are as follows:

- Starting cotton spinning and weaving parks around cotton growing areas;
- Interest subsidy for value-addition chain from ginning to spinning, weaving, processing, garment manufacturing and technology up-gradation;
- Refund of VAT on expansion of existing and new units in spinning and readymade garments;
- Power tariff concession for new cotton spinning and weaving units;
- Financial assistance to skill development centres for textile industry;
- Financial assistance for technology acquisition for value chain; and
- Support for energy and water conservation and environmental compliance.

Textile Committee Act 1963

The functions of the Committee shall generally be to ensure by such measures, as it thinks fit, standard qualities of textiles both for internal marketing and export purposes and the manufacture and use of standard type of textile machinery. The Committee may undertake, assist and encourage, scientific, technological and economic research in textile industry and textile machinery; promote export of textiles and textile machinery; establish or adopt or recognize standard specifications for textiles and packing materials used in the packing of textiles or textile machinery, export and for internal consumption and affix suitable marks on such standardized varieties of textiles and packing materials.

Textiles Committee (Cess) Rules, 1975

As per Section 5E of the Act, by notification, the following categories of textile items have been exempted from payment of Cess leviable under Section 5 of the Act.

All types of waste whatever description i.e. Yarn Waste, Hard Waste, Cotton Waste, Woolen Waste, Art-Silk Waste etc.

The Additional Duties of Excise (Textiles and Textile Articles) Act, 1978

The Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 prescribes and provides for the levy and collection of an additional excise duty on certain textiles and textile articles.

Textile (Development and Regulation) Order, 2001("Textile Order)

The Textile Order was brought into force by the Central Government under section 3 of the Essential Commodities Act, 1995 and repealed the Textile (Development and Regulation) Order, 1993. Under the Textile Order every manufacturer of Textiles, Textile machinery and every person dealing with textiles shall keep books of accounts, data and other records relating to his business in the matter of production, processing, import, export, supply, distribution, sale, consumption, etc. and shall furnish such returns or information in respect of their business as and when directed by the Textile Commissioner.

The Textile Order further provides that no person shall make any markings on any textiles resembling the brand name or trade name of any other person who has applied for or obtained a registration to that effect under the Trade and Merchandize Marks Act, 1958, except under and limited to the extent of specific authorization by the holder of or application for such brand or trade name.

Gujarat Special Economic Zone Act, 2004

The act is brought into force to provide and create atmosphere for industries in order to foster their growth. The act provides that sales and transactions within the processing area of the Zone shall be exempt from all taxes, cess, duties, fees or any other levies

under any State law to the extent of Stamp duty and registration fees payable on transfer of land, Levy of Stamp duty and registration fees on loan agreements, credit deeds and mortgages, Sales Tax, Purchase Tax, Motor Spirit Tax, Luxury Tax, Entertainment Tax and other taxes and cess payable on sales and transactions. The act also provides Inputs (goods and services) made to Zone Units from Domestic Tariff Area to be exempted from sales tax and other taxes under the State laws.

INITIATIVES OF EXPORT PROMOTION COUNCILS FOR TEXTILE INDUSTRY

Export Performance Certificate

Exporters who are registered with the Apparel Export Promotion Council can make an application for the issuance of an Export Performance Certificate for importing certain eligible items for use in the manufacture of textile garments for exports. They receive concessions on imports of eligible items up to the extent of 3% of the FOB value realized on exports of ready-to-wear garments during the preceding financial year.

Synthetic and Rayon Textiles Export Promotion Council ("SRTEPC")

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) was established in 1954 by the Government of India, Ministry of Textiles. In order to help the Indian manufacturers exporters to compete successfully in the world markets, the Council renders assistance as follows:

- Identify markets for their products.
- Introduce them to appropriate overseas importers.
- Assist them financially or otherwise in their efforts.
- Advise them on situations in the different overseas markets by conducting studies & surveys.
- Provide opportunities to give them and their products exposure in the overseas markets by sponsoring their delegations and items.
- Advise them on import export policy and procedures.
- Resolve their problems about shipping and transport.
- Maintain liaison with the authorities to convey to them the requirements of industry and trade and arrange adaptation of policy framework accordingly.

Company has to obtain Registration Cum Membership Certificate for availing the benefits under the SRTEPC.

B. STATUTORY AND COMMERCIAL LAWS

The Companies Act, 1956

The Act deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

The Companies Act, 2013 (to the extent notified)

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. At present almost all the provisions of this law have been made effective except a very few. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

Competition Act, 2002

The Competition Act, 2002 "prohibits anti competitive agreements, abuse of dominant positions by enterprises and regulates "combinations" in India. The Competition Act also established the Competition Commission of India (the **"CCI"**) as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

Industrial (Development and Regulation) Act, 1951

The Industrial (Development and Regulation) Act, 1951 has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings have been made exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

Indian Contract Act, 1872

Indian Contract Act codifies the way we enter into a contract, execute a contract, and implement provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them. Each contract creates some right and duties upon the contracting parties. Indian contract deals with the enforcement of these rights and duties upon the parties.

The Indian Contract Act also lays down provisions of indemnity, guarantee, bailment and agency. Provisions relating to sale of goods and partnership which were originally in the Act are now subject matter of separate enactments viz., the Sale of Goods Act and the Indian Partnership Act. The objective of the Contract Act is to ensure that the rights and obligations arising out of a contract are honoured and that legal remedies are made available to those who are affected.

Negotiable Instruments Act, 1881

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

The Registration Act, 1908 ("Registration Act")

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

Indian Stamp Act, 1899(the "Stamp Act")

Under the Indian Stamp Act, 1899 (the "**Stamp Act**") stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

The Sale of Goods Act, 1930(Sale of Goods)

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional. According to the provisions of this Act, a contract of sale is made by an offer to buy or sell the goods for a price and the acceptance of such offer. The Act further provides that the contract may provide for the immediate delivery of the goods or immediate payment of the price or both or for the delivery or payment by instalments or that the delivery or payment or both shall be postponed. Provisions are made in this Act for existing or future goods, perishable goods, ascertainment of price, conditions and warranties, effects of the contract, delivery to courier, duties of seller and buyer, buyer's right of examining the goods, liability of buyer for neglecting or refusing the delivery of goods, rights of unpaid seller, suits for breach of the contract, sale, etc.

The Arbitration and Conciliation Act, 1996

This act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration, to provide that the arbitral tribunal gives reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction, to minimise the supervisory role of courts in the arbitral process, to permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes, to provide that every final arbitral award is enforced in the same manner as if it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

Electricity Act, 2003

The Electricity Act, 2003 has been recently introduced with a view to rationalize electricity tariff, and to bring about transparent policies in the sector. The Act provides for private sector participation in generation, transmission and distribution of electricity, and provides for the corporatization of the state electricity boards. The related Electricity Regulatory Commissions Act, 1998 has been enacted with a view to confer on these statutory Commissions the responsibility of regulating this sector.

The Legal Metrology Act 2009

The Legal Metrology Act, 2009 (**"LMA")** provides for establishing uniform standards of weights and measures regulate trade in weights, and other goods which are sold or distributed by weight, measure or number. Every manufacturer, repairer and seller shall have to obtain a license from the respective Controller. The Act allows Govt. approved test centers to verify weights and measures.

C. LAWS RELATING TO LABOUR AND EMPLOYMENT

As part of business of the Company it is required to comply from time to time with certain laws in relation to the employment of labour. A brief description of certain labour legislations which are applicable to the Company is set forth below:

The Factories Act, 1948

The Factories Act defines a 'factory' to be any premises including the precincts thereof, on which on any day in the previous 12 months, 10 or more workers are or were working and in which a manufacturing process is being carried on or is ordinarily carried on with the aid of power; or where at least 20 workers are or were working on any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories.

The Factories Act provides that the 'occupier' of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers' health and safety, cleanliness and safe working conditions. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

The Gujarat Factories Rules, 1963

The Gujarat Factories Rules, 1963 (the "Rules") seek to regulate labour employed in factories in the State of Gujarat and makes provisions for the safety, health and welfare of the workers. The Rules also mandate maintenance of certain statutory registers in the factory.

The Indian Boilers Act, 1923

The Boilers Act states that the owner of any boiler (as defined therein), which is wholly or partly under pressure when is shut off, shall under the provisions of the Boilers Act, apply to the Inspector appointed thereunder to have the boiler registered which shall be accompanied by prescribed fee. The certificate for use of a registered boiler is issued pursuant to such application, for a period not exceeding twelve months, provided that a certificate in respect of an economiser or of an unfired boiler which forms an integral part of a processing plant in which steam is generated solely by the use of oil, asphalt or bitumen as a heating medium may be issued for a period not exceeding twenty-four months in accordance with the regulations made under Boilers Act. On the expiry of the term or due to any structural alteration, addition or renewal to the boiler, the owner of the boiler shall renew the certificate by providing the Inspector all reasonable facilities for the examination and all such information as may reasonably be required of him to have the boiler properly prepared and ready for examination in the prescribed manner.

Employees State Insurance Act, 1948, as amended (the "ESIC Act")

The Employee's Compensation Act, 1923 has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for industrial accidents and occupational diseases resulting in the death or disablement of such workmen. The Act makes every employer liable to pay compensation in accordance with the Act if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by an accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the Act within one month from the date it falls due, the Commissioner may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

The Minimum Wages Act, 1948

The State Governments may stipulate the minimum wages applicable to a particular industry. The minimum wages generally consist of a basic rate of wages, cash value of supplies of essential commodities at concession rates and a special allowance, the aggregate of which reflects the cost of living index as notified in the Official Gazette. Workers are to be paid for overtime at overtime rates stipulated by the appropriate State Government. Any contravention may result in imprisonment of up to six months or a fine of up to Rs. 500. Further, employees who have been paid less than the minimum wages are entitled to the payment of the shortfall amount, together with compensation, which may extend up to ten times the shortfall amount.

Employees' Compensation Act, 1923

The Employee's Compensation Act, 1923 (**"ECA"**) has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for industrial accidents and occupational

diseases resulting in the death or disablement of such workmen. The Act makes every employer liable to pay compensation in accordance with the Act if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by an accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the Act within one month from the date it falls due, the Commissioner may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

Payment of Wages Act, 1936

The Payment of Wages Act applies to the persons employed in the factories and to persons employed in industrial or other establishments, either directly or indirectly through a sub-contractor, where the monthly wages payable to such persons is less than Rs. 10,000/-. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

The Payment of Gratuity Act, 1972

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions. Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed Rs. 1 million.

Employees Provident Fund and Miscellaneous Provisions Act, 1952 ("Act") and the schemes formulated there under ("Schemes")

This Act provides for the institution of provident funds, family pension funds and deposit linked insurance fund for the employees in the factories and other establishments. Accordingly, the following schemes are formulated for the benefit of such employees:

i. ***The Employees Provident Fund Scheme***: As per this Scheme, a provident fund is constituted and both the employees and employer contribute to the fund at the rate of 12% (or 10% in certain cases) of the basic wages, dearness allowance and retaining allowance, if any, payable to employees per month.

ii. ***The Employees Pension Scheme***: Employees' Pension Scheme is Pension Scheme for survivors, old aged and disabled persons. This Scheme derives its financial resource by partial diversion from the Provident Fund contribution, the rate being 8.33%. Thus, a part of contribution representing 8.33 per cent of the employee's pay shall be remitted by the employer to the Employees' Pension fund within 15 days of the close of every month by a separate bank draft or cheque on account of the Employees' Pension Fund contribution in such manner as may be specified in this behalf by the appropriate authority constituted under the Act. The Central Government shall also contribute at the rate of 1.16 per cent of the pay of the members of the Employees' Pension Scheme and credit the contribution to the Employees' Pension Fund.

iii. ***The Employees Deposit Linked Insurance Scheme:*** As per this Scheme, the contribution by the employer shall be remitted by him together with administrative charges at such rate as the Central Government may fix from time to time under Section 6C (4) of the Act, to the Insurance Fund within 15 days of the close of every month by a separate bank draft or cheque or by remittance in cash in such manner as may be specified in this behalf by the appropriate authority constituted under the Act.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 (**"PoB"**) Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

The Contract Labour (Regulation and Abolition) Act, 1970

The purpose of Contract Labour (Regulation and Abolition) Act, 1970 is to regulate the employment and protect the interests of the workers who are hired on the basis of individual contracts in certain establishments. In the event that any activity is outsourced, and

is carried out by labourers hired on contractual basis, then compliance with the Contract Labour (Regulation and Abolition) Act, including registration will be necessary and the principal employer will be held liable in the event of default by the contractor to make requisite payments towards provident fund etc.

The Equal Remuneration Act, 1976 ("Equal Remuneration Act") and Equal Remuneration Rules, 1976

The Constitution of India provides for equal pay for equal work for both men and women. To give effect to this provision, the Equal Remuneration Act, 1976 was implemented. The Act provides for payment of equal wages for equal work of equal nature to male or female workers and for not making discrimination against female employees in the matters of transfers, training and promotion etc.

Child Labour (Prohibition and Regulation) Act, 1986

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

The Maternity Benefit Act, 1961("Maternity Act")

The Maternity Benefit Act, 1961 was enacted by Parliament in the Twelfth Year of the Republic of India to regulate the employment of women in certain establishments for certain periods before and after child-birth and to provide for maternity benefit and certain other benefits.

The Maharashtra Shops & Establishment Act, 1948

The Maharashtra Shops & Establishment Act, 1948 is applicable in the state of Gujarat and was enacted for the interest and to regulate the working condition of the employees engaged in Shops, Commercial Establishments, Hotel, Theatres and other Establishments. This Act restricts timing of opening and closing hours of Shops and Commercial Establishment. It keeps control on daily and weekly hours of work of the employees, interval for rest, Spread over. It provide overtime wages, paid holiday and Leave with wages to employees. It also provides Health and Safety.

The Gujarat Shops and Establishments (Employees Life Insurance) Act, 1980

The Gujarat Shops and Establishments (Employees Life Insurance) Act, 1980 was enacted to provide for life insurance benefits to employees engaged in shops, commercial establishment, residential hotels, restaurants, eating houses, theatres, other places of public amusement or entertainment and other establishments and for matters connected therewith.

The Gujarat Labour Welfare Fund Act, 1953

The Gujarat Labour Welfare Fund Act, 1953 (**"GLWFA"**) provide for the constitution of a fund for the financing of activities to promote welfare of labour in the state of Gujarat and for the establishment of Board for conducting such activities and for matters connected therewith.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("**SHWW Act**") provides for the protection of women at work place and prevention of sexual harassment at work place. The Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/- (Rupees Fifty Thousand Only).

The Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947(the **"ID"**) provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workmen.

Inter State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979;

The Inter State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979 was enacted by Parliament in the Thirtieth Year of the Republic of India to regulate the employment of inter-State migrant workmen and to provide for their conditions of service and for matters connected therewith. This Act makes provision for availing with the onsite services of interstate workers by the contractors / establishments to overcome only the temporary shortage of required skilled workers in a state. The purpose of this act is not to encourage interstate migration of workers against the interests of local workers as the principal employers would have to incur more cost in deploying interstate workers.

Industrial Employment (Standing Orders) Act, 1946

The Industrial Employment (Standing Orders) Act, 1946 require employers in industrial establishments formally to define conditions of employment under them and applies to every industrial establishment wherein one hundred or more workmen are employed, or were employed on any day of the preceding twelve months.

Apprentices Act, 1961

The Apprentices Act was enacted in 1961 for imparting training to apprentices i.e. a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. Every employer shall make suitable arrangements in his workshop for imparting a course of practical training to every apprentice engaged by him in accordance with the programme approved by the apprenticeship adviser. The central apprenticeship adviser or any other person not below the rank of an assistant apprenticeship adviser shall be given all reasonable facilities for access to each apprentice with a view to test his work and to ensure that the practical training is being imparted in accordance with the approved programme.

D. ENVIRONMENTAL LAWS

The Environment (Protection) Act, 1986 as amended, **("Environment Protection Act"),** the Water (Prevention and Control of Pollution) Act, 1974, as amended, **("Water Act")** and the Air (Prevention and Control of Pollution) Act, 1981, **("Air Act")** provide for the prevention, control and abatement of pollution. Pollution control boards have been constituted in all states in India to exercise the powers and perform the functions provided for under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain consents of the relevant state pollution control boards for emissions and discharge of effluents into the environment. **The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 as amended, ("Hazardous Wastes Rules")** impose an obligation on every occupier of an establishment generating hazardous waste to recycle or reprocess or reuse such wastes in a registered recycler or to dispose of such hazardous wastes in an authorized disposal facility. Every person engaged, inter alia, in the generation, processing, treatment, package, storage and destruction of hazardous waste is required to obtain an authorization from the relevant state pollution control board for collecting, recycling, reprocessing, disposing, storing and treating the hazardous waste. 80 The Environmental Impact Assessment Notification dated September 14, 2006 read with notifications dated October 11, 2007, December 1, 2009, April 4, 2011 and January 25, 2012, issued under the Environment Protection Act and the Environment (Protection) Rules, 1986, requires prior environmental clearance of the Ministry of Environment and Forests, GoI and at state level, of the state environment impact assessment authority, if any new project (specified in the notification) is proposed to be undertaken or for expansion and modernization of existing projects beyond certain specified threshold limits. The environment clearance (for commencement of the production operations) is valid for the time period prescribed in the notification.

The Public Liability Insurance Act, 1991 (the "Public Liability Act") imposes liability on the owner or controller of hazardous substances for death or injury to any person (other than a workman) or any damage to property arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to obtain an insurance policy insuring him against liability under the

legislation. The Public Liability Insurance Rules, 1991 mandate that the owner has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

Water (Prevention and Control of Pollution) Cess Act, 1977, as amended (the "Water Cess Act")

The Water Cess Act provides for levy and collection of a cess on water consumed by industries with a view to augment the resources of the Central and State Pollution Control Boards constituted under the Water Act. Under this statute, every person carrying on any industry is required to pay a cess calculated on the basis of the amount of water consumed for any of the purposes specified under the Water Cess Act at such rate not exceeding the rate specified under the Water Cess Act. A rebate of up to 25% on the cess payable is available to those persons who install any plant for the treatment of sewage or trade effluent, provided that they consume water within the quantity prescribed for that category of industries and also comply with the provision relating to restrictions on new outlets and discharges under the Water Act or any standards laid down under the EPA. For the purpose of recording the water consumption, every industry is required to affix meters as prescribed. Penalties for noncompliance with the obligation to furnish a return and evasion of cess include imprisonment of any person for a period up to six months or a fine of ` 1,000 or both and penalty for non-payment of cess within a specified time includes an amount not exceeding the amount of cess which is in arrears.

The Noise Pollution (Regulation & Control) Rules 2000 ("Noise Regulation Rules")

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

E. TAX LAWS

The Income Tax Act, 1961

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act.

Gujarat Value Added Tax Act, 2003

The Gujarat Value Added Tax Act,2003 enacted by the Legislative Assembly of the State of Gujarat in the Fifty Fourth Year of the Republic of India to provide for and consolidate the law relating to levy of value added tax on sale or purchase of goods in the state of Gujarat and for matters connected therewith and incidental thereto.

The Central Sales Tax Act, 1956

The Central Sales Tax Act, 1956 enacted by Parliament in Seventh Year of Republic of India to formulate principles for determining when a sale or purchase of goods takes place in the course of inter-state trade of commerce or outside a State or in the course of imports into or export from India, to provide for the levy, collection and distribution of taxes on sales of goods in the course of inter-state trade of commerce and to declare certain goods to be of special importance in inter-state or commerce and specify the restrictions and conditions to which state laws imposing taxes on the sale or purchase of such goods of special importance.

Finance Act, 1994 (Service Tax)

Service tax is charged on taxable services as defined in Chapter V of Finance Act, 1994, (as amended from time to time) which requires a service provider of taxable services to collect service tax from a service recipient and pay such tax to the Government. In accordance with Rule 6 of Service tax Rules, the assesses is required to pay Service tax in TR 6 challan by fifth of the month

immediately following the month to which it relates. Further under Rule 7(1) of Service Tax Rules, the company is required to file a half yearly return in Form ST 3 by twenty fifth of the month immediately following the half year to which the return relates.

The Central Excise Act, 1944

In accordance with the Central Excise Act and Central Excise Rules, every person who produces or manufactures any excisable goods is required to get itself registered with the Jurisdictional Deputy or Assistant Commissioner of Central Excise. Hence this Act is applicable to the Company. Further, the provisions of the Central Excise Rules provide that the manufacturer of final products (other than SSI's) shall submit the duty on goods removed from the factory or warehouse during the month by fifth day of following month. Also a Monthly Return in Form ER1 is required to be submitted to the Superintendent of Central Excise within 10 days after the close of the month.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code).

The Gujarat State Tax on Professions, Trade, Callings and Employments Act,1976

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Gujrat promulgated this law to structure and formulate the respective professional tax criteria and to collect funds through professional tax. The professional tax is charged on the income of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under this Act (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

F. INTELLECTUAL PROPERTY LAWS

India has certain laws relating to intellectual property rights such as patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 trademark protection under the Trade Marks Act, 1999, and design protection under the Designs Act, 2000.

The Trademarks Act, 1999

The Act provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

The Designs Act, 2000

This Act protects any visual design of objects that are not purely utilitarian. An industrial design consists of the creation of a shape, configuration or composition of pattern or colour, or combination of pattern and colour in three-dimensional form containing aesthetic value. It provides an exclusive right to apply a design to any article in any class in which the design is registered.

G. FOREIGN INVESTMENT REGULATIONS

The Foreign Trade (Development & Regulation) Act, 1992

The Foreign Trade (Development & Regulation) Act, 1992, provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto.

Foreign Exchange Management Act, 1999 ("the FEMA"), and Rules and Regulations thereunder

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sect oral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sect oral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer of Issue of Security by a person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

Other Laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History and Background

Our Company was originally incorporated on October 04, 1995 as "Swaroop Financial Services Private Limited" vide Registration no. 027673/1995-1996(CIN:U99999GJ1995PTC0027673) under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Later, the name of the Company was changed to "Globe Textile (India) Private Limited" vide Shareholder's Resolution passed at the Extra Ordinary General Meeting of the Company held on March 31, 2006 and a fresh Certificate of Incorporation dated May 23, 2006 issued by the Registrar of Companies, Gujarat, Ahmedabad pursuant to change in name of our Company. Further, Our Company vide Shareholders Resolution passed at the Extra Ordinary General Meeting held on June 24, 2011 and a fresh Certificate of Incorporation dated July 17, 2011 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, the name of our Company was changed to "Globe Textiles (India) private Limited". Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Globe Textiles (India) Private Limited" to "Globe Textiles (India) Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on March 4, 2017 and a fresh certificate of incorporation dated March 22, 2017 issued by the Registrar of Companies, Gujarat, Ahmedabad.

The main object of the company on incorporation was financing and letting on lease or hire in any part of India or abroad all kinds of machinery, plants, tools, jigs, fixtures, agricultural machinery etc., finance hire purchase, investment in shares etc. Thereafter, pursuant to a Special resolution passed in the Extra Ordinary General Meeting held on March 23, 2006, Company had changed the Main Object of the Company to carry on the business of manufacturing, ginning texturising, weaving, bleaching, printing and selling cloth of all types, nature and description including all traditions dress, filaments furnishing fabrics, tapestry, linen and fabrics of all types.

Our Company was originally promoted by Mr. Suryakant Hiralal Parikh, Mr. Vijaybhai Manubhai Shah, Mr. Dilipbhai Kantilal Adesara and Mr. Dilipbhai Chandulal Pandya who were the initial subscribers to the Company's Memorandum and Articles of Association in the year 1995. Presently Mr. Bhavik Suryakant Parikh and Mr. Bhavin Suryakant Parikh are Promoters of the Company.

As on date of this Prospectus, our Company has Seven (7) shareholders.

For information on our Company's profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, please refer the sections entitled "Industry Overview", "Our Business", "Our Management", "Financial information of the Company" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 85, 94, 122, 147 and 186 respectively.

Address of Registered Office:

The Registered Office of the Company is situated at Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad – 380008, Gujarat, India

Changes in Registered Office of the Company since incorporation

The Registered Office of our Company has shifted many times for the sake of better operational efficiency and administrative convenience.

Except as mentioned below, there has not been any change in our Registered Office since incorporation till date of this Prospectus:

From	To	Date of Change	Reason for Change
64,Vrundavan Shopping Centre, Pankornaka, Ahmedabad 380001 Gujarat, India	1/13, Aditi Apt., B/H Orient Club, Nr. Gujarat College, Ellisbridge, Ahmedabad 380006 Gujarat, India	October 03, 1997	For the better administrative convenience
1/13, Aditi Apt., B/H Orient Club, Nr. Gujarat College, Ellisbridge, Ahmedabad 380006 Gujarat, India	1449/1, Mithakhali Gam, Opp Mithakhali Bus Stop, Ellisbridge, Ahmedabad 380006 Gujarat, India	May 5, 2002	For the better operational efficiency

1449/1, Mithakhali Gam, Opp Mithakhali Bus Stop, Ellisbridge, Ahmedabad 380006 Gujarat, India	4th Floor, 402 Sheel 4, Mayur Colony, Near Mithakhali Six Road, Navrangpura, Ahmedabad 380006 Gujarat, India	January 1, 2003	For the better operational efficiency
4th Floor, 402 Sheel 4, Mayur Colony, Near Mithakhali Six Road, Navrangpura, Ahmedabad 380006 Gujarat, India	1449/1, 1st Floor, Opp Mithakali Bus Stop, Navrangpura Ahmedabad 380009 Gujarat, India	March 23, 2006	For the better operational efficiency
1449/1, 1st Floor, Opp Mithakali Bus Stop, Navrangpura Ahmedabad 380009 Gujarat, India	Plot No. 38 to 41, Ahmedabad Apparel Park, SEZ, GIDC Industrial Area, Khokhra, Ahmedabad – 380008, Gujarat, India	March 22, 2017	For the better operational efficiency
Plot No. 38 to 41, Ahmedabad Apparel Park, SEZ, GIDC Industrial Area, Khokhra, Ahmedabad – 380008, Gujarat, India	Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad – 380008, Gujarat, India	April 13, 2017	For rectification in present address

Our Main Object

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To carry on the business of gining, pressing of cotton and to act as processors, sizers, manufacturers, twisters, crimpers, of polyester, polypropylene ,cotton, denim textiles, cloth, synthetic cloth, readymade garments, terry towel ,hosiery woolen, silk, artifical silk, rayon, nylon , terine, stechlon , P.O.Y. man made synthetic fibres, staplefibres, wool and fibrous, materials, cotton, grey and the business of manufacturing, ginning texturising, weaving, bleaching, printing and selling cloth of all types, nature and description including all traditions dress, filaments furnishing fabrics, tapestry, linen and fabrics of all types, whether, knitted or looped and of buying, selling and/or dealing in silk, strechlon, cotton, rayon, nylon, khadi silk and generally to carry on the business of dyers, dealers in flax, hemp, artificial silk, synthetic cotton, staple fibres, wool and cloth merchants, cleaners, combers, dyers and to transact all and any preparing proceses and to give any special treatment to any of the above referred materials at any stage of production such as texturising testing, crimping on own materials or belonging to others and / or to get the same done through others on job work.

2. To carry the business of manufacturing spinning, weaving bleaching, finishing, dyeing, processing cotton, mercerising printing, sizing, importing, exporting, twistrling, texturising and/or otherwise dealing in yarns of all types made from silk, art silk rayon, nylon, cotton, man-made synthetic fibres, P.O.Y. stapla fibres and all types of suitable materials.

Changes in Memorandum of Association

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	The initial authorised share capital increased from Rs. 1,00,000 (One Lakh) divided into 10,000 (Ten Thousand) equity Shares of Rs. 10 each and increase to Rs. 1,00,00,000 (One Crore) divided into 10,00,000 (Ten Lakhs) Equity shares of Rs. 10 each .	July 29, 2005	EGM
2.	The Object of the Company was changed and following object was inserted replacing the existing objects:- 1. To carry on the business of gining, pressing of cotton and to act as processors, sizers, manufacturers, twisters, crimpers, of polyester, polypropylene ,cotton, denim textiles, cloth, synthetic cloth, readymade garments, terry towel ,hosiery woolen, silk, artifical silk, rayon, nylon , terine, stechlon, P.O.Y. man made synthetic fibres, staplefibres, wool and fibrous, materials, cotton, grey and the business of manufacturing, ginning texturising, weaving, bleaching, printing and	March 23, 2006	EGM

	selling cloth of all types, nature and description including all traditions dress, filaments furnishing fabrics, tapestry, linen and fabrics of all types, whether, knitted or looped and of buying, selling and/or dealing in silk, strechlon, cotton, rayon, nylon, khadi silk and generally to carry on the business of dyers, dealers in flax, hemp, artificial silk, synthetic cotton, staple fibres, wool and cloth merchants, cleaners, combers, dyers and to transact all and any preparing proceses and to give any special treatment to any of the above referred materials at any stage of production such as texturising testing, crimping on own materials or belonging to others and / or to get the same done through others on job work. 2. To carry the business of manufacturing spinning, weaving bleaching, finishing, dyeing, processing cotton, mercerising printing, sizing, importing, exporting, twistrling, texturising and/or otherwise dealing in yarns of all types made from silk, art silk rayon, nylon, cotton, man-made synthetic fibres, P.O.Y. stapla fibres and all types of suitable materials.		
3.	The Name of Company was Changed from Swaroop Financial Services Private Limited to Globe Textile (India) Private Limited and a fresh Certificate of incorporation dated May 23, 2006 was issued by Registrar of Companies, Gujarat, Ahmedabad	March 31, 2006	EGM
4.	Increase in authorised share capital from Rs. 1,00,00,000 (One Crore) divided into 10,00,000 (Ten Lakhs) equity Shares of Rs. 10 each to Rs. 1,50,00,000 (One Crore Fifty Lakhs) divided into 15,00,000 (Fifteen Lakhs) Equity shares of Rs. 10 each .	July 06, 2010	EGM
5.	The Name of Company was Changed from Globe Textile (India) Private Limited to Globe Textiles (India) Private Limited and a fresh Certificate of incorporation dated July 17th, 2011 was issued by Registrar of Companies, Gujarat, Ahmedabad	June 24, 2011	EGM
6.	Increase in authorized share capital from Rs. 1,50,00,000 (One Crore Fifty Lakhs) divided into 15,00,000 (Fifteen Lakhs) Equity Shares to Rs. 2,00,00,000 (Two Crore) divided into 20,00,000 (Twenty Lakhs) Equity shares of Rs. 10 each.	March 12, 2012	EGM
7.	Increase in authorized share capital from Rs. 2,00,00,000 (Two Crore) divided into 20,00,000 (Twenty Lakhs) Equity Shares to Rs. 3,00,00,000 (Three Crore) divided into 30,00,000 (Thirty Lakhs) equity shares of Rs. 10 each.	March 25, 2014	EGM
8.	Increase in authorized share capital from Rs. 3,00,00,000 (Three Crore) divided into 30,00,000 (Thirty Lakhs) equity shares to Rs. 5,00,00,000 (Five Crore) divided into 50,00,000 (Fifty Lakhs) equity shares of Rs.10 each.	June 04, 2015	EGM
9.	Increase in authorized share capital from Rs. 5,00,00,000 (Five Crore) divided into 50,00,000 (Fifty Lakhs) equity shares to Rs. 11,00,00,000 (Eleven Crore) divided into 1,10,00,000 (One Crore Ten Lakhs) equity shares of Rs.10 each.	March 4, 2017	EGM
10.	Conversion of our Company from Private Limited to Public Limited Company. Consequently name of the Company has been changed from Globe Textiles (India) Private Limited to Globe Textiles (India) Limited and a fresh Certificate of Incorporation dated March 22, 2017 bearing CIN U65910GJ1995PLC027673 was issued by Registrar of Companies, Gujarat, Ahmedabad.	March 4, 2017	EGM
11.	To Adopt New Set Of Memorandum Of Association containing regulation in conformity with the Companies Act, 2013	March 4, 2017	EGM

Adopting New Articles of Association of the Company

Our Company has adopted a new set of Articles of Association of the Company, in the Extra-ordinary General Meeting of the Company dated March 04, 2017.

Key Events and Mile Stones

Year	Key Events / Milestone / Achievements
1995-96	Incorporation of the financing and Leasing Company in the name and style of "Swaroop Financial Services Private Limited"
2005-06	Change in the name of the Company from "Swaroop Financial Services Private Limited" to Globe Textile (India) Private Limited Consequently change in the objects of Company from Financial Services to Textile Business
2013-14	Acquired Unit - I in Ahmedabad Apparel Park, GIDC Industrial Area, Ahmedabad, Gujarat
2015-16	Acquired Unit – II and started commercial production in Matiya Estate, Piplaj, Pirana Road, Ahmedabad, Gujarat
2015-16	Acquired Unit – III and started commercial production in Gopalpur, Ahmedabad, Gujarat
2015-16	Started Commercial Production of Garments in factory situated at Ahmedabad Apparel Park, GIDC Industrial Area, Ahmedabad, Gujarat
2016-17	Recognised as a One Star Export House from Directorate General of Foreign Trade (DGFT)

Other Details about our Company

For details of our Company's activities, products, growth, technology, marketing strategy, competition and our customers, please refer section titled "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis for Issue Price" on pages 94, 186 and 80 respectively of this Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled "Our Management" and "Capital Structure" beginning on pages 122 and 58 of this Prospectus respectively.

Acquisition of Business/Undertakings & Amalgamation

Except as disclose in this Prospectus, there has been no acquisition of business/undertakings, mergers, amalgamation since incorporation.

Holding Company

As on the date of the Prospectus, our Company is not a subsidiary of any company.

Subsidiary of our Company

Our Company does not have any Subsidiary within the meaning of Section 2 (87) of the Companies Act 2013, as on the date of this Prospectus.

Capital raising (Debt / Equity)

For details in relation to our capital raising activities through equity, please refer to the chapter titled "Capital Structure" beginning on page 58 of the Prospectus. For details of our Company's debt facilities, please refer section "Statement of Financial Indebtedness" on page 183 of the Prospectus.

Time and Cost overruns in setting up projects

There has been no time / cost overrun in setting up projects by our Company.

Injunction or restraining order

There are no injunctions/ restraining orders that have been passed against the Company.

Revaluation of Assets

Our Company has not revalued its assets since incorporation

Defaults or Rescheduling of borrowings with financial institutions/banks and Conversion of loans into Equity Shares

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Prospectus. Furthermore, except as disclosed in chapter titled "Capital Structure" beginning on Page 58 of this Prospectus, none of the Company's loans have been converted into equity in the past.

Lock-out or strikes

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lockouts. As on the date of this Prospectus, our employees are not unionized.

Shareholders of our Company:

Our Company has Seven (7) shareholders as on the date of this Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled "Capital Structure" beginning on page 58 of the Prospectus.

Changes in the Management

For details of change in Management, please see chapter titled "Our Management" on page no 122 of the Prospectus.

Changes in activities of our Company during the last five (5) years

There has been no change in the business activities of our Company during last five (5) years from the date of this Prospectus which may have had a material effect on the profit/loss account of our Company except as mentioned in Material development in chapter titled "Management's discussion and analysis of financial conditions & results of operations" beginning on page 186 of this Prospectus,

Shareholders Agreements

As on the date of this Prospectus, there are no subsisting shareholders agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same.

Collaboration Agreements

As on the date of this Prospectus, our Company is not a party to any collaboration agreements.

Material Agreement

Our Company has not entered into any material agreement, other than the agreements entered into by it in normal course of its business.

OTHER AGREEMENTS

Non Compete Agreement

Our Company has not entered into any Non-compete Agreement as on the date of filing of this Prospectus.

Joint Venture Agreement

Except the agreements entered in the ordinary course of business carried on or intended to be carried on by us, we have not entered into any other Joint Venture agreement.

Strategic Partners

Except as mentioned in this Prospectus, Our Company does not have any strategic partners as on the date of this Prospectus.

Financial Partners

Our Company does not have any financial partners as on the date of this Prospectus.

Corporate Profile of our Company

For details on the description of our Company's activities, the growth of our Company, please see "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis of Issue Price" on pages 94, 186 and 80 of this Prospectus.

OUR MANAGEMENT

Board of Directors: As per the Articles of Association, our Company is required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors. Currently, our Company has four (4) Directors and out of which one (1) is Non-Executive Independent Directors.

The following table sets forth the details regarding our Board of Directors of our Company as on the date of filing of this Prospectus:

Sr. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre Issue)	Other Directorships
1.	**Mr. Bhavik Suryakant Parikh** **Father Name**: Mr. Suryakant Hiralal Parikh **Age:** 44 Years **Designation:** Chairman and Managing Director **Address:** 1001, B Chandanbala Flat, Op. Suvidha Shopping Center, Paldi Ahmedabad 380007 Gujarat, India **Experience:** 20 Years **Occupation:** Business **Qualifications:** Bachelor of Science **Nationality:** USA **DIN:** 00038223	Originally appointed on the Board as w.e.f. February 01, 2006 and resigned from Board w.e.f. March 31, 2008 Further appointed on Board w.e.f. April 03, 2012 and Designated as Chairman and Managing Director w.e.f February 28, 2017 for a period of 5 years[(i)]	30,76,860 Equity Shares; 35.33% of Pre- Issue Paid up capital	**Companies:** 1. Aditya Prohouse Private Limited 2. Aaditya Biztrade Center Private Limited 3. Padamshree Globe Tradelink Limited 4. Aadi Real Estate Developers Private Limited 5. Globe Denwash Private Limited **LLP:** 1. Globe Texfeb - LLP 2. Siddhi Tradetech LLP
2.	**Mr. Nilaybhai Jagdishbhai Vora** **Father Name:** Mr. Jagdishkumar Manilal Vora **Age:** 30 Years **Designation:** Whole Time Director **Address:** B - 303, Sagar Samrat Apartment, Near Jalaram Mandir, Ellisbridge, Ahmedabad 380006, Gujarat, India **Experience:** 14 Years **Occupation:** Business **Qualifications:** Bachelor of Commerce **Nationality:** Indian **DIN:** 02158990	Originally appointed on the Board w.e.f March 31, 2008. Designated as Whole Time Director w.e.f February 28, 2017 for a period of 5 years [(ii)]	18,06,000 Equity Shares; 20.74% of Pre- Issue Paid up capital	**Companies:** 1. Globe Denwash Private Limited **LLP:** 1. Globe Texfeb - LLP
3.	**Mrs. Purvi Bhavin Parikh** **Father Name :** Mr. Prakashbhai Jivandas Majithia **Age:** 38 Years **Designation:** Non-Executive Director **Address:** A-1002, Chandanbala Flats, Opp. Suvidha Shopping Center, Paldi, Ahmedabad 380007, Gujarat, India **Experience:** 5 Years **Occupation:** Business **Qualifications:** Bachelor of Arts	Originally appointed on the Board as Additional Non Executive Director vide board Meeting dated February 28, 2017 Appointed as Non-Executive Director in EGM dated March 4, 2017	8,70,810 Equity Shares; 10.00% of Pre- Issue Paid up capital	**LLP:** 1. Kunthunath Impex LLP

Sr. No.	Name, Father's, Age, Designation, Address, Experience, Occupation, Qualifications, Nationality & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre Issue)	Other Directorships
	Nationality: Indian **DIN:** 07732523			
4.	**Mr. Yogesh Kanhiyalal Vaidya** **Father Name:** Kanhaiyalal Kalidas Vaidya **Age:** 66 **Designation:** Non Executive & Independent Director **Address:** 45/B, Yogeshwar Nagar Society Near Bhattha, Vasna Road, Paldi Ahmedabad-380007, Gujarat, India **Experience:** 45 Years **Occupation:** Business **Qualifications:** Master of Textiles Engineering **Nationality:** Indian **DIN:** 00468732	Appointed as Non-Executive Independent Director in EGM dated March 27, 2017	NIL	**Companies:** 1. Premium Polyfab Pvt. Ltd. 2. Lajja Yarns and Distributors Pvt. Ltd.
	Mr. Monish Harbans Bhalla **Father Name:** Mr. Harbans Bhalla **Age:** 51 Years **Designation:** Additional Non-Executive Indepandent Director **Address:** 16, Kalhaar Bunglows, Sector-2, Shilaj, Ahmedabad-380058, Gujarat, India **Experience:** 29 Years **Occupation:** Business **Qualifications:** Master in Analytical Chemistry form Gujarat University **Nationality:** Indian **DIN:** 00221254	Appointed as Additional Non-Executive Independent Director in Board Meeting dated May 26, 2017	NIL	**Companies:** 1. Easy Tax-O-Legal Services (India) Private Limited 2. Saimansha Publications Private Limited 3. Absolute Academy Private Limited 4. Easy Service Tax Online Dot Com Private Limited
	Mr. Bharatbhai Samjibhai Patel **Father Name:** Shamjibhai Harjibhai Patel **Age:** 57 Years **Designation:** Additional Non-Executive Independent Director **Address:** 7,Shishir Bunglows, 3/4 Wood Fiwld, Row-House, Opp.Rajpath Club, S.G.Road, Ahmedabad-380054, Gujarat, India **Experience:** 30 Years **Occupation:** Business **Qualifications:** B. Tech in Electronics & Communication from Gujarat University **Nationality:** Indian **DIN:** 00243783	Appointed as Additional Non-Executive Independent Director in Board Meeting dated May 26, 2017	NIL	**Companies:** 1. Yudiz Solutions Private Limited 2. Gesia IT Association **LLP:** 1. Human Resource Intelligent System LLP

(i) Further reappointed as Managing Director vide Board Meeting dated February 28, 2017 and vide EGM dated March 4th, 2017 for a period of 5 years w.e.f February 28, 2017 to February 27, 2022

(ii) Further reappointed as Whole Time Director vide Board Meeting dated February 28, 2017 and vide EGM dated March 4th, 2017 for a period of 5 years w.e.f February 28, 2017 to February 27, 2022

BRIEF PROFILE OF OUR DIRECTORS

1. Mr. Bhavik Suryakant Parikh, Chairman and Managing Director, Age: 44 Years

Mr. Bhavik Suryakant Parikh aged 44 years, is Chairman and Managing Director and also the Promoter of our Company. He holds a degree of Bachelor of Science from the City University of New York. He was appointed on the Board on April 3rd, 2012 and further designated as the Chairman and Managing Director of the Company on February 28th, 2017 for a period of 5 years. He is actively engaged in managing the company since his appointment as Director. He has more than 20 years of experience in the industry. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

2. Mr. Nilaybhai Jagdishbhai Vora, Whole-time Director, Age: 30 Years

Mr. Nilaybhai Jagdishbhai Vora aged 30 years, is the Whole Time Director of our Company. He holds a degree of Bachelor of Commerce from the Gujarat University. He was originally appointed on the Board on March 31st, 2008 and further designated as the Whole Time Director of the Company on February 28th, 2017 for a period of 5 years. He is entrusted with the responsibility to look after the finance marketing of our Company. He is young and dynamic person, having more than 14 years of experience in textile industry and he is presently looking into the marketing and production related matters of the Company.

3. Mrs. Purvi Bhavin Parikh, Non Executive Director, Age: 38 years

Mrs. Purvi Bhavin Parikh aged 38 years is Non Executive Director of our Company and was originally appointed as Additional Non Executive Director on February 28, 2017 and later appointed as Non-Executive Director vide Extra-Ordinary General Meeting held on March 4th, 2017. She holds a Bachelor degree of Arts in Economics from Gujarat University and is having 5 years of experience in related business field.

4. Mr. Yogesh Kanhiyalal Vaidya, Non Executive Independent Director, Age: 66 Years

Mr. Yogesh Kanhiyalal Vaidya aged 66 years is Non Executive Independent Director of our Company appointed on Board vide Extra-Ordinary General Meeting held on March 27, 2017. He holds a Master of Textiles Engineering and is having 45 years of experience in related business field.

5. Mr. Mohnish Harbansh Bhalla, Additional Non Executive Independent Director, Age: 51 Years

Mr. Mohnish Harbansh Bhalla aged 51 years is Additional Non Executive Independent Director of our Company appointed on Board vide Board Meeting held on May 26, 2017. He holds a Masters degree in Analytical Chemistry from Gujarat University and is having 29 years of experience in related business field.

6. Mr. Bharatbhai Samjibhai Patel, Additional Non Executive Independent Director, Age: 57 Years

Mr. Bharatbhai Samjibhai Patel aged 57 years is Additional Non Executive Independent Director of our Company appointed on Board vide Board Meeting held on May 26, 2017. He holds a degree of Bachelor of Technology in Electronics and Communication from Gujarat University and is having 30 years of experience in related business field.

Confirmations

- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.
- None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.
- None of the above mentioned Directors are on the RBI list of willful defaulters as on the date of filling of this Prospectus.
- Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and person in control of our Company has/ have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.

Nature of any family relationship between any of our Directors:

None of our present Directors are related to each other within the meaning of section 2 (77) of the Companies Act, 2013.

Arrangements with major Shareholders, Customers, Suppliers or Others:

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as Directors or members of the senior management.

Service Contracts:

The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of their employment.

Details of Borrowing Powers of Directors

Our Company has passed a Special Resolution in the Extra Ordinary General Meeting of the members held on March 4, 2017 authorizing the Board of Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of Rs. 100 Crore (Rupees Hundred Crore only).

Compensation of our Managing Director and Whole Time Directors

The compensation payable to our Managing Director and Whole-time Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director and Whole Time Directors:

Particulars	Mr. Bhavik Suryakant Parikh	Mr. Nilaybhai Jagdishbhai Vora
Re-Appointment/Change in Designation	Resolution dated February 28th, 2017	Resolution dated February 28th, 2017
Designation	Chairman and Managing Director	Whole-time Director
Term of Appointment	5 years Not liable to Retire by Rotation	5 years liable to Retire by Rotation
Remuneration	Upto Rs 48,00,000 p.a./-	Upto Rs 12,00,000 p.a./-
Remuneration paid for Year 2015-16	Rs. 23,14,500/-	Rs. 7,65,863/-

Bonus or Profit Sharing Plan for our Directors

We have no bonus or profit sharing plan for our Directors.

Sitting Fee

The Articles of Association of our Company provides that payment of sitting fees to Directors (other than Managing Director & Whole- time Directors) for attending a meeting of the Board or a Committee thereof shall be decided by the Board of Directors from time to time within the applicable maximum limits. Our Board of Directors has resolved in their meeting dated March 27, 2017 for payment to all Non-executive Independent Directors for attending each such meeting of the Board or Committee thereof.

SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

Sr. No.	Name of Director	No. of Shares held	Holding in %
1.	Mr. Bhavik Suryakant Parikh	30,76,860	35.33%
2.	Mr. Nilaybhai Jagdishbhai Vora	18,06,000	20.74%
3.	Mrs. Purvi Bhavin Parikh	8,70,810	10.00%

None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Prospectus
We do not have any subsidiary and associate company as defined under Section 2(87) & 2(6) of the Companies Act, 2013.

Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.

INTEREST OF DIRECTORS

All the Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer- "Compensation of our Managing Director and Whole time Directors" above, beginning on page 124 of this Prospectus

Our Directors may also be regarded as interested their shareholding and dividend payable thereon, if any, Our Directors are also interested to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our Director are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/Members/Partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/Members/Partners.
All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold Directorships or any partnership firm in which they are partners.

Except as stated otherwise in this Prospectus, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section "Our Management" or the section titled "Financial information of the Company - Related Party Transactions" beginning on page 122 and 177 respectively of this Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

Further except as provided hereunder, our Directors are not interested in our Company in any manner:

Sr. No.	Director	Interest
1.	Mr. Bhavik Suryakant Parikh & Mr. Nilaybhai Jagdishbhai Vora	Personal Guarantee of Mr. Bhavik Suryakant Parikh, Mr. Nilaybhai Jagdishbhai Vora, Mrs. Shraddha Bhavik Parikh (wife of Mr. Bhavik Suryakant Parikh) and Corporate Guarantee of M/s Aditya Greencity Pvt Ltd against the total borrowings of ₹ 57.56 Crores made to our Company from Karur Vysya Bank. Also Mrs. Shraddha Bhavik Parikh (wife of Mr. Bhavik Suryakant Parikh) and M/s Aditya Greencity Pvt. Ltd. has provided collateral Security of their Properties against the total borrowings of ₹ 57.56 Crores made to our Company from Karur Vysya Bank.

Interest in the property of Our Company

Except as disclosed above and in the chapters titled "Our Business and "Financial Information of the Company – Related Party Transactions" on page no. 94 and 177 respectively of this Prospectus, our Directors do not have any interest in any property acquired two years prior to the date of this Prospectus.

CHANGES IN BOARD OF DIRECTORS IN LAST 3 YEARS

Sr. No.	Name	Date & Nature of Change	Reasons for Change
1.	Mr. Bhavik Suryakant Parikh	Re-designate as Chairman and Managing vide Board Meeting dated February 28, 2017 and vide EGM dated March 4, 2017	To ensure better Corporate Governance

2.	Mr. Nilaybhai Jagdishbhai Vora	Re-designate as Whole Time Director liable vide Board Meeting dated February 28, 2017 and vide EGM dated March 4, 2017	To ensure better Corporate Governance
3.	Mrs. Purvi Bhavin Parikh	Appointed as Additional Non-Executive Director vide Board Meeting dated February 28 , 2017 Appointed as Non-Executive Director vide EGM dated March 4, 2017	To ensure better Corporate Governance
4.	Mr. Yogesh Kanhiyalal Vaidya	Appointed as Non-Executive & Independent Director vide EGM dated March 27, 2017	To ensure better Corporate Governance
5.	Mr. Mohnish Harbansh Bhalla	Appointed as Additional Non-Executive & Independent Director vide Board Meeting dated May 26, 2017	To ensure better Corporate Governance
6.	Mr. Bharatbhai Samjibhai Patel	Appointed as Additional Non-Executive & Independent Director vide Board Meeting dated May 26, 2017	To ensure better Corporate Governance

COMPLIANCE WITH CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations, 2009 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME Platform of NSE. The requirements pertaining to the Composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees have been complied with.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of six (6) directors of which three (3) are Independent Non-Executive Directors (as defined under Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), which constitutes more than 50% of the Board of Directors and one women Director, which is in compliance with the requirements of Regulation 17 of SEBI Listing Regulations, 2015. Our Company has constituted the following committees:

Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), vide Board Resolution dated May 26, 2017, as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with Regulation 18 of SEBI Listing Regulations, 2015 applicable upon listing of the Company's Equity shares on SME platform of NSE ("NSE Emerge"), The constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Mohnish Harbansh Bhalla	Chairman	Additional Non Executive-Independent Director
Mr. Yogesh Kanhiyalal Vaidya	Member	Non Executive-Independent Director
Mr. Bhavik Suryakant Parikh	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

A. Tenure: The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Meetings of the Committee: The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting.

C. Role and Powers: The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 and Companies Act, 2013 shall be as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;
    - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
    - changes, if any, in accounting policies and practices and reasons for the same;
    - major accounting entries involving estimates based on the exercise of judgment by management;
    - significant adjustments made in the financial statements arising out of audit findings;
    - compliance with listing and other legal requirements relating to financial statements;
    - disclosure of any related party transactions;
    - modified opinion(s) in the draft audit report;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
21. To review the functioning of the whistle blower mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

a) Management discussion and analysis of financial condition and results of operations;
b) Statement of significant related party transactions (as defined by the audit committee),submitted by management;
c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
d) Internal audit reports relating to internal control weaknesses; and
e) The appointment, removal and terms of remuneration of the chief internal auditor

f) Statement of deviations:
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated May 26, 2017. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Bharatbhai Samjibhai Patel	Member	Additional Non Executive-Independent Director
Mr. Yogesh Kanhiyalal Vaidya	Chairman	Non Executive-Independent Director
Mr. Nilaybhai JagdishbhaiVora	Member	Whole Time Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

A. Tenure: The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

B. Meetings: The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

C. Terms of Reference: Redressal of shareholders' and investors' complaints, including and in respect of:

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
- Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Regulation 19 of SEBI Listing Regulation, 2015 vide Resolution dated May 26, 2017. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Bharatbhai Samjibhai Patel	Member	Additional Non Executive-Independent Director
Mr. Yogesh Kanhiyalal Vaidya	Chairman	Non Executive-Independent Director
Mr. Mohnish Harbanshlal Bhalla	Member	Additional Non Executive-Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure: The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

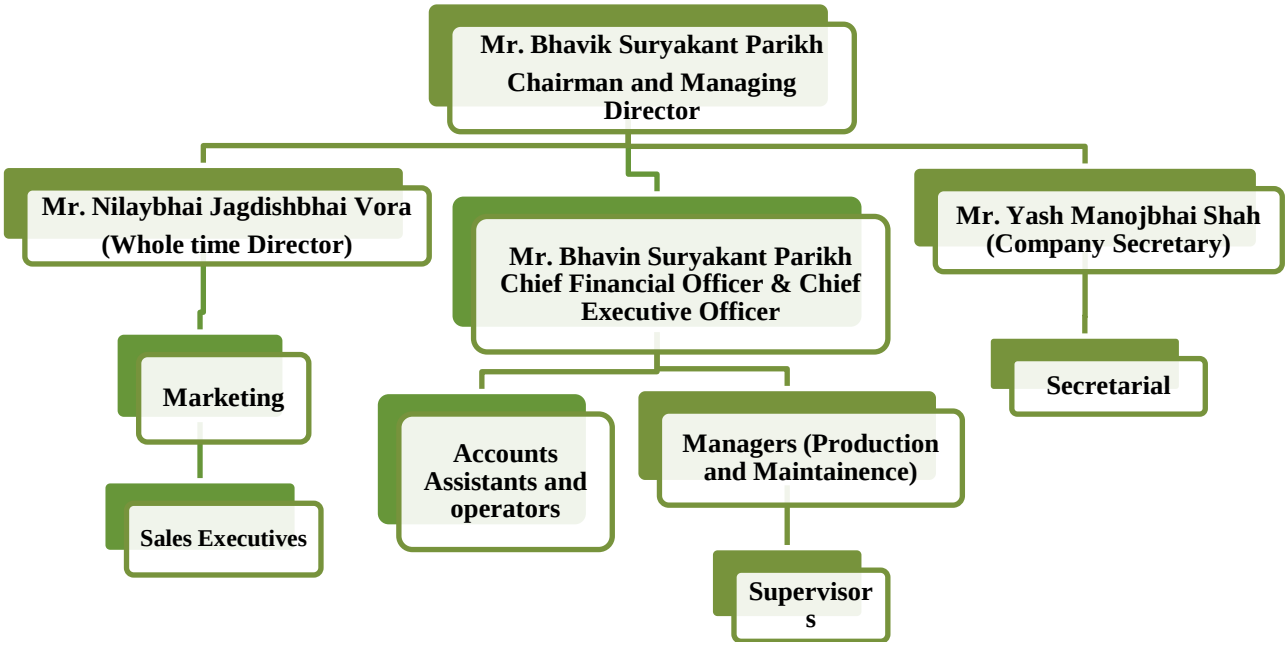
B. Meetings: The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries; however, it shall be up to the chairperson to decide who shall answer the queries.

C. Role of Terms of Reference:

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board for their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
- To formulate and administer the Employee Stock Option Scheme.

MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:-



POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of NSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors at their meeting held on March 27, 2017 have approved and adopted the policy on insider trading in view of the proposed public Issue. Mr. Yash Manojbhai Shah, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, and monitoring to the rules for the preservation of price sensitive information and Code of Conduct under the overall supervision of the Board.

POLICY FOR DETERMINATION OF MATERIALITY & MATERIALITY OF RELATED PARTY TRANSACTIONS AND ON DEALING WITH RELATED PARTY TRANSACTIONS

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of NSE. We shall comply with the requirements of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 on listing of Equity Shares on the SME platform of NSE. The Board of Directors at their meeting held on March 27, 2017 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

Our Key Managerial Personnel

Our Company is supported by a well-laid team having good exposure to various operational aspects of our line of business. A brief about the Key Managerial Personnel of our Company is given below:

Name, Designation & Educational Qualification	Age (Year)	Date of joining as KMP	Compensation paid for the F.Y ended 2016 (in Rs Lacs)	Over all experience (in years)	Previous employment
Name: Mr. Bhavik Suryakant Parikh **Designation:** Chairman and Managing Director **Qualification:** Bachelor of Science	44	Chairman and Managing Director w.e.f February 28th, 2017	23.14	20	Nil
Name: Mr. Nilaybhai Jagdishbhai Vora **Designation:** Whole time Director **Qualification:** Bachelor of Commerce	30	Whole time Director w.e.f February 28th, 2017	7.65	14	Nil
Name: Yash Manojbhai Shah **Designation:** Company Secretary & Compliance Officer **Qualification:** Company Secretary	23	Appointed on March 22, 2017	--	1.5	Nil
Name: Mr. Bhavin Suryakant Parikh **Designation:** Chief Financial Officer & Chief Executive Officer **Qualification:** Bachelor of Business	39	Appointed on March 22, 2017	--	16	Nil

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

1. Mr. Bhavik Suryakant Parikh, Chairman cum Managing Director, Age: 36 Years

Mr. Bhavik Suryakant Parikh aged 44 years, is Chairman and Managing Director and also the Promoter of our Company. He holds a degree of B.sc (Bachelor of Science) from the City University of New York. He was appointed on the Board on April 3rd, 2012 and further designated as the Chairman and Managing Director of the Company on February 28th, 2017 for a period of 5 years. He is actively engaged in managing the company since his appointment as Director. He has more than 20 years of experience in the industry. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business

strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

2. Mr. Nilaybhai Jagdishbhai Vora, Whole-time Director, Age: 30 Years

Mr. Nilaybhai Jagdishbhai Vora aged 30 years, is the Whole Time Director of our Company. He holds a degree of B.com (Bachelor of Commerce) from the Gujarat University. He was originally appointed on the Board on March 31st, 2008 and further designated as the Whole Time Director of the Company on February 28th, 2017 for a period of 5 years. He is entrusted with the responsibility to look after the marketing department of our Company. He is young and dynamic person, having more than 14 years of experience in textile industry and he is presently looking into the financial and production related matters of the Company.

3. Mr. Yash Manojbhai Shah, Company Secretary & Compliance Officer, Age: 24 Years

Mr. Yash Manojbhai Shah is Company Secretary and Compliance officer of our Company. He holds a Company Secretary degree from Institute of Company Secretaries of India. He has an overall experience of one and half year. He looks after the secretarial matters of our Company. He joined our Company on March 22, 2017.

4. Mr. Bhavin Suryakant Parikh, Chief Financial Officer & Chief Executive Officer, Age: 39 Years

Mr. Bhavin Suryakant Parikh is Chief Financial Officer & Chief Executive Officer of our Company He holds a degree of Bachelor of Business from Swinburne University of Technology, Australia. He has an overall experience of 16 years. He looks after the Accounts and Financial matters of our Company.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Except Mr. Bhavik Suryakant Parikh and Mr. Bhavin Suryakant Parikh who are brothers, None of Key Managerial persons stated above are related to each other.

We confirm that:

a. All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
b. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
c. None of our KMPs except Mr. Bhavik Suryakant Parikh and Mr. Nilaybhai Jagdishbhai Vora, are also part of the Board of Directors.
d. In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the period ended December, 2016.
e. Except for the terms set forth in the appointment Letters the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
f. Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
g. None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Prospectus except as under:

Sr. No.	Director	Shareholding	In %
1.	Mr. Bhavik Suryakant Parikh	30,76,860	35.33%
2.	Mr. Nilaybhai Jagdishbhai Vora	18,06,000	20.74%
3.	Mr. Bhavin Suryakant Parikh	17,41,620	20.00%

h. Presently, we do not have ESOP/ESPS scheme for our employees.
i. The turnover of KMPs is not high, compared to the Industry to which our Company belongs.

Payment of Benefits to Officers of our Company (non-salary related)

Except for any statutory payments made by our Company upon termination of services of its officer or employees, our Company has not paid any sum, any non-salary amount or benefit to any of its officers or to its employees including amounts towards super annuation, ex-gratia/rewards.

Changes in the Key managerial Personnel in last three years:

There have been no changes in the Key Managerial Personnel of our Company during the last three year except as stated below:

Sr. No.	Name	Designation	Date of Appointment/ Cessation/Promotion/ Transfer	Reasons
1.	Mr. Bhavik Suryakant Parikh	Chairman & Managing Director	February 28, 2017	Change in Designation
2.	Mr. Nilaybhai Jagdishbhai Vora	Whole Time Director	February 28, 2017	Change in Designation
4.	Mr. Yash Manojbhai Shah	Company Secretary	March 22, 2017	Appointment
5.	Mr. Bhavin Suryakant Parikh	Chief Financial Officer & Chief Executive Officer	March 22, 2017	Appointment

INTEREST OF KEY MANAGERIAL PERSONNEL IN OUR COMPANY

Apart from shares held in the Company, and to the extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our Key managerial personal are interested in our Company, other than as mentioned below:

Sr. No.	Director	Interest
1.	Mr. Bhavik Suryakant Parikh & Mr. Nilaybhai Jagdishbhai Vora	Personal Guarantee of Mr. Bhavik Suryakant Parikh, Mr. Nilaybhai Jagdishbhai Vora, Mrs. Shraddha Bhavik Parikh (wife of Mr. Bhavik Suryakant Parikh) and Corporate Guarantee of M/s Aditya Greencity Pvt Ltd against the total borrowings of ₹ 57.56 Crores made to our Company from Karur Vysya Bank. Also Mrs. Shraddha Bhavik Parikh (wife of Mr. Bhavik Suryakant Parikh) and M/s Aditya Greencity Pvt. Ltd. has provided collateral Security of their Properties against the total borrowings of ₹ 57.56 Crores made to our Company from Karur Vysya Bank.

Except as provided in this Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Prospectus in which the Key Managerial Personnel are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

For the details unsecured loan taken from or given to our Directors/KMPs and for details of transaction entered by them in the past please refer to "Annexure R Statement of Related Party Transaction" on page no 177 and Personal Guarantee towards Financial facilities of our Company please refer to "Statement of Financial Indebtedness" on page no 183 of the Prospectus.

OTHER BENEFITS TO OUR KEY MANAGERIAL PERSONNEL

Except as stated in this Prospectus, there are no other benefits payable to our Key Managerial Personnel.

EMPLOYEES

The details about our employees appear under the Paragraph titled ―Human Resource in Chapter Titled ―Our Business beginning on page 94 of this Prospectus.

OUR PROMOTERS & PROMOTER GROUP

Mr. Bhavik Suryakant Parikh and Mr. Bhavin Suryakant Parikh are the Promoters of our Company.

As on the date of this Prospectus, Mr. Bhavik Suryakant Parikh and Mr. Bhavin Suryakant Parikh holds 48,18,480 Equity Shares which in aggregate, constitutes 55.33% of the issued and paid-up Equity Share capital of our Company. Our Promoter and Promoter Group will continue to hold the majority of our post- Issue paid-up equity share capital of our Company.

Details of our Promoters:-



Mr. Bhavik Suryakant Parikh, Chairman & Managing Director	
Qualification	Bachelor of Science
Age	44Years
Address	1001, B Chandanbala Flat, Op. Suvidha Shopping Center, Paldi Ahmedabad 380007 Gujarat, India
Experience	20 years
Occupation	Business
Permanent Account Number	AICPP1187H
Passport Number	P-USA-505884306
Name of Bank & Bank Account Details	Bank of Baroda – Ashram Road, Ahmedabad Account No. - 08490100018539
Driving License Number	GJ01 19970038124
Aadhar Card Number	477108129920
No. of Equity Shares held in GTIL [% of Shareholding (Pre Issue)]	30,76,860 Equity Shares of ₹ 10 each; 35.33% of Pre- Issue Paid up capital
DIN	00038223
Other Interests	**Directorships in other Companies:** 1. Aditya Prohouse Private Limited 2. Aaditya Biztrade Center Private Limited 3. Padamshree Globe Tradelink Limited 4. Aadi Real Estate Developers Private Limited 5. Globe Denwash Private Limited **LLP:** 1. Globe Texfeb - LLP 2. Siddhi Tradetech LLP **Partnership Firms:-** 1. Parikh Investment 2. Family Fund 3. Khushi Investment 4. Aaditya Raj Developers 5. Aaditya Manakyam Developers **Proprietorship:-** Nil **HUF:-** 1. Bhavik Suryakant Parikh HUF (Karta) 2. Suryakant Hiralal Parikh HUF (Member) **Trust:-** Parikh Hathisingh ujamchand Sarvajanik Sakhawait



Mr. Bhavin Suryakant Parikh	
Qualification	Bachelor of Business
Age	38Years
Address	Flat No. 13, Aditi Flats, Ellisbridge, Ahmedabad-380006, Gujarat, India
Experience	16 years
Occupation	Business
Permanent Account Number	AETPP8908B
Passport Number	G1365694
Name of Bank & Bank Account Details	Bank of Baroda – Ashram Road, Ahmedabad Account No. - 08490100018542
Driving License Number	GJ01/033424/03
Aadhar Card Number	Not Available
No. of Equity Shares held in GTIL [% of Shareholding (Pre Issue)]	17,41,620 Equity Shares of ₹ 10 each; 20% of Pre- Issue Paid up capital
DIN	00034258
Other Interests	**Directorships in other Companies:** 1. Gujarat Toolroom Limited 2. Shantinath Infrabuild Private Limited 3. Fundtonic Service Private Limited 4. Ajitnath Infracon Private Limited 5. Scale Master Incubation Foundation **LLP:** 1. Kunthunath Impex LLP 2. Fundtonic Technology LLP 3. Apple Incubation Center LLP **Partnership Firms:-** 1. Parikh Investment 2. Family Fund 3. Khushi Investment **Proprietorship:-** Nil **HUF:-** 1. Bhavin Suryakant Parikh – HUF (Karta) 2. Suryakant Hiralal Parikh HUF (Member) **Trust:-** Parikh Hathisingh ujamchand Sarvajanik Sakhawait

Declaration

We confirm that the Permanent Account Number, Bank Account Number and Passport Number of the Promoter have been submitted to NSE at the time of filing of Prospectus with them.

Present Promoters of Our Company is Mr. Bhavik Suryakant Parikh and Mr. Bhavin Suryakant Parikh. However the original subscribers to the MoA of Our Company was Mr. Suryakant Hiralal Parikh, Mr. Vijaybhai Manubhai Shah, Mr. Dilipbhai Kantilal Adesara and Mr. Dilipbhai Chandulal Pandya. For details of the shareholding acquired by the current promoters of our Company refer the capital buildup of our Promoter under chapter "Capital Structure "beginning on page no 58 of the Prospectus.

Undertaking/ Confirmations

None of our Promoter or Promoter Group or Group Companies or person in control of our Company has been:

- prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoter, person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoter, the promoter group members nor our Group Company have been declared as a willful defaulter by the RBI or any other government authority nor there are any violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

Common Pursuits/ Conflict of Interest

Our Group Companies Globe Texfeb – LLP & Kunthunath Impex LLP is engaged in similar line of business i.e. textiles and garments as our Company as on date of this Prospectus. For further details of our Group Companies refer to Section titled "Our Group Companies" on page 140 of the Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

Interest in promotion of Our Company

The Promoters is interested to the extent of their shareholding in the Company, and any dividend and distributions which may be made by the Company in future. The related party transactions are disclosed in "Financial Information of the Company" and "Our Management – Interest of Directors" and "Our Management – Interest of Key Managerial Personnel" on pages 147 & 122 of this Prospectus, respectively.

Interest in the property of Our Company

Except as mentioned in this Prospectus, our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Prospectus or proposed to be acquired by us till date of filing the Prospectus with RoC.

Other Interest of Promoter

Our Promoters Mr. Bhavik Suryakant Parikh and Mr. Bhavin Suryakant Parikh are interested to the extent of their shareholding and shareholding of their relatives in our Company. Our Promoter Mr. Bhavik Suryakant Parikh who is also the Managing Director & Chairman and Mr. Bhavin Suryakant Parikh who is Chief financial Officer and Chief Executive Officer, of our Company may be deemed to be interested to the extent of his remuneration, as per the terms of his appointment and reimbursement of expenses payable to him. Our Promoters may also be deemed interested to the extent of any unsecured loan given/taken by them to/from our Company.

Further except as provided hereunder, our promoters are not interested in our Company in any manner:

Sr. No.	Director	Interest
1.	Mr. Bhavik Suryakant Parikh	Personal Guarantee of Mr. Bhavik Suryakant Parikh, Mr. Nilaybhai Jagdishbhai Vora, Mrs. Shraddha Bhavik Parikh (wife of Mr. Bhavik Suryakant Parikh) and Corporate Guarantee of M/s Aditya Greencity Pvt Ltd against the total borrowings of ₹ 57.56 Crores made by our Company from Karur Vysya Bank. Also Mrs. Shraddha Bhavik Parikh (wife of Mr. Bhavik Suryakant Parikh) and M/s Aditya Greencity Pvt. Ltd. has provided collateral Security of their Properties against the total borrowings of ₹ 57.56 Crores made by our Company from Karur Vysya Bank.

For transaction in respect of loans and other monetary transaction entered in past please refer Annexure R on "Related Party Transactions" on page 177 forming part of "Financial Information of the Company" of this Prospectus.

Except as stated otherwise in this Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Prospectus or proposes to enter into any such contract in which our Promoter are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them.

Experience of Promoters in the line of business

Our Promoters Mr. Bhavik Suryakant Parikh and Mr. Bhavin Suryakant Parikh are in the business of textiles and garments manufacturing for about twenty years and sixteen years respectively. The company shall also endeavour to ensure that relevant professional help is sought as and when required in the future.

Related Party Transactions

For the transactions with our Promoter Group entities please refer to section titled "Annexure - R" Related Party Transactions" on page 177 of this Prospectus.
Except as stated in "Annexure - R" Related Party Transactions" beginning on page 177 of the Prospectus, and as stated therein, our Promoter or any of the Promoter Group Entities do not have any other interest in our business.

Payment or Benefit to Promoter of Our Company

For details of payments or benefits paid to our Promoter, please refer to the chapter titled "Our Management" beginning on page 122 of this Prospectus. Also refer Annexure R on "Related Party Transactions" on page 177 forming part of "Financial Information of the Company" of this Prospectus.

Companies / Firms from which the Promoter have disassociated themselves in the last (3) three years

Except as mentioned below, our Promoters have not disassociated themselves from any of the Companies, Firms or other entities during the last three years preceding the date of this Prospectus:-

Name of Company	Reason of Disassociation
Mr. Bhavik Suryakant Parikh	
Shitalnath Buildcon Private Limited	Resignation from Directorship Mr. Bhavik Suryakant Parikh was appointed as Director in Shitalnath Buildcon Private Limited. on 16.10.2010 but due to preoccupation he has resigned from this company on 28.03.2014
Vimalnath Buildcon Private Limited	Resignation from Directorship Mr. Bhavik Suryakant Parikh was appointed as Director in Vimalnath Buildcon Private Limited. on 25.10.2010 but due to preoccupation he has resigned from this company on 31.10.2014
Shantinath Infrabuild Private Limited	Resignation from Directorship Mr. Bhavik Suryakant Parikh was appointed as Director in Shantinath Infrabuild Private Limited on 15.12.2011 but due to preoccupation he has resigned from this company on 31.10.2014
Vasupujya Infracon Private Limited	Resignation from Directorship Mr. Bhavik Suryakant Parikh was appointed as Director in Vasupujya Infracon Private Limited on 01.05.2012 but due to preoccupation he has resigned from this company on 31.10.2014
Sumatinath Infracon Private Limited	Resignation from Directorship Mr. Bhavik Suryakant Parikh was appointed as Director in Sumatinath Infracon Private Limited on 25.10.2010 but due to preoccupation he has resigned from this company on 21.04.2014
Aaditya Locker Services Private Limited	Resignation from Directorship Mr. Bhavik Suryakant Parikh was appointed as Director in Aaditya Locker Services Private Limited on 17.04.2012 but due to preoccupation he has resigned from this company on 31.10.2014
Aaditya Greencity Private Limited	Resignation from Directorship Mr. Bhavik Suryakant Parikh was appointed as Director in Aaditya Greencity Private Limited on 20.05.2012 but due to preoccupation he has resigned from this company on 31.10.2014
Parshwanath Buildwell	Resignation from Directorship

Private Limited	Mr. Bhavik Suryakant Parikh was appointed as Director in Parshwanath Buildwell Private Limited on 04.12.2012 but due to preoccupation he has resigned from this company on 31.10.2014
Shankheshwar Buildcon Private Limited	Resignation from Directorship Mr. Bhavik Suryakant Parikh was appointed as Director in Shankheshwar Buildcon Private Limited on 19.10.2010 but due to preoccupation he has resigned from this company on 31.10.2014
Aditya Multipack Solutions Private Limited	Resignation from Directorship Mr. Bhavik Suryakant Parikh was appointed as Director in Aditya Multipack Solutions Private Limited on 16.10.2010 but due to preoccupation he has resigned from this company on 31.10.2014
Aadityanath Arcade LLP	Resignation from Designated Partnership Mr. Bhavik Suryakant Parikh was appointed as Designated Partner in Aadityanath Arcade LLP on 18.07.2014 but due to preoccupation he has resigned from this LLP on 22.05.2015
Aadityanath Realty LLP	Resignation from Designated Partnership Mr. Bhavik Suryakant Parikh was appointed as Designated Partner in Aadityanath Realty LLP on 21.07.2014 but due to preoccupation he has resigned from this LLP on 29.09.2014
Mr. Bhavin Suryakant Parikh	
Hrishee Strategic Advisors Private Limited	Resignation from Directorship Mr. Bhavin Suryakant Parikh was appointed as Director in Hrishee Strategic Advisors Private Limited on 19.07.2010 but due to preoccupation he has resigned from this company on 24.01.2017
Agtel Mobilink Private Limited	Resignation from Directorship Mr. Bhavin Suryakant Parikh was appointed as Director in Agtel Mobilink Private Limited on 12.08.2013 but due to preoccupation he has resigned from this company on 30.12.2016
Kunthunath Impex Private Limited	Resignation from Directorship Mr. Bhavin Suryakant Parikh was appointed as Director in Kunthunath Impex Private Limited on 18.04.1997 but due to preoccupation he has resigned from this company on 03.09.2015
Shanaishwar Fabtex Private Limited	Resignation from Directorship Mr. Bhavin Suryakant Parikh was appointed as Director in Shanaishwar Fabtex Private Limited on 09.04.2013 but due to preoccupation he has resigned from this company on 30.12.2016
Ajitnath Buildcon Private Limited	Resignation from Directorship Mr. Bhavin Suryakant Parikh was appointed as Director in Ajitnath Buildcon Private Limited on 09.04.2013 but due to preoccupation he has resigned from this company on 30.12.2016
Ajitnath Infracon LLP	Resignation from Designated Partnership Mr. Bhavin Suryakant Parikh was appointed as Designated Partner in Ajitnath Infracon LLP on 17.07.2015 but due to preoccupation he has resigned from this LLP on 01.04.2016

Other ventures of our Promoter

Save and except as disclosed in this section titled "Our Promoter and Promoter Group" and "Our Group Companies" beginning on page 134 & 140 respectively of this Prospectus, there are no ventures promoted by our Promoter in which they have any business interests/ other interests as on date of this Prospectus.

Litigation details pertaining to our Promoter

For details on litigations and disputes pending against the Promoter and defaults made by the Promoter please refer to the section titled "Outstanding Litigations and Material Developments" beginning on page 198 of this Prospectus.

OUR PROMOTER GROUP

In addition to the Promoter named above, the following natural persons are part of our Promoter Group:

1. Natural Persons who are part of the Promoter Group

As per Regulation 2(zb) of the SEBI (ICDR) Regulations, 2009, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoter), other than the Promoters, are as follows:

Relationship	Mr. Bhavik Suryakant Parikh	Mr. Bhavin Suryakant Parikh
Father	Mr. Suryakant Hiralal Parikh	Mr. Suryakant Hiralal Parikh

Mother	Mrs. Shardaben Suryakant Parikh	Mrs. Shardaben Suryakant Parikh
Spouse	Mrs. Shraddha Bhavik Parikh	Mrs. Purvi Bhavin Parikh
Brother	Mr. Bhavin Suryakant Parikh	Mr. Bhavik Suryakant Parikh
Sister	Mrs. Asha Adani Mrs. Bina Bhanshali	Mrs. Asha Adani Mrs. Bina Bhanshali
Son	Mr. Aditya Parikh	-
Daughter	Ms. Mishika Parikh	Ms. Khushi Parikh Ms. Vivaa Parikh
Spouse's Father	Mr. Bharatbhai Kothari	Mr. Prakash Jivandas Majithia
Spouse's Mother	Mrs. Shridevi Kothari	Ms. Tara Prakash Majithia
Spouse's Brother	Mr. Shreyansh Kothari	Mr. Yash Majithia
Spouse's Sister	Mrs. Shrilekha Benker Mrs. Shreya Kothari	-

In addition to the above promoter group members, Mr. Nilaybhai Jagdishbhai Vora and Jagdishbhai Manilal Vora HUF (through Karta Mr. Jagdishbhai Manilal Vora) is also the member of Promoter group.

2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(zb) of the SEBI (ICDR) Regulations, 2009, the following entities would form part of our Promoter Group:

Nature of Relationship	Entity
Any Body corporate in which ten percent or more of the equity share capital is held by the Promoter or an immediate relative of the Promoter or a firm or HUF in which the promoter or any one or more of his immediate relative is a member.	**Companies:** 1. Shantinath Infrabuild Private Limited 2. Aadi Real Estate Developers Private Limited 3. Aaditya Biztrade Center Private Limited 4. Aditya Prohouse Private Limited 5. Ajitnath Arcade Private Limited 6. Padamshree Globe Tradelink Limited 7. Globe Denwas Private Limited 8. Fundtonic Service Private Limited 9. Scale Master Incubation Foundation 10. Winco Valves Private Limited **LLP:** 1. Apple Incubation Center LLP 2. Fundtonic Technology LLP 3. Siddhi Tradetech LLP 4. Globe Texfeb - LLP 5. Kunthunath Impex LLP
Any Body corporate in which a body corporate as provided above holds ten percent or more of the equity share capital	Nil
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent of the total	**Proprietorship**:- Nil **Partnership Firms:-** 1. Parikh Investment 2. Family Fund 3. Khushi Investment 4. Aaditya Raj Developers 5. Aaditya Manakyam Developers **HUF**:- **1.** Bhavik Suryakant Parikh HUF **2.** Bhavin Suryakant Parikh HUF **Trust**:- 1. Parikh Hathisingh ujamchand Sarvajanik Sakhawait

OUR GROUP COMPANIES

As per the SEBI ICDR Regulations, 2009 for the purpose of identification of Group Companies, our Company has considered companies covered under the Accounting Standard 18 (including Associate Companies) as per Restated Financial Statements. Further, pursuant to a resolution of our Board dated March 27, 2017 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as a Group Company if such company forms part of the Promoter Group of our Company in terms of Regulation 2(1)(z)(b) of the SEBI Regulations, 2009 and Companies who entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Restated Financial Statements.

The following entities are identified as Group Companies of our Company:

1. Padamshree Globe Tradelink Limited
2. Ajitnath Arcade Private Limited
3. Globe Texfeb - LLP
4. Kunthunath Impex LLP

1. Padamshree Globe Tradelink Limited

Date of Incorporation	August 23, 2011		
Main objects:	To carry on the business as representatives, agents, traders, dealers, exporters, importers, factors, consignors and consignees, broking, forward and spot trading in metals, gold, silver including other precious metals, metal-ferrous and non-ferrous metal products, all kind of metal scraps, agricultural, horticulture, herbals, real estate, construction and building materials, industrial, consumer, consumer durables, pharmaceuticals, engineering, chemicals, petro- chemicals, rubber, plastics, polymers, textile, electrical, electronics, diamonds stones, semiprecious stones, precious stones of all shapes and to do all such acts related to machineries, parts, instruments and promotional activities of above sectors.		
CIN	U51101GJ2011PLC066858		
PAN Card no.	AAGCP1571N		
Registered Office Address	402, Sheel Complex, 4th Floor, Mayur Colony, Nr. Mithakali Under Bridge, Navrangpura Ahmedabad 380009, Gujarat, India		
Board of Directors*	**Name**	**DIN**	
	Mr. Bhavik Suryakant Parikh	00038223	
	Mr. Manish Kirtilal Shah	03060959	
	Mr. Miteshbhai Jayantilal Adani	03279695	
	Mr. Pratik Nanubhai Patel	07603957	
Audited Financial Information	**(Rs. in Lacs, except per share data)**		
	For The Year Ended		
	March 31, 2016	**March 31, 2015**	**March 31, 2014**
Paid up Equity Share Capital	90	90	90
Reserves and Surplus (excluding Revaluation Reserve)	(25.36)	17.40	40.57
Net worth	64.63	107.40	130.57
Income including other income and exceptional items	967.86	1957.16	5045.70
Profit/ (Loss) after tax	(42.77)	(23.17)	7.15
Earnings per share (face value of Rs. 10 each)	(4.75)	(2.57)	0.79
Net asset value per share	7.18	11.93	14.51

**As on date of Prospectus*

Shareholding Pattern as on the date of this Prospectus is as follows:

Sr. No.	Name of the Equity Shareholder	No. of Equity Shares held	% of Shareholding
1.	Mr. Bhavik Suryakant Parikh	8,50,000	94.44

2.	Mr. Mitesh J Adani	49,995	5.56
3.	Mr. Bhavin Suryakant Parikh	1	0.00
4.	Mrs. Purvi Bhavin Parikh	1	0.00
5.	Mr. Suryakant Hiralal Parikh	1	0.00
6.	Mr. Shardaben Suryakant Parikh	1	0.00
7.	Asha M. Adani	1	0.00
	Total	**9,00,000**	**100.00**

Nature and extent of interest of our Promoters

Our Promoters Mr. Bhavik Suryakant Parikh and Mr. Bhavin Suryakant Parikh along with their immediate relatives holds 94.44% of the share in Padamshree Globe Tradelink Limited.
Padamshree Globe Tradelink Limited is an unlisted Company and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company under the meaning of SICA nor is under winding up.
There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

2. Ajitnath Arcade Private Limited

Date of Incorporation	October 14, 2009		
Main objects:	To carry on the business of infrastructure Developers, Real Estate Developers, Builders, Contractors , Property Developers and for that purpose to own construct develop, improve take on lease or leave & licence basis or to acquire in any other manner and to hold manage and operate and to sell or give on lease & licence or deal in any other manner, land, plots, houses apartments, premises, bungalows, flats, units, sheds, shops, offices shopping malls, godowns, service apartments, hotels, business centres, multiplexes and other commercial and residential premises and to provide in connection thereto all facilities and services and to engage in project and construction management services and to execute contracts in relation to infrastructure projects like airports, seaports, roads, bridges water & sanitation projects, solid waste management, power projects, industrial and technology parks, special economic zone and other projects.		
CIN	U45201GJ2009PTC058352		
PAN Card no.	AAHCA9978G		
Registered Office Address	402, Sheel Complex, Mayur Colony, Mithakhali, Navrangpura, Ahmedabad 380006, Gujarat, India		
Board of Directors*	**Name**	**DIN**	
	Mr. Miteshbhai Jayantilal Adani	03279695	
	Mr. Prakash Ghisalal Sharma	02770837	
	Mr. Ajay Vinodkumar Upadhyay	02787936	
Audited Financial Information	**(Rs. in Lacs, except per share data)**		
	For The Year Ended		
	March 31, 2016	**March 31, 2015**	**March 31, 2014**
Paid up Equity Share Capital	14.26	14.26	14.06
Reserves and Surplus (excluding Revaluation Reserve)	139.92	137.10	114.46
Net worth	154.19	151.37	128.52
Income including other income and exceptional items	597.66	599.41	1932.47
Profit/ (Loss) after tax	2.82	22.64	69.49
Earnings per share (face value of Rs. 10 each)	1.98	15.87	49.40
Net asset value per share	108.07	106.09	91.36

**As on date of Prospectus*

Shareholding Pattern as on the date of this Prospectus is as follows:

Sr. No.	Name of the Equity Shareholder	No. of Equity Shares held	% of Shareholding
1.	Mr. Bhavik Suryakant Parikh	1,30,680	91.60
2.	Mr. Vishal Mukesh Kumar Shah	4,500	3.15
3.	Mr. Mukesh N Shah	2,500	1.75
4.	Mr. Harshad Patel	2,500	1.75
5.	Mr. Miteshbhai Jayantilal Adani	2,500	1.75
	Total	**1,42,680**	**100.00**

Nature and extent of interest of our Promoters

Our Promoter Mr. Bhavik Suryakant Parikh holds 91.60% of the share in Ajitnath Arcade Private Limited.
Ajitnath Arcade Private Limited is an unlisted Company and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company under the meaning of SICA nor is under winding up.
There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

3. Kunthunath Impex LLP

Date of Incorporation	March 2, 2016		
Brief Description of Business:	To carry on the business of ginning, pressing of cotton and to act as processors, seizers, manufactures, twisters, crimpers of polyester, polypropylene, cotton denim textiles, cloth, synthetic cloth, readymade garments, terry towel, hosiery woolen, silk, artificial silk, rayon, nylon, terine, stechton, P.O.Y. manmade synthetic fibers, staplefibres, wool and fibrous materials, cotton, grey and the business of manufacturing, ginning, texturising, weaving, bleaching , printing, and selling of cloth of all types, nature and description including all tradition dress, filaments furnishing fabrics, tapestry, linen and fabrics of all types, whether knitted or looped and of buying, selling and/or dealing in silk, strechlon, cotton, rayon, nylon, khadi silk and generally to carry on the business of dyers, dealers in flax, hemp, artificial silk, synthetic cotton, staple fibers, wool and cloth merchants, cleaners, combers, dyers and to transact all and any special treatment to any of the above referred materials at any stage of production such as texturising, testing, crimping on own material or belonging to others and/or to get the same through others on job work.		
LLP Identification Number	AAF-8381		
PAN Card no.	AAQFK2936D		
Registered Office Address	A/13, Aditi Flats, Nr. Prakash High School, Ellisbridge, Ahmedabad-380006, Gujarat, India		
Designated Partners	**Name**	**DIN/DPIN**	
	Mr. Suryakant Hiralal Parikh	00038136	
	Mr. Bhavin Suryakant Parikh	00034258	
Partners	Mrs. Purvi Bhavin Parikh		
	Mrs. Saradaben Suryakant Parikh		
	Mrs. Shraddha Bhavik Parikh		
Audited Financial Information*	**(Rs. in Lacs, except per share data)**		
	For The Year Ended		
	January 31, 2016	**March 31, 2015**	**March 31, 2014**
Paid up Equity Share Capital	380.00	380.00	380.00
Reserves and Surplus (excluding Revaluation Reserve)	(326.92)	(326.02)	(324.59)
Net worth	53.08	53.98	55.41
Income including other income and exceptional items	0.65	2.31	206.74
Profit/ (Loss) after tax	(0.90)	(1.44)	17.83
Earnings per share (face value of Rs. 1 each)	(0.002)	(0.004)	0.05

Net asset value per share	0.13	0.14	0.15

***** *The Financial Information of LLP is prepared for the period ended January 31, 2016 before the conversion of Company "Kunthunath Impex Private Limited" to "Kunthunath Impex LLP". The financial statement for the Period ended March 31, 2016 are not prepared and filed with regulatory authorities by our Group Company.*

Contribution in LLP as on the date of the Prospectus is as follows:

Sr. No.	Name of the Equity Shareholder	Capital (in %)
1.	Mr. Suryakant Hiralal Parikh	28.94
2.	Mr. Bhavin Suryakant Parikh	66.32
3.	Mrs. Purvi Bhavin Parikh	0.79
4.	Mrs. Saradaben Suryakant Parikh	2.11
5.	Mrs. Shraddha Bhavik Parikh	1.84
	Total	**100.00**

Nature and extent of interest of our Promoters:-

The Promoter of our Company Mr. Bhavin Suryakant Parikh is designated partner of the Limited Liability Partnership and is interested to such extent of his Contribution
Kunthunath Impex LLP does not have a negative net-worth in the immediately preceding year.
There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

4. Globe Texfeb – LLP

Date of Incorporation	January 19, 2016	
Brief Description of Business:	To carry on the business of gining, pressing of cotton and to act as processors, sizers, manufacturers, twisters, crimpers, of polyester, polypropylene, cotton, denim textiles, cloth, synthetic cloth, readyrnade garments, terry towel, hosiery woolen, silk, artificial silk, rayon, nylon, terine, stechlon, P.O. manmade synthetic fibers, staple fibers, wool and fibrous materials, cotton, grey and the business of manufacturing, ginning texturising, weaving., bleaching, printing and selling cloth of all types, nature and description including all traditions dress, filaments furnishing fabrics, tarperstry, linen and fabrics of all types, whether knitted or looped and of buying, selling and/or dealing in silk, strechlon, cotton, rayon, nylon, khadi silk and generally to carry on the business of dyers, dealers in flax, hemp, artificial silk, synthetic cotton, staple fibers, wool and cloth merchants, cleaners, combers, dyers and to transact all and any preparing processes and to give any special treatment to any of the above referred materials at any stage of production such as texturising testing, crimping on own materials or belonging to others and/ or to get the same done through others on job work. To carry on the business of manufacturing spinning, weaving, bleaching, finishing, dyeing, and processing cotton, mercerizing, printing, sizing, importing, exporting, twistrling, texturising and/or otherwise dealing in yarns of all types made from silk, art silk rayon, nylon, cotton, man - made synthetic fibers, P,O.Y stapla fibres and all types of suitable materials.	
LLP Identification Number	AAF-5197	
PAN Card no.	AAPFG2110C	
Registered Office Address	1449/1, 1st Floor Opp Mithakali Bus Stop Navrangpura Ahmedabad-380009, Gujarat, India	
Designated Partners	**Name**	**DIN/DPIN**
	Mr. Bhavik Suryakant Parikh	00038223
	Mr. Nilaybhai Jagdishbhai Vora	02158990

Note: The financial information for the last three years is not applicable to the LLP as it was formed on January 19, 2016

Contribution in LLP as on the date of the Prospectus is as follows:

Sr. No.	Name of the Equity Shareholder	Contribution (in %)

1.	Mr. Bhavik Suryakant Parikh	90.00%
2.	Mr. Nilaybhai Jagdishbhai Vora	10.00%
	Total	**100.00%**

Nature and extent of interest of our Promoters:-

The Promoter of our Company Mr. Bhavik Suryakant Parikh is designated partner of the Limited Liability Partnership and is interested to such extent of his Contribution.

Globe Texfeb – LLP does not have a negative net-worth in the immediately preceding year.

There are no defaults in meeting any statutory/bank/institutional dues. No proceedings have been initiated for economic offences against the Company.

Loss Making Group Companies:-

For details of our Loss making Companies, Please refer the chapter titled "Our Group Companies" beginning on Page 140 of this Prospectus

Litigations

For details on litigations and disputes pending against the Group Companies, if any, please refer to the section titled "Outstanding Litigations and Material Developments" on page 198 of this Prospectus.

Undertaking / confirmations

None of our Promoters or Promoter Group or Group Companies or person in control of our Company has been

i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, person in control of our Company or have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group Companies /entities have been declared as a wilful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.
None of our Promoters, Promoter Group or the Group Companies has become sick Companies under the SICA and no application has been made in respect of any of them, to the Registrar of Companies for striking off their names. Further no winding up proceedings have been initiated against the Promoters or the Group Companies.

Nature and Extent of Interest of Group Companies

a) In the promotion of our Company :

None of our Group Company have any interest in the promotion of our Company or any business interest or other interests in our Company, except to the extent identified in chapter titled "Financial Information of the Company–Annexure R - Related Party Transactions " on page 177 of this Prospectus.

b) In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Prospectus with stock exchange:

Our Group Company do not have any interest in the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Prospectus with Stock Exchange.

*c) **In transactions for acquisition of land, construction of building and supply of machinery***

Except as stated in the Chapter titled "Our Business" beginning on page 94 of this Prospectus, our Group Company is not interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Common Pursuits/Conflict of Interest

Except for as disclosed in this Prospectus, none of our Promoter/ Group Companies has any common pursuits. For details please refer to chapter titled "Our Promoters and Promoter Group" on page 134 of this Prospectus.

As on the date of the Prospectus, we cannot assure that our Promoter, Promoter Group/Group Company will not promote any new entity in the similar line of business and will not favor the interests of the said entities over our interest or that the said entities will not expand their businesses which may increase our chances of facing competition. This may adversely affect our business operations and financial condition of our Company.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

Related business transaction within the Group and their significance on the financial performance of the company:

For details relating to the business transactions within the Group Companies and their significance on the financial performance of the Company see the chapter titled "Financial Information of the Company – Annexure R - Related Party Transactions" on page 177 of this Prospectus.

Sales / Purchase between our Company and Group Companies:

For details relating to sales or purchases between our Company and any of our Group Companies exceeding 10% of the sales or purchases of our Company see the chapter titled "Financial Information of the Company–Annexure R - Related Party Transactions" on page 177of this Prospectus.

Business Interests amongst our Company and Group Companies /Associate Companies

Except as mentioned under Related Party Transactions, "Annexure R" beginning on page 177 under Chapter titled "Financial Information of the Company" there is no business interest among Group Company.

Defunct /Struck-off Company

None of Promoters, Promoter Group and our Group Companies has remained defunct and no application has been made to Registrar of Companies for Striking off their name from the Register of Companies, during the five years preceding the date of filing this prospectus.

Changes in Accounting Policies in the last three years

Except as mentioned under the paragraph Changes in Significant Accounting Policies, "Annexure IV" under Chapter titled "Financial Information of the Company" beginning on page 147 of the Prospectus, there have been no changes in the accounting policies in the last three years.

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in the past five financial years. Our Company’s corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

SECTION V – FINANCIAL INFORMATION OF THE COMPANY

RESTATED FINANCIAL STATEMENTS

Independent Auditors' Report
(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,

The Board of Directors,
Globe Textiles (India) Limited,
Plot No. 38 to 41, Ahmedabad Apparel Park,
GIDC Khokhra, Ahmedabad- 380008
Gujarat, India

Dear Sirs,

1. We have examined the attached Restated Financial Information of **Globe Textiles (India) Limited (Formerly known as Globe Textiles (India) Private Limited)** (hereinafter referred as "the Company"), which comprise of the Summary Statement of Assets and Liabilities as restated **as at 31st March 2017, 2016, 2015, 2014, 2013 and 2012**. The Summary Statements of Profits and Loss as restated and the Summary Statement of Cash Flows as restated **for each of the Year ended 31st March, 2017 , 2016, 2015, 2014, 2013 and 2012** and the Summary of Significant Accounting Policies as approved by the Board of Directors of the Company prepared in terms of the requirements of :

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (" the Act"), read with the applicable provisions within Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules");

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the Regulation") ("SEBI ICDR Regulations") as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations").

   The preparation of the Restated Financial Information is the responsibility of the Management of the Company for the purpose set out in paragraph 7 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

2. We have examined such Restated Financial Information taking into consideration:

   (a) The terms of reference to our engagements with the Company requesting us to examine financial statements referred to above and proposed to be included in the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of NSE ("IPO" or "SME IPO"); and
   (b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by ICAI ("The Guidance Note").

3. This Restated Financial information of the Company have been compiled by the management from the Audited Financial Statements of the Company for the financial year ended on 31st March, 2017, 2016, 2015, 2014, 2013 and 2012, which have been approved by the Board of Directors.

4. The Statutory Audit of the Company are for the Financial year ended on 31st March, 2017, 2016, 2015, 2014, 2013 and 2012 which have been conducted by us and accordingly, reliance has been placed on the financial information examined by them. We have examined the books of account underlying those financial statements and other records of the Company, to the extent considered necessary by us, for the presentation of the Restated Summary Statements under the requirements of Schedule III of the Act.

5. Based on our examination, we report that:

a) The **"Statement of Assets and Liabilities as Restated"** as set out in Annexure I to this report, of the Company for the Financial year ended as at 31st March, 2017, 2016, 2015, 2014, 2013 and 2012 have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.

b) The **"Statement of Profit and Loss as Restated"** as set out in Annexure II to this report, of the Company for the Financial year ended as on 31st March, 2017, 2016, 2015, 2014, 2013 and 2012 have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.

c) The **"Statement of Cash Flow as Restated"** as set out in Annexure III to this report, of the Company for the Financial year ended as on 31st March, 2017, 2016, 2015, 2014, 2013 and 2012 have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV to this Report.

Based on the above and also as per the reliance placed by us on the audited financial statements of the company and Auditors Report thereon which have been prepared by us of the Company for the ended on 31st March, 2017, 2016, 2015, 2014, 2013 and 2012 we are of the opinion that "Restated Financial Statements" or "Restated Summary Statements" have been made after incorporating:

(i) Adjustments for any material amounts in the respective financial years have been made to which they relate; and

(ii) There are no Extra-ordinary items except as shown in the Profit & Loss Statement as Restated of that need to be disclosed separately in the Restated Summary Statements.

(iii) Adjustments on account of the statutory audit qualifications, if any, have been adjusted and regrouped to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.

(iv) The Company has not paid dividend on its equity shares during the reporting period.

6. In terms of Schedule VIII of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts, We, Dharmesh Parikh & Co, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a **valid Certificate No. 008400 dated 16th August, 2015** issued by the "Peer Review Board" of the ICAI.

7. **Other Financial Information:**

a) We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the financial year ended on 31st march , 2017, 2016, 2015, 2014, 2013 and 2012.

Statement of Share Capital, Reserves And Surplus as Restated	Annexure-A
Statement of Long Term And Short Term Borrowings as Restated	Annexure-B, B(A) and B(B)
Statement of Deferred Tax (Assets) / Liabilities as Restated	Annexure-C
Statement of Long Term Provisions as Restated	Annexure-D
Statement of Trade Payables as Restated	Annexure-E
Statement of Other Current Liabilities And Short Term Provisions as Restated	Annexure-F
Statement of Fixed Assets as Restated	Annexure-G

Statement of Investments as Restated	Annexure-H
Statement of Long-Term Loans And Advances as Restated	Annexure-I
Statement of Inventories as Restated	Annexure-J
Statement of Trade Receivables as Restated	Annexure-K
Statement of Cash & Cash Equivalents as Restated	Annexure-L
Statement of Short-Term Loans And Advances as Restated	Annexure-M
Statement of Other Current Assets as Restated	Annexure-N
Statement of Other Income as Restated	Annexure-O
Statement of Turnover as Restated	Annexure-P
Statement of Mandatory Accounting Ratios as Restated	Annexure-Q
Statement of Related party transaction as Restated	Annexure-R
Statement of Capitalization as Restated	Annexure-S
Statement of Tax shelter as Restated	Annexure-T
Statement of Contingent liabilities as Restated	Annexure-U

b) The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and partial disclosures as required by Accounting Standards notified under the Companies Act, 1956 of India read with the General Circular 15/ 2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

c) We have not audited any financial statements of the Company as of any date or for any period subsequent to 31st March, 2017. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to 31st March , 2017.

d) The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.

e) In our opinion, the above financial information contained in Annexure I to Annexure III and Annexure A to U of this report read along with the Restated Statement of Significant Accounting Polices and related Notes as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Section 26 of the Act, read with the applicable provisions within Rule - 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the SEBI Regulations, The Revised Guidance Note on Reports in Company Prospectuses and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India ("ICAI") to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with you. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.

f) Consequently the financial information has been prepared after making such regroupings and retrospective adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

g) The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.

h) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

i) Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

For DHARMESH PARIKH & CO.,
Chartered Accountants
Firm Reg. No. 112054W

Anuj Jain
Partner
Membership No. 119140

Place: Ahmedabad
Date: 26/05/2017

ANNEXURE I

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

PARTICULARS		AS AT 31ST MARCH					
		2017	2016	2015	2014	2013	2012
		In Lacs	In Lacs	In Lacs	In Lacs	In Lacs	In Lacs
A)	**EQUITY AND LIABILITIES**						
1.	**Shareholders' Funds**						
(a)	Share Capital	870.81	290.27	290.27	223.60	187.50	150.00
(b)	Reserves & Surplus	1615.41	1871.23	1713.96	1136.37	732.43	410.58
		2486.22	**2161.50**	**2004.23**	**1359.97**	**919.93**	**560.58**
2.	**Non Current Liabilities**						
(a)	Long Term Borrowings	757.26	405.07	475.09	405.67	14.60	-
(b)	Deferred Tax Liabilities (Net)	26.94	20.08	-	14.82	-	-
(c)	Long Term Provisions	24.97	11.61	7.46	4.48	4.37	2.79
		809.17	**436.76**	**482.55**	**424.97**	**18.97**	**2.79**
3.	**Current Liabilities**						
(a)	Short Term Borrowings	4424.20	3489.68	2430.30	2873.92	1630.61	956.20
(b)	Trade Payables	2425.71	1442.30	1489.26	1571.46	1450.37	900.82
(c)	Other Current Liabilities	796.93	739.03	643.02	721.63	319.78	173.16
(d)	Short Term Provisions	67.30	13.00	15.49	60.43	27.99	38.31
		7714.14	**5684.02**	**4578.07**	**5227.44**	**3428.75**	**2068.49**
Total		**11009.53**	**8282.28**	**7064.85**	**7012.39**	**4367.65**	**2631.85**
B)	**ASSETS**						
1.	**Non Current Assets**						
(a)	Fixed Assets						
	i) Tangible Assets	1663.44	1427.10	69.14	65.44	38.63	16.10
	ii) Intangible Assets	10.27	1.08	-	-	-	-
	iii) Capital Work in Progress	520.93	26.27	1356.81	698.75	-	-
		2194.64	**1454.45**	**1425.95**	**764.19**	**38.63**	**16.10**
(b)	Non-Current Investment	-	-	-	-	-	-
(c)	Deferred Tax Assets (Net)	-	-	0.93	-	0.49	0.57
(d)	Long Term Loans & Advances	45.74	38.01	18.82	6.00	260.66	4.55
(e)	Other Non Current Assets	-	-	-	-	-	-
		45.74	**38.01**	**19.75**	**6.00**	**261.15**	**5.12**
2.	**Current Assets**						
(a)	Current Investments	-	-	-	-	0.20	0.20
(b)	Inventories	3835.77	2633.51	2306.68	2818.02	1936.80	1219.13
(c)	Trade Receivables	4359.43	3181.58	2632.44	2904.12	1872.46	1228.10
(d)	Cash and Cash equivalents	107.21	191.12	345.16	318.67	186.38	112.08
(e)	Short-Term Loans &Advances	398.46	779.59	295.76	175.25	61.82	50.83
(f)	Other current assets	68.28	4.02	39.12	26.14	10.21	0.30
		8769.15	**6789.82**	**5619.15**	**6242.20**	**4067.87**	**2610.64**
Total		**11009.53**	**8282.28**	**7064.85**	**7012.39**	**4367.65**	**2631.86**

Note-: The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

Globe Textiles

ANNEXURE II

STATEMENT OF PROFIT AND LOSS AS RESTATED

PARTICULARS			FOR THE YEAR ENDED 31ST MARCH				
		2017	2016	2015	2014	2013	2012
		In Lacs	In Lacs	In Lacs	In Lacs	In Lacs	In Lacs
1	Revenue From Operation (Gross)	19042.48	18251.41	17078.36	16596.65	11533.40	7156.70
	Less: Excise Duty	-	-	-	-	-	-
	Revenue From Operation (Net)	19042.48	18251.41	17078.36	16596.65	11533.40	7156.70
2	Other Income	143.77	64.14	447.79	33.79	16.67	16.16
Total Revenue (1+2)		**19186.26**	**18315.55**	**17526.15**	**16630.44**	**11550.07**	**7172.86**
3	**Expenditure**						
(a)	Cost of Goods Consumed	12328.30	1736.86	9241.28	7753.08	9988.05	4381.13
b)	Purchase of Traded Goods	5008.07	14696.60	6156.76	7479.78	1151.27	2334.10
(c)	Changes in Inventories of finished goods, work in progress and stock - in-trade	(889.93)	(372.62)	192.04	(410.01)	(531.04)	(231.31)
(d)	Employee Benefit Expenses	497.11	366.33	132.91	80.39	63.17	43.20
(e)	Finance Cost	458.61	434.90	361.89	279.53	111.91	96.30
(f)	Depreciation and Amortisation Expenses	80.93	41.76	10.61	6.23	2.71	1.71
(g)	Other Expenses	1215.38	1180.74	1087.64	1086.78	528.55	404.55
4	**Total Expenditure 3(a) to 3(b)**	**18698.47**	**18084.58**	**17183.13**	**16275.79**	**11314.61**	**7029.69**
	Less : Exceptional items						
	DFIA License (Inventory) written off	-	-	-	-	-	1.17
5	**Profit/(Loss) Before Tax (2-4)**	**487.79**	**230.97**	**343.02**	**354.65**	**235.45**	**142**
6	**Tax Expense:**						
(a)	Tax Expense for Current Year	156.24	52.69	114.54	115.90	77.18	46.98
(b)	Adjustment of earlier provisions	-	-	-	-	23.84	-
(c)	Deferred Tax	6.84	21.01	(15.75)	15.31	0.09	(1.11)
	Net Current Tax Expenses	**163.08**	**73.70**	**98.79**	**131.21**	**101.10**	**45.88**
7	**Profit/(Loss) for the Year (5-6)**	**324.71**	**157.27**	**244.23**	**223.45**	**134.35**	**96.12**

Note-: The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE III

CASH FLOW STATEMENT AS RESTATED

In Rs lacs

PARTICULARS		FOR THE YEAR ENDED 31ST MARCH				
	2017	2016	2015	2014	2013	2012
	In Lacs	In Lacs	In Lacs	In Lacs	In Lacs	In Lacs
A) Cash Flow From Operating Activities :						
Net Profit before tax	487.79	230.97	343.02	354.65	235.45	142
Adjustment for:						
Depreciation	80.93	41.76	10.61	6.23	2.71	1.71
Write off of DFIA License Expired	-	-	-	-	-	1.17
ROC filing Expense for Increase in Authorised capital	-	-	-	1.30	-	-
Bad Debt Written Off	-	-	8.30	-	-	-
Loss on sale of fixed asset	-	-	0.04	0.06	-	-
Liabilities / provisions no longer required written back	413.77	402.05	304.80	279.53	95.07	64.45
Bank Charges - Processing Fees	(16.72)	(37.29)	(14.12)	-	4.31	(7.61)
Interest expense	413.77	(16.38)	(32.13)	(33.79)	(15.95)	(2.42)
Net unrealised exchange (gain) / loss	(65.05)	-	-	-	-	-
Interest Income	-	-	-	-	-	-
Interest Subsidy Income	-	-	-	-	-	-
Dividend Income	-	-	-	-	-	-
Write off of Preliminary Expenditure	-	-	-	-	-	-
Prior Period Income adjusted with Reserves	-	-	-	-	-	-
Operating profit before working capital changes	**1314.48**	**621.12**	**620.53**	**607.99**	**326.56**	**201.32**
Changes in Working Capital						
(Increase)/Decrease in Inventories	(1146.51)	(326.84)	511.34	(881.22)	(717.67)	(484.63)
(Increase)/Decrease in Trade Receivables	(1161.13)	(511.85)	277.49	(1031.66)	(648.68)	(823.48)
(Increase)/Decrease in Short Term Loans & Advances	361.12	(483.83)	(120.51)	(113.43)	(10.99)	(33.89)
Increase/(Decrease) in Trade Payables	983.41	(46.96)	(82.19)	121.09	549.22	337.64
Increase/(Decrease) in Other Current Assets	(0.45)	(2.18)	(0.45)	-	-	-
Increase/(Decrease) in Other Current Liabilities	30.54	99.05	(126.86)	335.42	144.34	14.47

Increase/(Decrease) in Short Term Provisions	(1.71)	8.67	1.52	0.48	0.78	0.83
(Increase)/Decrease in Long Term Loans & Advances	(7.96)	3.87	(12.55)	254.67	(251.78)	(4.46)
Increase/(Decrease) in Long Term Provisions	13.36	4.15	2.98	0.11	1.58	2.79
Cash generated from operations	**405.15**	**(634.80)**	**1071.28**	**(706.55)**	**(606.63)**	**(789.40)**
Less:- Income Taxes paid	(99.97)	(86.91)	(161.04)	(83.94)	(116.46)	(35.81)
Cash Flow Before Extraordinary Item	**(305.18)**	**(721.70)**	**910.24**	**(790.49)**	**(723.08)**	**(825.21)**
Loss on Amalgamation	-	-	-	-	-	-
Net cash flow from operating activities	**(305.18)**	**(721.70)**	**910.24**	**(790.49)**	**(723.08)**	**(825.21)**
B) Cash Flow From Investing Activities :						
Capital expenditure on fixed assets, including capital advances & CWIP	(821.12)	(84.90)	(658.01)	(731.85)	(25.24)	(1.61)
Investment in FD having maturity exceeding 12 months	-	-	-	-	(120.00)	-
Sale of Investment	-	120	-	0.20	-	-
Interest Received	-	53.66	19.60	17.86	6.04	2.21
Net cash flow from investing activities	**(821.12)**	**88.76**	**(638.41)**	**(713.78)**	**(139.20)**	**0.60**
C) Cash Flow From Financing Activities :						
Proceeds from Issue of Share Capital	-	-	400.02	216.60	225	185
Increase/(Decrease) in Short Term Borrowings	822.86	1059.38	(443.62)	1243.31	(24.73)	6.30
Net increase / (decrease) in working capital borrowings	-	-	-	-	699.25	806.60
Increase/(Decrease) in Long Term Borrowings	304.93	(65.56)	117.67	457.49	16.78	(3.58)
ROC Filing Expense	-	-	-	(1.30)	-	-
Bank Charges - Processing Fees	-	-	-	-	(4.64)	(2.02)
Interest Paid	(413.77)	(402.05)	(304.80)	(279.53)	(95.07)	(64.45)
Net cash flow from financing activities	**714.02**	**591.76**	**(230.73)**	**1636.57**	**816.58**	**927.85**
Net Increase/(Decrease) In Cash & Cash Equivalents	**198.09**	**(41.18)**	**41.10**	**132.29**	**(45.70)**	**103.24**
Cash equivalents at the begining of the year	**191.12**	**225.16**	**198.67**	**66.38**	**112.08**	**8.85**
Cash equivalents at the end of the year	**107.21**	**191.12**	**225.15**	**198.67**	**66.38**	**112.08**
PARTICULARS	**As on 31st March, 2017**	**As on 31st March, 2016**	**As on 31st March, 2015**	**As on 31st March, 2014**	**As on 31st March, 2013**	**As on 31st March, 2012**

Component of Cash and Cash equivalents						
Cash on hand	18	14	7	2	5	23
Balance With banks	87	136	7	2	2	10
Other Bank Balance	3	40	211	195	60	79
	107	**191**	**225**	**199**	**66**	**112**

Notes:
1. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE-IV

SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS

A. BACKGROUND

Globe Textiles (India) Limited (Formerly Globe Textiles (India) Private Limited) having CIN : U65910GJ1995PLC027673 was originally incorporated as 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.

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL SATEMENTS

The Summary Statement of Assets and Liabilities as Restated of the Company as at 31st March, 2017, 2016, 2015, 2014, 2013 and 2012 and the Summary Statement of Profit and Loss as Restated and Summary Statements of Cash Flows as Restated for the Financial year ended on 31st March, 2017, 2016, 2015, 2014, 2013 and 2012 and the annexure thereto (collectively, the **"Restated Financial Statements"** or **"Restated Summary Statements"**) have been extracted by the management from the Financial Statements of the Company for the Financial year ended on 31st March, 2017, 2016, 2015, 2014, 2013 and 2012.

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to 31stMarch, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from 1stApril, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).

2. USE OF ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities, if any, as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, employee retirement benefit plans, provision for income tax and the useful lives of fixed assets. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.

3. FIXED ASSETS

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses, if any. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are shown as Capital Work-in-Progress. Cost includes cost of land, materials, construction, services, borrowing costs and other overheads relating to projects.

Intangible assets are stated at acquisition cost, Net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives.

Gains or losses arising from the retirement or disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit & Loss.

4. DEPRECIATION

Tangible Fixed Assets

In accordance with AS-6 "Depreciation", depreciation on tangible fixed assets is computed on considering useful life provided in the Schedule - II of the Act. During the preceding years, the Company was providing depreciation on Straight Line Basis at the rate prescribed in Schedule XIV of the Companies Act, 1956.

Pursuant to Companies Act, 2013 ('the Act') being effective from April 1, 2014, the Company has revised depreciation rates on tangible fixed assets as per useful life specified in Part 'C' of Schedule II of the Act. And due to the same there has been a change in the estimated useful life of depreciable tangible assets which affects the depreciation in the current period and in each period during the remaining useful life of the assets. Since the change is only in respect to accounting estimate requiring an adjustment of the carrying amount of tangible assets. The same do not require adjustment in the financial information for the years ended on 31st March, 2014, 2013 and 2012. The Company has consistently calculated depreciation based on Straight Line Method.

5. BORROWING COSTS

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

6. IMPAIRMENT OF ASSETS

(i) The company assesses, at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's (including goodwill) recoverable amount is the higher of an assets net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

(ii) After impairment, depreciation/ amortization is provided on the revised carrying amount of the asset over its remaining useful life.

7. INVESTMENTS

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

8. INVENTORIES

Inventories are valued as under:

a) Raw Material: At lower of cost or net realizable value
b) Finished goods: At lower of cost or net realizable value
c) Stores & spares parts: At cost price

Cost of inventories comprise of all cost of purchase. Cost of conversion and other cost incurred in bringing them to their respective present location and condition.

9. 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.

10. 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 recongnised 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.

11. 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. 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 does 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.

13. ACCOUNTING FOR TAXES ON INCOME

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount that are enacted or substantively enacted, at the reporting date.
(i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

(ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

14. CONTINGENT LIABILITIES AND PROVISIONS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or

b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

15. EARNINGS PER SHARE:

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

16. EXPORT INCENTIVES:

Export benefits under various scheme announced by the Central Government under Exim policies are accounted for in the year of receipt.

17. CASH FLOW:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

18. SEGMENT REPORTING:

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.

C. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

1. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

2. The Company does not have information as to which of its supplier are Micro small and Medium Enterprise registered under The Micro small and Medium Enterprise Development Act 2006.Consequently the liability, if any, of interest which would be payable under The Micro small and Medium Enterprise Development Act 2006,cannot be ascertained. However, the Company has not received any claims in respect of such interest and as such, no provision has been made in the books of accounts.

3. Employee benefits:

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per actuarial valuation in restated financials. The disclosures as envisaged under the standard are as under-: -

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
1.The amounts recognised in the Balance Sheet are as follows:						
Present value of unfunded obligations Recognized	2649199	1204904	770650	467482	452919	293939
Net Liability	2649199	1204904	770650	467482	452919	293939
2.The amounts recognised in the Profit & Loss A/c are as follows:						
Current Service Cost	342629	270834	100327	91959	85921	65459
Interest on Defined Benefit Obligation	93469	59148	41669	33474	24985	-
Net Actuarial Losses / (Gains) Recognized in Year	1008197	104272	161172	(21471)	48074	(9024)
Past Service Cost	-	-	-	-	-	237504
Total, Included in "Salaries, Allowances & Welfare"	1291140	434254	303168	103962	158980	293939
3.Changes in the present value of defined benefit obligation:						
Defined benefit obligation as at the beginning of the year/period	1204904	770650	467482	452919	293939	-
Service cost	342629	270834	100327	91959	85921	65459
Interest cost	93469	59148	41669	33474	24985	-
Actuarial Losses/(Gains)	1008197	104272	161172	(21471)	48074	(9024)
Past Service Cost	-	-	-	-	-	237504
Benefit Paid during the year	-	-	-	(89399)	-	-
Defined benefit obligation as at the end of the year/period	2649199	1204904	770650	467482	452919	293939
Benefit Description						
Benefit type:	Gratuity Valuation as per Act					
Retirement Age:	58 Yrs	58 Yrs	58 Yrs	58 Yrs	58 Yrs	58 Yrs
Vesting Period:						
The principal actuarial assumptions for the above are:						
Future Salary Rise:	8.00 %	6.00 %	6.00 %	6.00 %	6.00 %	6.00 %
Discount rate per annum:	6.80 %	7.90 %	7.80 %	9.10 %	8.20%	8.50 %
Attrition Rate:	15% at	5% at younger ages reducing to 1% at older ages				

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
	younger ages reducing to 3% at older ages					
Mortality Rate:	Indian Assured Lives Mortality (2006-08) Ult.				LIC(1994-96) published table of mortality rates	

As informed to us, Company does not have any earned leave balance as on year ends.

4. Segment Reporting (AS 17)

The Company is required to disclose the information required by Accounting Standard- 17. No separate segments have, however, been reported as the company does not have more than one business Segment within the meaning of Accounting standard -17, which differ from each other in risk and reward.

5. Change in Accounting Estimate

In Restated financials the Company has calculated the depreciation based on the rates given in Schedule XIV of the Companies Act, 1956 till 31.03.2014 and after 31.03.2014 based on the rates given in Schedule II of the Companies Act, 2013. In respect of assets whose useful life had already exhausted as on 1 April 2015, has been adjusted in Reserves and Surplus in accordance with requirements of Para 7 of Part C of Schedule II of the Act.

6. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on 31st March, 2017 except as mentioned in Annexure - U, for any of the years covered by the statements.

7. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – R of the enclosed financial statements.

8. Accounting For Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: "Accounting for Taxes on Income" as at the end of the year/period is reported as under

Particulars	(Amount in Rs.)					
	As At					
Deferred Tax Liability	**31/03/2017**	**31/03/2016**	**31/03/2015**	**31/03/2014**	**31/03/2013**	**31/03/2012**
Net WDV as Per Companies Act	121349180	96794704	6914361	6544331	3863422	1609612
Net WDV As per Income Tax Act	109002818	87826365	5976183	980677	3316331	1338133
Timing Difference Due to Depreciation	12346363	8968339	938178	5563654	547091	271479
Deferred Tax Liability (A)	3815026	2771217	289897	1719169	169051	83887
Incremental Due to Depreciation	1043809	2481320	(1429272)	1550118	85164	-
Gratuity Expenses Disallowed	2649199	1204904	770650	467482	452919	293939
Disallowance u/s 43B	977103	1265465	409220	262871	218394	141352
Unabsorbed Losses of Specified Business	-	-	-	-	-	-
Timing Difference Due to Gratuity/Disallowances/Losses	3626302	2470369	1179870	730353	671313	435291
Deferred Tax Assets (B)	1120527	763344	382809	236962	217808	141230

Incremental Due to Unabsorbed Depreciation/Gratuity/Exp	357183	380535	145847	19155	76577	-
Net of Deferred Tax Liability/(Deferred Tax Assets) (A-B)	2694499	2007873	(92912)	1482207	(48757)	(57343)
Opening Deferred Tax Liability / (Asset)	2007873	(92912)	1482207	(48757)	(57343)	53289
Debited/(Credit) to Statement of Profit and Loss Account as Restated	**686626**	**2100785**	**(1575119)**	**1530964**	**8587**	**(110632)**

9. Earnings Per Share (AS 20):

Earnings per Share have been calculated and are already reported in the Annexure – Q of the enclosed financial statements.

10. Material Adjustments [As Per SEBI (ICDR) Regulations, 2009]

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Companies Act 1956, and as replaced by Companies Act 2013 after 01st April 2014 and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (loss) and assets and liabilities of the Company is as under.

Statement of adjustments in the Financial Statements

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit & loss of the company.

Statement of Profit and Loss after Tax - Table -1

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
Net Profit After Tax as per audited accounts but before adjustments for restated accounts:	33880052	16690675	23571175	22154622	13796143	9509037
Revenue from Sales	-	-	1463051	-	-	-
Interest Income on FD	-	-	-	-	7573	-
Liabilities no longer required written back adjusted in respective year	(748996)	-	-	-	-	-
Prior Period Income adjusted in respective year	-	(1463051)	-	(7573)	(1000)	-
Prior Period Expense adjusted in respective year	-	-	-	-	-	145921
(Short)/Excess Provision of Commission payable	-	748996	-	-	-	-
(Short)/Excess Provision of Rent	-	-	-	-	-	1000
(Short)/Excess Provision of Rates and Taxes	-	-	(1000)	-	-	-

Adjustement of earlier year tax provisions	-	-	-	-	(2384021)	-
Change in Current Tax on account of above	(660495)	131020	(755856)	178448	1939667	(185131)
Change in Deferred Tax on account of above	(-)	(380159)	145847	19154	76577	141231
Net Profit After Tax as per Restated Accounts:	**32470509**	**15727481**	**24423217**	**22344651**	**13434940**	**9612058**

a) Adjustment on account of Revenue from Sales and Other Income

Due to non accounting of one Invoice, Sales for the year 2014-15 was accounted in 2015-16 which has been rectified in the restated accounts. Further, Revenue from Rent and Interest Income has also been adjusted in the respective year to which it relates.

b) Adjustment on account of Provision for Commission Payable

Due to error in estimation, commission payable for the year 2015-16 was accounted on a higher side, which is now being rectified.

c) Adjustment on account of Prior Period Expenses

An adjustment of Rs. 145921 has also been carried out by reducing the opening balances of retained earnings, to give effect of the prior period expense accounted in 2011-12

d) Adjustment on account of Tax Provision

Due to changes in adjustments as stated above, the Company has recalculated the Current and Deferred Tax provision at the rates applicable at the end of relevant year and accordingly, their readjusted amounts have been provided in Tax Shelter, Annexure - S.

11. Realizations:

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business. These of business, not be less than the amounts at which they are stated in the Balance sheet.

12. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

13. Amounts in the financial statements

Amounts in the financial statements are rounded off to nearest Rupee. Figures in brackets indicate negative values.

For DHARMESH PARIKH & CO.,
Chartered Accountants
Firm Reg. No. 112054W

Anuj Jain
Partner
Membership No. 119140

Place: Ahmedabad
Date: 26/05/2017

ANNEXURE – A

STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS AS RESTATED

In Lacs

Particulars	As at					
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Share Capital						
Authorised Share Capital						
Equity shares of Rs.10 each	110	50	30	3	2	2
Share Capital	1,100.00	500.00	300.00	30.00	20.00	20.00
Issued, Subscribed and Paid up Share Capital						
Equity Shares of Rs. 10 each fully paid up	87.08	29.03	29.03	22.36	18.75	15.00
Share Capital (in Rs.)	870.81	290.27	290.27	223.60	187.50	150.00
Total	**870.81**	**290.27**	**290.27**	**223.60**	**187.50**	**150.00**
Reserves and Surplus						
A) Surplus in Profit and Loss account						
Opening Balance	944.88	787.61	543.37	319.93	185.58	89.46
Add: Restated Profit/ (Loss) for the year	324.71	152.27	244.23	223.45	134.35	96.12
Less: Issue of Bonus Shares	580.54	-	-	-	-	-
Less: Loss in Amalgamation	-	-	-	-	-	-
Less: WDV of Computer Written off	-	-	-	-	-	-
Total	**689.06**	**944.88**	**787.61**	**543.37**	**319.93**	**185.58**
B) Securities Premium Reserve						
Opening Balance	926.35	926.35	593.00	412.50	225.00	72.00
Add: Premium on Shares issued during the year	-	-	333.35	180.50	187.50	153.00
Total	**926.35**	**926.35**	**926.35**	**593**	**412.50**	**225.00**
Grand Total	**1615.41**	**1871.23**	**1,713.96**	**1136.37**	**732.43**	**410.58**

Notes:

1. Terms/rights attached to equity shares:

i. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share

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

2.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. Company does not have any Revaluation Reserve.

4. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

5. The reconciliation of the number of shares outstanding as at: -

Particulars	As at					
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Number of shares at the beginning	29.03	29.03	22.36	18.75	15.00	11.80
Add: Shares issued during the year	58.05	-	6.67	3.61	3.75	3.20

Number of shares at the end	87.08	29.03	29.03	22.36	18.75	15.00
6. The detail of shareholders holding more than 5% of Shares: -						
	As at (No. of Shares)					
Name of Shareholders	**31.03.2017**	**31.03.2016**	**31.03.2015**	**31.03.2014**	**31.03.2013**	**31.03.2012**
Nilay Vora	18.06	6.02	6.02	6.02	5.98	5.98
Bhavik S Parikh	30.77	21.87	21.87	15.20	11.70	2.25
Bhavik S Parikh	17.42	-	-	-	-	-
Shraddha B Parikh	8.71	-	-	-	-	-
Purvi B Parikh	8.71	-	-	-	-	5.10
Total	**83.66**	**27.89**	**27.89**	**21.22**	**17.68**	**13.33**

ANNEXURE – B

STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS AS RESTATED

In Lacs

	As at					
Particulars	**31.03.2017**	**31.03.2016**	**31.03.2015**	**31.03.2014**	**31.03.2013**	**31.03.2012**
Long Term Borrowings						
(Secured)						
From Banks	745.82	405.07	475.09	405.67	14.60	-
Sub Total (I)	**745.82**	**405.07**	**475.09**	**405.67**	**14.60**	**-**
(Unsecured)						
(I) From Related Parties ('Promoters' and 'Promoter Group Companies)	-	-	-	-	-	-
A) From Body Corporate						
Inter Corporate Loan	-	-	-	-	-	-
B) From Others						
(II) From Others						
A) From Body Corporate						
Inter Corporate Loan	-	-	-	-	-	-
Sub Total (II)	-	-	-	-	-	-
Total (I+II)	**745.82**	**405.07**	**475.09**	**405.67**	**14.60**	**-**
Short Term Borrowings						
From Banks/Financial Institutions (Secured)	4374.34	3486.94	2429.56	2729.75	1618.54	919.40
Loan Repayable on Demand (From Related Parties)	49.86	2.74	0.74	144.17	12.07	36.80
Total	**4424.20**	**3489.68**	**2430.30**	**2873.92**	**1630.61**	**956.20**
The above amount includes:						
Secured Borrowings	5120.16	3892.01	2904.65	3135.41	1633.14	919.40
Unsecured Borrowings	49.86	2.74	0.74	144.17	12.07	36.80

Notes:
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company and excludes current maturity of long term borrowings which are shown separately in Annexure F
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
4. The terms and conditions and other information in respect of Secured Loans as on 31.12.2016 are given in Annexure -B (A)
5. The terms and conditions and other information in respect of Unsecured Loans as on 31.12.2016 are given in Annexure - B (B)

ANNEXURE – B (A)

STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender	**Purpose**	**Sanctioned Amount** (Rs. In lacs)	**Rate of interest** (Base Rate 10.40% for all facilities and Loan Rate of Interest as follows :)	**Securities offered**		Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books) (Rs. In Lacs)
				Primary Security	Collateral Security (for all the limits)			31.03.2017
The Karur Vysya Bank Limited	OCC-I **(To meet Working Capital requirement)**	2000	OCC-I&II=11.80% (BR+1.40) floating	**1.** Hypothecation of Stocks, Renewable & other current assets of the company. **2.** In addition to the above, all the documents of Export Bills against LC/Orders including Bill of Lading evidencing shipment of Goods. **3.**ILC /FLC shall be additionally secured by 10% Cash margin & LC application - cum -agreement. Max usage of 90 Days only permitted **4.** BG limit shall be additionally secured by 10% cash margin & counter Guarantee of the Applicant Company. **5. CEL:** In addition to the above, Forward Contact Agreement.	**1.** Additional EM Charge on Residential Flat situated at Flat No. B/ 1001, Block -B, 10th Floor, Chandanbala Apartment, Nr. Shreyas Under Bridge, Paladi Ahmedabad, admeasuring 217.39 Sq Mts. (26 Sq Yards) super Built up area, along with USD 42.10 Shares Stands in the name of Mrs. Shardaben B. Parikh. **2.** Additional EM charge on Residential House situated at Survey No. 2481, FP No. 105, TPS No. 19, Sub Plot No. 06, Darpan Co-operative Housing society Limited, Near St Xaviers	PCL and FCL/P Tenor : 180 days, ILC/FLC : 90 days, BG period : Not to exceed more than three years. , FCL/BC/CEL(one time) : 90 days, Limits for Demand Loan valid upto 31.03.2017 for WC	NIL	1973.44
	PCL/PCFC/ FBN/P/EBD **(To meet Working Capital requirement)**	2000	PCL/PCFC/FBN/P/EBD=10.55 % (BR+0.15) floating					2400.90
	CEL Renewal **(Hedge Forex Exposure)**	625	Applicable charges as per circular					0.00
	CEL (One time) Revalidated **(Hedge Forex Exposure)**	50						0.00
	Term Loan I Building (Balance o/s)-Phase I **(Takeover of Existing Facilities from Bank of Baroda)**	447	Term Loans=11.90% (BR+1.50) p.a. floating	Additional EM Charge on Industrial Land & Building (Lease hold Land) situated at Plot No. 38, 39, 40 & 41, Appreal Park SEZ, GIDC, Opp. Kataria Showroom, Khokhara Ahmedabad, Admeasuring 11702.65 Sq Mts. Stands in the name of Applicant Company Globe Textiles (India) Private Limited			NIL	270.77
	Term Loan II - Phase I (Balance O/s) Renewed **(Takeover of Existing Facilities from Bank of Baroda (P&M))**	234		Hypothecation of Imported/Domestic Machines at a total Cost of Rs. 2.86 Crores out of bank Finance.		Term Loan II : 48 NEMI after an initial holiday period of 12 months	12 Months	162.91

	Term Loan III-Phase II **(Purchase of Machinery Imported)**	300		Hypothecation of Imported & Domestic Machines to be purchased at a total Cost of Rs. 5.16 Crores out of bank Finance.	School and Darpan Five Roads, Mouje Shekhpur-Khanpur, Memnagar, Dist-Ahmedabad in the name of M/s Aditya Green City Pvt. Ltd.	Term Loan III & IV : 48 NEMI after an initial holiday period of 24 months	24 Months	289.65
	Term Loan IV-Phase II **(Purchase of Machinery Without LC Imported/ Local)**	100						100.00
HDFC Bank	Car Loan	78.41	8.50%	Auto Loan		Monthly ECS	NIL	77.36
	Total	**5834.41**						**5275.03**

ANNEXURE – B (B)

STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS AS RESTATED

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/other entities

B) Unsecured Loans from Promoters/Directors are interest free and all are taken without any preconditions attached towards repayments.

In Lacs

Name of Lender	Purpose	Rate of interest	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books)
					31.03.2017
Bhavik Parikh	Business Loan	Nil	On Demand	Nil	49.86
Sub Total					**49.86**

ANNEXURE – C

STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES AS RESTATED

In Lacs

Particulars	As at					
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Major Components of deferred tax arising on account of timing differences are:						
Timing Difference Due to Depreciation	123.46	89.68	9.38	55.64	5.47	2.71
Deferred Tax Liability(A)	38.15	27.71	2.90	17.19	1.69	0.84
Provision of Gratuity outstanding as on the end of Period	26.49	12.05	7.71	4.67	4.53	2.94
Provision of Un utilized compensated absences outstanding as on the end of Period	-	-	-	-	-	-
Expenses Disallowed under Section 43B	9.77	12.65	4.09	2.63	2.18	1.41
TDS defaults not paid, disallowed Under Section 43 B	-	-	-	-	-	-
Timing Difference Due to Gratuity and Compensated Absences	36.26	24.70	11.80	7.30	6.71	4.35
Deferred Tax Assets (B)	11.21	7.63	3.83	2.37	2.18	1.41
	-	-	-	-	-	-
Cumulative Balance of Deferred Tax Liability (Net) (A-B)	**26.94**	**20.08**	**(0.93)**	**14.82**	**(0.49)**	**(0.57)**
Note: The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.						

ANNEXURE – D

STATEMENT OF LONG TERM PROVISIONS AS RESTATED

In Lacs

Particulars	As at					
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Provision for Employee Benefits	-	-	-	-	-	-
Gratuity Payable	24.97	11.61	7.46	4.48	4.37	2.79
Others	-	-	-	-	-	-
Total	24.97	11.61	7.46	4.48	4.37	2.79

Note: The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE – E

STATEMENT OF TRADE PAYABLES AS RESTATED

In Lacs

Particulars	As at					
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Trade Payables						
For Goods & Services						
Micro, Small and Medium Enterprises	-	-	-	-	-	-
Others	2425.71	1442.30	1489.26	1571.46	1450.37	900.82
Total	**2425.71**	**1442.30**	**1489.26**	**1571.46**	**1450.37**	**900.82**

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.
3. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. There was no amount due to any such entities which needs to be disclosed.

ANNEXURE – F

STATEMENT OF OTHER CURRENT LIABILITIES AND SHORT TERM PROVISIONS AS RESTATED

In Lacs

Particulars	As at					
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Other Current Liabilities						
Current Maturities of Long Term Debt	143.43	123.56	119.10	70.86	4.43	2.25
Advances from Debtors	120.66	18.33	69.89	93.04	128.97	47.78
Agent Commission Payable	508.72	585.45	440.66	553.20	185.20	96.40
Other payables	13.27	3.23	4.47	3.28	0.89	24.14
Temporary Bank Overdraft	-	-	-	-	0.11	-
Statutory Payables	10.85	8.46	8.89	1.26	0.19	2.58
Total	**796.93**	**739.03**	**643.02**	**721.63**	**319.78**	**173.16**

Short Term Provisions						
(a) Provision for Bonus	9.77	12.57	4.09	2.63	2.18	1.41
(b) Provision for Tax	56.01	-	11.15	57.61	25.65	36.74
(c) Provision for Gratuity	1.52	0.44	0.25	0.19	0.16	0.15
Total	**67.30**	**13.00**	**15.49**	**60.43**	**27.99**	**38.31**

Notes:
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE – G

STATEMENT OF FIXED ASSETS AS RESTATED

In Lacs

Particulars	**As at**					
	31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**	**31.03.2013**	**31.03.2012**
Tangible Assets						
Factory Building	460.23	460.23	-	-	-	-
Office Building	523.29	549.03	-	-	-	-
Plant and Machinery	510.64	328.00	35.41	25.54	2.70	2.84
Office Equipments	16.70	19.08	3.21	4.21	1.61	1.22
Vehicle	103.85	25.23	23.32	28.17	32.66	10.27
Furniture and Fittings	37.37	36.08	5.55	5.18	0.50	0.54
Computers	11.36	9.45	1.67	2.34	1.16	1.22
Intangible Assets	-	-	-	-	-	-
Software	10.27	1.08	-	-	-	-
Capital Work In Progress	520.93	26.27	1356.81	698.75	-	-
Total	**2194.64**	**1454.45**	**1425.95**	**764.19**	**38.63**	**16.10**

Note-:
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE – H

STATEMENT OF INVESTMENTS AS RESTATED

In Lacs

Particulars	**As at**					
	31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**	**31.03.2013**	**31.03.2012**
Non Current Investment	-	-	-	-	-	-
Current Investment						
Investment in National Savings Certificate	-	-	-	-	0.20	0.20
Total	**-**	**-**	**-**	**-**	**0.20**	**0.20**

Notes:
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets

and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE – I

STATEMENT OF LONG-TERM LOANS AND ADVANCES AS RESTATED

In Lacs

Particulars	As at					
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Unsecured, Considered Good unless otherwise stated						
Capital Advance	-	-	-	-	248.78	-
Security Deposits	18.51	10.11	6.39	0.79	0.24	0.09
Loans and Advances to Related Parties	-	-	-	-	6.63	4.46
Advance Tax (Net of Provision)	27.21	27.44	4.38	4.35	4.34	-
Other Loans and Advances	-	-	-	-	-	-
Loans & Advances to Staff	-	0.42	-	-	-	-
Prepaid Expenses	-	-	0.03	-	-	-
Advance to suppliers	0.02	0.05	6.38	-	-	-
Others Loans & Advances	-	-	1.64	0.87	0.67	
Total	**45.74**	**38.01**	**18.82**	**6.00**	**260.66**	**4.55**

Notes:
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE – J

STATEMENT OF INVENTORIES AS RESTATED

In Lacs

Particulars	As at					
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Raw Materials	1320.84	1008.53	1037.06	1373.61	902.41	715.77
Finished Goods	2514.92	1624.99	1269.62	1444.40	1034.39	503.36
Total	**3835.77**	**2633.51**	**2306.68**	**2818.02**	**1936.80**	**1219.13**

Notes-:
1. Inventory has been physically verified by the management of the Company at the end of respective year/period
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE – K

STATEMENT OF TRADE RECEIVABLES AS RESTATED

In Lacs

Particulars	As at					
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012

Outstanding for a period exceeding six months (Unsecured and considered Good)						
Others	3905.13	65.56	519.58	468.04	110.01	237.87
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)	454.30	3116.01	2112.87	2436.08	1762.45	990.22
Others						
Total	**4359.43**	**3181.58**	**2632.44**	**2904.12**	**1872.46**	**1228.10**

Notes-:
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE – L

STATEMENT OF CASH & CASH EQUIVALENTS AS RESTATED

In Lacs

Particulars	**As at**					
	31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**	**31.03.2013**	**31.03.2012**
Cash and Cash Equivalents: (as per Accounting Standard 3: Cash flow Statements)						
Balances with Banks in Current Accounts	86.94	136.47	6.83	2.18	1.60	10.06
Bank deposits with original maturity of more than 3 months but less than 12 months	2.50	40.40	211.23	194.97	60.00	79.20
Cash on Hand	17.77	14.26	7.10	1.53	4.78	22.82
Other Bank Balances						
Bank deposits with original maturity of more than 12 months			120	120	120	-
Total	**107.21**	**191.12**	**345.16**	**318.67**	**186.38**	**112.08**

Notes-:
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE – M

STATEMENT OF SHORT-TERM LOANS AND ADVANCES AS RESTATED

In Lacs

Particulars	**As at**					
	31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**	**31.03.2013**	**31.03.2012**
Unsecured, Considered Good unless otherwise stated						
Sundry Deposits	-	7.40	7.82	2.15	1.35	1.35
Prepaid Expenses	22.73	27.44	17.53	0.48	0.53	0.84

Loans and Advances to employees	14.97	16.66	11.14	7.77	2.78	0.02
Balance with Government Authorities	0.66	-	-	-	6.78	5.80
Other Loans and Advances	-	-	-	-	-	-
(i) Advance to suppliers	359.66	721.55	259.28	164.84	50.38	42.82
(ii) Others	0.45	6.54	-	-	-	-
Total	**398.46**	**779.59**	**295.76**	**175.25**	**61.82**	**50.83**

Notes-:
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE – N

STATEMENT OF OTHER CURRENT ASSETS AS RESTATED

In Lacs

Particulars	**As at**					
	31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**	**31.03.2013**	**31.03.2012**
Interest Accrued but not due	0.14	1.39	38.66	26.14	10.21	0.30
Others - Interest Subsidy Receivable	65.05	-	-	-	-	-
Others - Service Tax Claim Receivable	3.08	2.64	0.45	-	-	-
Total	**68.28**	**4.02**	**39.12**	**26.14**	**10.21**	**0.30**

Notes-:
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE – O

STATEMENT OF OTHER INCOME AS RESTATED

In Lacs

Particulars		**For the Year Ended**				
	31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**	**31.03.2013**	**31.03.2012**
Related and Recurring Income:						
Interest Income	0.82	16.38	32.13	32.84	15.95	2.42
Round Off/Discounts	-	-	-	0.95	-	-
Other Receipt	-	-	-	-	-	-
Foreign Exchange Profit /Loss	53.45	47.13	415.66	-	-	13.74
Other non-operating income	-	-	-	-	0.72	0.00
Other Income	19.23	0.63	-	-	-	-
Prior Period Income/ (Expenses)	-	--	-	-	-	-
Excess Provision written back	5.22	-	-	-	-	-
Interest Subsidy	65.05	-	-	-	-	-
Total	**143.77**	**64.14**	**447.79**	**33.79**	**16.67**	**16.16**

Notes-:
1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE – P

STATEMENT OF TURNOVER AS RESTATED

In Lacs

Particulars		For the Year Ended				
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
(i) Turnover of Products Manufactured/ Traded	19,042.13	18,251.41	17,078.36	16,596.65	11,533.40	7,156.70
(ii) Turnover from Services provided by the Issuer Company	0.36	-	-	-	-	-
*(iii) Turnover in respect of Products not Normally dealt in by the Issuer Company but included in (i) above	-	-	-	-	-	-
Total	19,042.48	18,251.41	17,078.36	16,596.65	11,533.40	7,156.70
*As per information provided to us by the Issuer, there is no such item.						

Notes-:
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE – Q

STATEMENT OF MANDATORY ACCOUNTING RATIOS AS RESTATED

In Lacs

Particulars	As at					
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Net Worth (A)	2486.22	2161.50	2004.23	1359.97	919.93	560.58
Restated Profit after tax	324.71	157.27	244.23	223.45	134.35	96.12
Less: Prior Period Item	-	-	-	-	-	-
Adjusted Profit after Tax (B)	324.71	157.27	244.23	223.45	134.35	96.12
Number of Equity Share outstanding as on the End of Year/Period (C)	87.08	29.03	29.03	22.36	18.75	15.00
Weighted average no of Equity shares at the time of end of the year (D)	87.08	87.08	72.94	56.28	46.23	37.05
Current Assets (E)	8769.15	6789.82	5619.15	6242.20	4067.87	2610.64
Current Liabilities (F)	7714.14	5684.02	4578.07	5227.44	3428.75	2068.49
Face Value per Share	10	10	10	10	10	10
Restated Basic and Diluted Earnings Per Share (Rs.) (B/D)	3.73	1.81	3.35	3.97	2.91	2.59
Return on Net worth (%) (B/A)	13.06	7.28	12.19	16.43	14.60	17.15
Net asset value per share (A/C) (Face Value of Rs. 10 Each	28.55	74.47	69.05	60.82	49.06	37.37
Net assets value per share (effect of bonus issue of equity shares) (A/D)	28.55	24.82	27.48	24.16	19.90	15.13

Current Ratio (E/F)	1.14	1.19	1.23	1.19	1.19	1.26

Notes-:
1) The ratios have been computed as below: (a) Basic earnings per share (Rs.) - : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year (b) Diluted earnings per share (Rs.) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS (c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year (d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year (e) Net assets value per share (effect of bonus issue of equity shares) - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year (after split and bonus issue)
2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.
3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
4) Weighted Average Number of Equity Shares have been considered after giving the effect of Bonus Shares issued by the company on 27/03/2017
5) The figures disclosed above are based on the standalone restated summary statements of the Group.
6) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE – R

STATEMENT OF RELATED PARTY TRANSACTION AS RESTATED

a)	Names of the related parties with whom transaction were carried out during the years and description of relationship:	
1	Holding Company	NIL
2	Subsidiary Companies	NIL
3	Key Managerial Person	Mr. Bhavik Parikh Mr. Nilay Vora Mr. Bhavin Parikh
4	Relatives of Key Management Personnel with whom transactions have taken place	Mrs. Gunvanti J Vora
5	Enterprises Owned or controlled by Key Management personnel and/or their Relatives (With whom transactions have taken place)	Jagdish M Vora HUF Padamshree Globe Textiles Pvt. Ltd Globe Texfeb LLP Kunthunath Impex LLP (formally kown as Parikh Impex Pvt. Ltd. Ajitnath Arcade Pvt. Ltd. Parikh Hathisingh Ujamchand Sarvajanik Sakhawati Trust

In Lacs

S.No.	Particulars	For the Period ended 31ST MARCH, 2017	For the year ended 31st March, 2016	For the year ended 31st March, 2015	For the year ended 31st March, 2014	For the year ended 31st March, 2013	For the year ended 31st March, 2012
1	**Remuneration**	7.25	7.66	5.30	4.22	3.47	3.40

	Nilay Vora	23.43	23.15	23.76	-	-	-
	Bhavik Parikh	6.67	-	-	-	-	-
		-	-	-	-	-	-
2	**Purchases**	-	-	-	-	-	-
	Padamshree Globe Textiles Pvt. Ltd	-	-	202.51	2364.91	329.58	-
	Kunthunath Impex LLP (Formally known as Parikh Impex Pvt. Ltd.)	4.86	-	-	-	945.61	1184.86
	Globe Texfeb LLP	348.13	-	-	-	-	-
3	**Sales**						
	Padamshree Globe Textiles Pvt. Ltd	-	-	1.42	-	15.33	-
	Kunthunath Impex LLP (Formally known as Parikh Impex Pvt. Ltd.)	489.02	-	-	-	492.79	48.45
	Bhavin Parikh	-	0.15	-	-	-	-
4	**Loan Taken / Funds Received**	-	-	-	-	-	-
	Ajitnath Arcade Pvt. Ltd.	-	-	-	-	-	-
	Bhavik Parikh	85.11	12	47.98	905.00	210.27	14.50
	Nilay Vora	-	-	0.70	170.00	-	-
	Padamshree Globe Textiles Pvt. Ltd.	-	9.07	-	75.00	-	-
5	**Loan Repaid/ Funds Given**	-	-	-	-	-	-
	Ajitnath Arcade Pvt. Ltd.	-	-	-	-	0.13	53.00
	Nilay Vora	0.74	-	8.38	162.17	2.17	4.46
	Bhavik Parikh	37.25	10	190.25	767.50	220.00	-
	Gunvanti J Vora	-	-	0.50	-		
	Jagdish M Vora HUF	-	-	0.10	-		
	Padamshree Globe Textiles Pvt. Ltd.	-	0.07	-	75.00		
		-	-	-	-	-	-
6	**Subscription for Shares**	-	-	-	-	-	-
	Gunvanti J Vora	-	-	-	-	-	4.50
	Bhavik Parikh	-	-	400.02	210	225.00	135.00
	Nilay Vora	-	--	-	2.70	-	45.00
	Jagdish M Vora HUF	-	-	-	3.90	-	-
		-	-	-	-	-	-
7	**Reimbursement of Expenses Given**			-			
	Nilay Vora	0.90	4.08	5.99	5.95	4.30	2.30
	Bhavik Parikh	-	0.35	0.92	0.45	1.85	0.73
	Bhavin Parikh	3.64	1.91	0.70	1.34	-	-
		-	-	-	-	-	-
8	**Donation Paid**		-	-	-	-	-
	Parikh Hathisingh Ujamchand Sarvajanik Sakhawati Trust	9.00	1.05	-	-	-	-

ANNEXURE – S

STATEMENT OF CAPITALISATION AS RESTATED

In Lacs

Particulars	Pre Issue	Post Issue
	31.03.2017	
Debt		-
Short Term Debt	4424	-
Long Term Debt	889	
Total Debt	5313	-
Shareholders' Fund (Equity)		
Share Capital	871	
Reserves & Surplus	1617	-
Less: Miscellaneous Expenses not w/off	1617	-
Total Shareholders' Fund (Equity)	2488	-
Long Term Debt/Equity	0.36	-
Total Debt/Equity	2.14	-

Notes:
1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities
3. The Corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.
4. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/12/2016.

ANNEXURE – T

STATEMENT OF TAX SHELTER AS RESTATED

	Particulars	As at					
		31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
A	Profit before taxes as restated	487.79	230.97	343.02	354.65	235.45	142.00
B	Tax Rate Applicable %	33.06	33.06	32.45	32.45	32.45	32.45
C	Tax Impact (A*B)	161.28	76.37	111.29	115.07	76.39	46.07
	Adjustments:						
D	Permanent Differences						
	SEC-40A-Amount in excess of Rs.20,000/-, paid otherwise than by account payee cheque or account payee bank draft-Business Promotion Exp.	-	-	-	-	0.22	-
	Donation	9.00	1.41	0.08	-	5.08	0.31
	Expenditure of Capital Nature	7.00	2.50	-	-	-	-

	disallowed						
	Amount of tax or rate levied or assessed on the basis of profits-Interest on Income Tax	0.24	0.99	5.76	2.80	-	-
	Amount of tax or rate levied or assessed on the basis of profits-Interest on legal liability	0.04	0.10	-	-	0.03	-
	Expenditure of capital nature-Loss on Sale of Assets	-	-	0.04	0.06	-	-
	Amount of tax or rate levied or assessed on the basis of profits-Interest on Late Payment of TDS	0.01	-	0.03	0.03	-	-
	SEC-36-Amount of contributions to a recognised provident fund-Late Deposit of Employees Cont. to PF	-	-	-	0.41	-	-
	SEC-36-Amount of contributions to any other fund-Late Deposit of Employees Cont. to ESI	-	-	-	0.08	-	
	SEC-37-Expenditure of capital nature-Fees for Increase in Auth. Capital				1.26	-	-
	Expenditure by way of penalty or fine for violation of any law for the time being in force	-	-	0.01	-	0.01	-
	Deductions under Chapter VI -A	(4.50)	(9.21)	(0.04)	-	(2.51)	(0.16)
	Total Permanent Differences	**11.79**	**(4.21)**	**5.88**	**4.64**	**2.81**	**0.16**
E	**Timing Difference**						
	Difference between tax depreciation and book depreciation	(33.76)	(80.30)	(0.37)	(3.57)	(2.76)	(0.99)
	Expenses Disallowed Under Section 43 B	-	12.65	4.09	2.63	2.18	1.41
	Gratutiy Expenses Disallowed under Section 40A(7)	14.44	4.34	3.03	1.04	1.59	2.94
	Amount Disallowed u/s 43 B in preceding Previous Year, Now Allowed as per Section 43B	(7.73)	(4.09)	(2.63)	(2.18)	(1.41)	(0.71)
	Total Timing Differences	**(27.04)**	**(67.40)**	**4.13**	**(2.09)**	**(0.39)**	**2.66**
F	Net Adjustment (F) = (D+E)	(15.25)	(71.61)	10.01	2.56	2.42	2.81
G	Tax Expenses/ (Saving) thereon (F*B)	(5.04)	(23.68)	3.25	0.83	0.79	0.91
H	Tax Liability, After Considering the effect of Adjustment (C +G)	156.24	52.69	114.54	115.90	77.18	46.98
	MAT Credit Utilized						
H	Tax Liability, After Considering the effect of MAT Credit	156.24	52.69	114.54	115.90	77.18	46.98

I	Book Profit as per MAT *	487.79	230.97	343.02	354.65	235.45	142.00
J	MAT Rate	20.39	20.39	20.01	20.01	20.01	20.01
K	Tax liability as per MAT (I*J)	99.45	47.09	68.63	70.96	47.11	28.41
L	Current Tax being Higher of H or K	156.24	52.69	114.54	115.90	77.18	46.98
M	MAT Credit Entitlement	-					
N	Total Tax expenses (L+M+N)	156.24	52.69	114.54	115.90	77.18	46.98
O	Total Tax as per Return of Income (Before Interest under Section 234A,B and C of Income Tax Act, 1961)	-	55.05	109.77	115.92	77.18	46.87
P	Tax Paid Under (Normal/MAT) in Income Tax Return Filed by Company	Normal	Normal	Normal	Normal	Normal	Normal

*****MAT refers to Minimum Alternative Tax as referred to in section 115 JB of the Income Tax act 1961

Notes:
1. The aforesaid statement of tax shelters has been prepared as per the restated Summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax r respective years stated above. The changes in the tax liability and the interest thereon arising on account of assessment proceedings, notices, appeals etc has been adjusted in the tax liability of the year to which the liability pertains.
2. The figures for the period ended December 31, 2016 are based on the provisional computation of Total Income prepared by the Company.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

ANNEXURE – U

SUMMARY STATEMENT OF CONTINGENT LIABILITIES AS RESTATED

In Lacs

Particulars	**As at**					
	31.03.2017	**31.03.2016**	**31.03.2015**	**31.03.2014**	**31.03.2013**	**31.03.2012**
Contingent liabilities in respect of:						
Outstanding Tax Demand with Respect to Income Tax Assessment year - 2012-13	77.88	77.88	77.88	-	-	-
Outstanding Tax Demand with Respect to Income Tax Assessment year - 2013-14	113.23	113.23	-	-	-	-
Outstanding Tax Demand with Respect to Income Tax Assessment year - 2014-15	266.96	-	-	-	-	-
TDS Default summary reflecting on the Traces website for Financial Year - 2010-11	1.48	1.48	1.48	1.48	1.48	1.48
TDS Default summary reflecting on the	0.02	0.02	0.02	0.02	-	-

Traces website for Financial Year - 2013-14						
TDS Default summary reflecting on the Traces website for Financial Year - 2014-15	0.00	0.00	0.00	-	-	-
TDS Default summary reflecting on the Traces website for Financial Year - 2015-16	0.10	0.10	-	-	-	-
Total	**459.68**	**192.72**	**79.38**	**1.50**	**1.48**	**1.48**

Notes:
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

For DHARMESH PARIKH & CO.
Chartered Accountants
Firm Reg. No. 112054W

Anuj Jain
Partner
Membership No. 119140

Place: Ahmedabad
Date: 26.05.2017

STATEMENT OF FINANCIAL INDEBTEDNESS

To,

The Board of Directors,
Globe Textiles (India) Limited
Plot No. 38 to 41, Ahmedabad Apparel Park,
GIDC Khokhra, Ahmedabad – 380008
Gujarat, India

Dear Sir,

The principal terms of loans as on **March 31, 2017** is as given below:

A. **Secured Loans:-**

(Amt. in Rs.lacs)

Name of Lender	Purpose	Sanctioned Amount (Rs. In lakhs)	Rate of interest (Base Rate 10.40% for all facilities and Loan Rate of Interest as follows :)	Securities offered		Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books) (Rs. In lacs)
				Primary Security	Collateral Security (for all the limits)			31.03.2017
The Karur Vysya Bank Limited	OCC-I **(To meet Working Capital requirement)**	2000.00	OCC-I&II=11.80% (BR+1.40) floating	**1.** Hypothication of Stocks, Renewables & other current assets of the company. **2.** In addition to the above, all the documents of Export Bills againts LC/Orders including Bill of Lading evedencing shipment of Goods. **3.**ILC /FLC shall be additionally secured by 10% Cash margin & LC application - cum -agreement. Max usage of 90 Days only permitted **4.** BG limit shall be additionally secured by 10% cash margin & counter Gaurantee of the Applicant Company. **5. CEL:** In addition to the above, Forward Contact Agreement.	**1.** Additional EM Charge on Residentaial Flat situated at Flat No. B/ 1001, Block -B, 10th Floor, Chandanbala Apartment, Nr. Shreyas Under Bridge, Paladi Ahmedabad, admeasuring 217.39 Sq Mts. (26 Sq Yards) super Built up area, along with	PCL and FCL/P Tenor : 180 days, ILC/FLC : 90 days, BG period : Not to exceed more than three years. , FCL/BC/CEL(one time) : 90 days, Limits for Demand Loan valid upto 31.03.2017 for WC	NIL	1973.44
	PCL/PCFC/ FBN/P/EBD **(To meet Working Capital requirement)**	2000.00	PCL/PCFC/FBN/P/EBD=10.55 % (BR+0.15) floating					2400.90
	CEL Renewal **(Hedge Forex Exposure)**	625.00	Applicable charges as per circular					0.00
	CEL (One time) Revalidated **(Hedge Forex Exposure)**	50.00						0.00

	Term Loan I Building (Balance o/s)-Phase I **(Takeover of Existing Facilities from Bank of Baroda)**	447.00	Term Loans=11.90% (BR+1.50) p.a. floating	Additional EM Charge on Industrial Land & Building (Lease hold Land) situated at Plot No. 38, 39, 40 & 41, Appreal Park SEZ, GIDC, Opp. Kataria Showroom, Khokhara Ahmedabad, Admeasuring 11702.65 Sq Mts. Stands in the name of Applicant Company Globe Textiles (India) Private Limited	USD 42.10 Shares Stands in the name of Mrs. Shardaben B. Parikh. **2.** Additional EM charge on Residentail House situated at Survey No. 2481, FP No. 105, TPS No. 19, Sub Plot No. 06, Darpan Co-operative Housing society Limited, Near St Xaviers School and Darpan Five Roads, Mouje Shekhpur-Khanpur, Memnagar, Dist-Ahmedabad in the name of M/s Aditya Green City Pvt. Ltd.		NIL	270.77
	Term Loan II - Phase I (Balance O/s) Renewed **(Takeover of Existing Facilities from Bank of Baroda (P&M))**	234.00		Hypothecation of Imported/Domestic Machines at a total Cost of Rs. 2.86 Crores out of bank Finance.		Term Loan II : 48 NEMI after an initial holiday period of 12 months	12 Months	162.91
	Term Loan III-Phase II **(Purchase of Machinery Imported)**	300.00		Hypothication of Imported & Domestic Machines to be purchased at a total Cost of Rs. 5.16 Crores out of bank Finance.		Term Loan III & IV : 48 NEMI after an initial holiday period of 24 months	24 Months	289.65
	Term Loan IV-Phase II **(Purchase of Machinery Without LC Imported/ Local)**	100.00						100
HDFC Bank	Car Loan	78.41	8.50%	Auto Loan		Monthly ECS	NIL	77.36
	Total	**5834.41**						**5275.03**

B. **Unsecured Loan:-**

(Amt. in Rs. lakhs)

Name of Lender	**Purpose**	**Rate of interest**	**Re-Payment Schedule**	**Moratorium**	**Outstanding amount as on (as per Books)**
					31.03.2017
Bhavik Parikh	Business Loan	Nil	On Demand	Nil	49.86
Sub Total					**49.86**

Terms and Conditions:

All Unsecured Loans from Directors are interest free and all are taken without any preconditions attached towards.

Terms and Conditions as per sanction letter:

1. All interest rates are base rate linked. The interest rate is subject to changes in the Base Rate of The Karur Vyasa Bank Limited from time to time.
2. Bank reserves an unconditional right to cancel/terminate the right of the Borrower to avail of or make drawals from the unavailed portion of the Loan / facility sanctioned at any time during the currency of the Loan/facility, without any prior notice to the borrower
3. The availability of working capital facilities will be subject to availability of Drawing Power (DP) calculated as per the The Karur Vyasa Bank's Norms. Borrower is required to submit monthly stock and book debts statements.
4. Borrower to provide copy of comprehensive Insurance on all stocks, movable and immovable assets and other secured assets with assignment in favor of The Karur Vyasa Bank Limited as First loss payee.

For DHARMESH PARIKH & CO.,
Chartered Accountants
Firm Reg. No. 112054W

Anuj Jain
Partner
Membership No. 119140

Place: Ahmedabad
Date: 26.05.2017

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Prospectus. You should also read the section entitled "Risk Factors" beginning on page 15 and "Forward Looking Statements" beginning on page 14, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations.

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the fiscal years ended March 31, 2017, 2016, 2015, 2014 and 2013, including the schedules and notes thereto and the reports thereto, which appear in the section titled "Financial Information of the Company" on Page No. 147 of the Prospectus. The financial statements presented and discussed herein have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year/financial year are to the twelve-month period ended on March 31 of that year. The forward-looking statements contained in this discussion and analysis is subject to a variety of factors that could cause actual results to differ materially from those contemplated by such statements.

OVERVIEW

Globe Textiles (India) Limited was established in the year 1995 and engaged in manufacturing of Garments, cotton printed fabrics, home textiles and fancy fabrics. Our Company's manufacturing activities are undertaken at three different units situated at:-

- Unit I - Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad – 380008, Gujarat, India
- Unit II - Godown No 3, Matiya Estate, Piplej Pirana Road, Taluka Mouje Village, Narol, Ahmedabad - 382405, Gujarat, India.
- Unit III - Godown No. 22, 23 & 24 Taluka Mouje Village, Saijpur, Gopalpur, Narol Ahmedabad - 382405, Gujarat, India.

Our Company caters both domestic as well as international markets. Our Company has also been recognized by Government of India as a "One Star Export House" and holds a valid certificate from September, 2016 till September, 2021 from the Director General of Foreign Trade. Also we have, over the years, received many accolades such as our manufacturing units are an OKO-TEX certified textiles units for manufacturing of fabrics and home textiles. Our company majorly focuses in high quality of fabrics and garments across globe utilizing best technology, delivering quality textiles at the most competitive prices and maintaining long term association with our clients.

Our Company was founded by Mr. Suryakant Hiralal Parikh along with Mr. Vijaybhai Shah, Mr. Dilipbhai Adesara and Mr. Dilipbhai Pandya in the year 1995 and presently promoted by Mr. Bhavik Suryakant Parikh and Mr. Bhavin Suryakant Parikh who have experience of about two decades in textiles business. The vast experience of the Promoters has been instrumental in determining the vision and growth strategies for our Company. We further believe that our market position has been achieved by adherence to the vision of our Promoters and senior management team and their experience of over decades in the textiles and textiles products.

Further, our on-going manufacturing units are equipped with all equipment and facilities for manufacturing of fabrics along with all the other allied equipments. Our Company is also engaged in trading of yarns, denims and Non denims fabrics, Shirting fabrics and Jeans. Also we perform job work for many clients. Our Company based on its experience and its standards, conforms to major specifications and customer requirements. We firmly believe in benchmark product quality, customer centric approach, people focus, ethical business practices and good corporate citizenship.

We have been developing a marketing strategy for our products. Our Company's proficiency lies in understanding the prevailing trends in all the products which we market in addition to the buying preferences of our consumers and accordingly manufacture quality fabrics to assure them of product quality, comfort and fit uniformity. Further, our experience also lies in identifying the gaps and foraying into the untapped market of garment segments with distinct products. Further our Company has appointed Business and Commission Agents for Middle East/ Gulf Countries to increase the presence in foreign countries.

For the period ended March 31, 2017 our Company's Total Income and Restated Profit after Tax was Rs. 19186.26 Lacs and Rs. 324.71 Lacs, respectively. For the year ended March 31, 2016, our Company's Total Income and Restated Profit after Tax were Rs. 18315.55 Lacs and Rs. 157.27 Lacs, respectively. For the year ended March 31, 2015, our Company's Total Income and Restated Profit after Tax was Rs. 17526.15 Lacs and Rs. 244.23 Lakhs respectively, compared to our Company's Total Income and Restated Profit after Tax of Rs 16630.44 Lacs and Rs. 223.45 Lacs respectively, over previous year ended i.e. March 31, 2014.

COMPETITIVE STRENGTHS

We have a key customer base with reputed international Customers

Our long-standing relationship with our major customers has been one of the most significant factors contributing to our growth. Our commitments to quality and customer service practices have been strong contributing factors to our robust customer relations. Over the years, we have steadily developed a robust base of international customers for our products in south-east Asian and gulf countries. Even though we do not have any long-term supply agreements with them, we have continually received repeat business from many of our international customers. This indicates their level of confidence in our ability to understand latest trends and ensure timely delivery of quality products.

Management and Key managerial Expertise

Our Directors and Key managerial persons are engaged in the Textiles business, have a proven background and rich experience of more than 20 years in the Textile industry. Also, our Company is managed by a team of experienced personnel. The team comprises of personnel having operational and business development experience. We believe that our management team's experience and their understanding of the textile industry will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us in addressing and mitigating various risks inherent in our business, including significant competition, the global economic crisis and fluctuations in fuel prices.

Cost effective production and timely fulfillment of orders

Our Company has taken various steps in order to ensure adherence to timely fulfillment and also to achieve greater cost efficiency as timely fulfillment of the orders is a prerequisite in our industry. These steps include identifying quality yarn, smooth labour relations, use of an efficient production system and ability to meet large and varied orders due to our capacity and linkages with raw material suppliers. Our Company also has enjoyed good relations with our suppliers and as a consequence have the benefit of timely supplies of the raw materials which has been one of the major reasons why we have been able to achieve timely fulfillment of orders of our customers. Our Company constantly endeavors to implement an efficient procurement policy for inputs required for production so as to ensure cost efficiency in procurement which in turn results in cost effective production.

Scalable Business Model

Our business model is order driven and focus on maximum capacity utilization, developing linkages with quality raw material suppliers and achieving consequent economies of scale. We believe that this business model has proved successful and scalable for us in the last few financial years. We can scale upward as per the requirement generated by our Company. The business scale generation is basically due to the development of new markets both international and domestic, by adopting aggressive marketing of the product, innovation in the product range and by maintaining the consistent quality of the product.

OUR STRATEGIES

Expand our product portfolio to cater to consumer preferences

We aim to leverage our existing suite of products, knowhow and manufacturing capabilities to produce niche and higher-margin products. We believe that, given our manufacturing capacity and expertise, we would be able to produce and sell such fabrics at competitive prices compared to the international export markets. In the long run, we may also intend to enter into new product lines and target new consumer segments. We believe that such initiatives will optimally diversify our business and products portfolio and enable access to new markets.

Creativity

Our Company has always been driven by the quest to develop something new and constantly strives to develop better products which appeal to our constantly growing customer base. Also our company provides mix and match to attract our customers and dealers. Our Company‘s forte lies in its ability to translate its vision into realities using, technology and personnel who successfully supervise each new venture undertaken.

Expand our distribution network and export sales

Our historically developed distribution in domestic and international market has been critical to our growth. We intend to continue developing and nurturing existing market, and create new distribution channels in under and non-penetrated geographies. We aim to further develop our domestic sales networks in those territories where there are lower transportation costs and those which have a significant demand of our products, where we can sell at price-points that can effectively offset higher transportation costs. Such expansion plans are intended to be effected by in-house examination of the market potential of various territories and our available

distribution network in such geographies. For our international export business, we intend to upscale our export operations to sell higher volumes of our products.

Invest in infrastructure and technology

Our Company believes in making investments for continuously achieving higher levels of excellence in its products and implement dynamic and diverse specifications of our customers. We have invested significantly in equipping our manufacturing facilities with the latest and specialized infrastructure and modern technology. We want to continue to work towards the upgradation and modernization of our infrastructure and technology.

OUR PRODUCTS

We have developed variety of Products as below:-

S.No.	Name of Products	
1.	Garments	Garments include Denims and Non Denims garments they are made from many different fabrics and yarns and their characteristics depend of type of cloths. This includes Jeans, Shirting, work wear and leisure wear.
2.	Fancy Fabrics	Fancy Fabrics includes light weight fabrics such as polyster's print, polysters dyed, chadri voile, scarfs, sarongs, cotton prints and cotton dyed.
3.	Home Textiles	Home textiles includes beds sets and sheets, bed spreads, flat in cotton and microfiber fitted sheets alongside other furnishings and accessories like curtain, table linen/runner nakins and tray cloths

Salient Features of Our Products:-

- Blended fabrics i.e. Cotton, Polyester and viscose
- Excellent comfort
- Eco-friendly Products
- Wide range of Fabric Varieties
- Non-allergenic natural Fibre

Our Location:-

Registered Office	Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad -380008, Gujarat, India
Factory	Unit I - Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad -380008, Gujarat, India Unit II - Godown No 3, Matiya Estate, Piplej Pirana Road, Taluka Mouje Village, Narol, Ahmedabad - 382405, Gujarat, India. Unit III - Godown No. 22, 23 & 24 Taluka Mouje Village, Saijpur, Gopalpur, Narol Ahmedabad - 382405, Gujarat, India.
Godown	Godown No. 7, 8, 9, 10, 11 & 19, Taluka Mouje Village, Saijpur, Gopalpur, Narol, Ahmedabad - 382405, Gujarat, India. Godown No. 21, Taluka Mouje Village, Saijpur, Gopalpur, Narol, Ahmedabad - 382405, Gujarat, India.
Marketing Office	Office No. 601, 6th Floor, Sai Plaza, Andheri Kurla Road, Sakinaka, Mumbai-400072, Maharashtra, India

CAPACITY UTILISATION

Particulars	Existing		Proposed		
	2015-16	2016-17	2017-18	2018-19	2019-20
Total Installed Capacity (Mtr)	576000	900000	900000	900000	900000
Capacity Utilization (in %)	50.12%	70%	85%	85%	90%

Note: The total installed capacity for the year 2014-15 is not available as the total production before the year 2015-16 was undertaken by Job work from third party.

PLANT & MACHINERY:-

We have installed sufficient Plant and Machinery in all the manufacturing units such as High speed needle lock stitch machine, Automatic pocketseter, pocket creasing machine, Needle lockstitch Machine, automatic thread trimmer, Automatic Sewing Machine, Power driven Cloth Cutting machine, automatic fabric spreading machine, needle double chain stitch flatbed Machine, automatic thread trimmer auto lifter, automatic belt loop Machine, Lockstitch Edge cutter machine, industrial sewing Machine, Button Attached machine, apparel Inkjet with cutter plotter, power operated over lock machine, computer controlled cycle machine.

COLLABORATIONS/TIE UPS/ JOINT VENTURES:-

Except as disclosed in this Prospectus and normal course of business, we do not have any Collaboration/Tie Ups/ Joint Ventures as on date.

EXPORT OBLIGATION:

Our Company does not have any export obligation as on date except as below:-

Particulars	Authorization Date	Duty Saved	Remarks
Import of Capital Goods	14.10.2016	14,29,962	Export Obligation under EPCG Scheme is required to be fulfilled by export of goods manufacture by us which is equal to six times of the total duty saved on import of capital goods, to be fulfilled in 6 years (Block year 1st to 4th year – 50% and 5th to 6th year – 50%) reckoned from authorization issue date

SALES AND MARKETING:-

Marketing is an important function of our organization. Our success lies in the strength of our relationship with our customers who have been associated with our Group for a long period. Our promoter & Director, Mr. Bhavik Suryakant Parikh and our Director Mr. Nilaybhai Jagdishbhai Vora, through their vast experience and good rapport with clients owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform for our Company. To retain our customers, we regularly interact with them and focus on gaining an insight into the designs and other additional needs of such customers. With large sales potential, low infrastructure costs, raw material proximity and the availability of professional expertise of our Promoters, we plan to grow geographically.

Also our Company has entered with Business & commission Agent Agreement with agent for Middle East/ Gulf Countries for marketing of textiles goods & Garments manufacturing by the Company. The company sells the final fabrics in the foreign market, mainly in the Gulf countries and south-east Asia mainly targeting ladies wear. Our Director Mr. Nilaybhai Jagdishbhai Vora is used to take a regular visit to these foreign countries and give all after sale services to the customer and take feedback for further improvements. The Company is holding regular repetitive orders from the customer. We are currently exporting our products to the countries such as Bangladesh, Colombia, Egypt, Georgia, Hong Kong, Israel, Kuwait, Lebanon, Malaysia, Myanmar, Saudi Arabia, Sri Lanka, Thailand, Uruguay, Vietnam, Yemen, UAE, Germany, Cambodia, Dominican Republic, Ethiopia, Guatemala, Iraq, Panama and South Korea.

Particulars	31-Mar-17	31-Mar-16
Exports Sales:		
BANGLADESH		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	24661767	40032586
COLOMBIA		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	9590	534720
EGYPT		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	-	10482802
GEORGIA		
Home Textiles	-	5588668
HONG KONG		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	-	58565156
ISRAEL		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	4342325	5264258
Home Textiles	117585446	102668800
KUWAIT		
Garments (includes Jeans, Shirting, work wear and leisure wear)	3646736	10906751
LEBANON		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	-	4713696
MALAYSIA		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	29924239	44844701
MYANMAR		

Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	125234439	290694352
SAUDI ARABIA		
Garments (includes Jeans, Shirting, work wear and leisure wear)	58293787	122520436
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	-	10434929
Home Textiles	3374209	-
SRI LANKA		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	4494656	2268724
THILAND		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	169528956	152158859
URUGUAY		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	-	2136014
VIETNAM		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	-	203903
YEMAN		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	6317595	2126048
UAE		
Garments (includes Jeans, Shirting, work wear and leisure wear)	168197143	163676530
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	70472257	55206620
GERMANY		
Home Textiles	5008129	4530408
COMBODIA		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	729338	-
DOMINICAN REPUBLIC		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	15245013	-
ETHOPIA		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	1930019	-
GAUTEMALA		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	15550591	-
IRAQ		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	111606502	-
PANAMA		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	15669650	-
SOUTH KOREA		
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	4537950	-
DOMESTIC SALES		
Garments (includes Jeans, Shirting, work wear and leisure wear)	-	1033495
Fancy Fabrics (includes scarfs, sarongs and other related fabrics)	848550658	652947818
Home Textiles	30976612	-

***Marketing Strategy*:**

We intend to focus on following marketing strategies:

1. Focus on existing markets and increasing our customer base.
2. Appointment of Dealers &Wholesaler in new market.
3. Emphasizing on providing Value Added Services.
4. Continuously holding markets Trends.

COMPETITION:-

Much of the market in which we operate is unorganized and fragmented with many small and medium-sized entities. We face substantial competition for our products from other manufacturers in domestic market. Our competition varies for our products and regions. We compete with other manufacturers on the basis of product range, product quality, and product price including factors, based on reputation, regional needs, and customer convenience. While these factors are key parameters in client's decisions matrix in purchasing goods; product range, product quality and product price is often the deciding factor in most deals. Some of our major competitors are:-

- Ashapura Intimates Fashion Ltd.
- Bella Casa Fashion & Retail Ltd.
- Kewal Kiran Clothing Ltd.
- Libas Designs Ltd.
- S.P. Apparels Ltd.

SIGNIFICANT DEVELOPMENT SUBSEQUENT TO THE LAST FINANCIAL YEAR:-

In the opinion of the Board of Directors of our Company, there have not arisen any circumstances since the date of the last financial statements disclosed in this Prospectus that materially or adversely affect the operations or profitability of the Company or the Value of its assets or its ability to pay its liability within next twelve months except below changes occurred after Balance Sheet date:-

1. We have change the registered office of the company from Plot No. 38 to 41, Ahmedabad Apparel Park, SEZ, GIDC Industrial Area, Khokhra, Ahmedabad – 380008, Gujarat, India to Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad – 380008, Gujarat, India with effect from April 13, 2017.
2. We have appointed Mr. Mohnish Harbansh Bhalla as Additional Non-Executive Independent Director of the Company with effect from May 26, 2017.
   We have appointed Mr. Bharatbhai Samjibhai Patel as Additional Non-Executive Independent Director of the Company with effect from May 26, 2017.

FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS:-

Our results of operations could potentially be affected by the following factors amongst others:

1. General economic and business conditions in India;
2. Disruption in our manufacturing facilities.
3. Company's ability to successfully implement its growth strategy and expansion plans.
4. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
5. Inability to successfully obtain registrations in a timely manner or at all;
6. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
7. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
8. Changes in laws and regulations relating to the industries in which we operate;
9. Effect of lack of infrastructure facilities on our business;
10. Increase in prices of Raw Material i.e. fabrics
11. Occurrence of Environmental Problems & Uninsured Losses;
12. Intensified competition in industries/sector in which we operate;
13. Our ability to attract, retain and manage qualified personnel;
14. Failure to adapt to the changing technology in our textiles industry may adversely affect our business and financial condition;
15. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
16. Conflicts of interest with affiliated companies, the promoter group and other related parties;
17. Any adverse outcome in the legal proceedings in which we are involved;
18. Our ability to expand our geographical area of operation;
19. Concentration of ownership among our Promoters.

Our Significant Accounting Policies:

Our significant accounting policies are described in the section entitled "Financial Information of the Company" on page 147 of this Prospectus.

Change in accounting policies in previous 3 (three) years

Except as mentioned in chapter "Financial Information of the Company" on page no. 147, there has been no change in accounting policies in last 3 (three) years.

Summary of the Results of Operations

The following table sets forth financial data from restated profit and loss account for the and financial Year ended on March 31, 2017, 2016, 2015 & 2014 the components of which are also expressed as a percentage of total income for such periods.

(Amt. in Lacs)

Particulars (For the Year ended)	31st March 2017	% of Total Income	31st March 2016	% of Total Income	31st March 2015	% of Total Income	31st March 2014	% of Total Income	31st March 2013	% of Total Income
Revenue from Sale of Product	19042.48	99.25	18251.41	99.65	17078.36	97.45	16596.65	99.80	11533.40	99.86
Other Income	143.77	0.75	64.13	0.35	447.79	2.55	33.79	0.20	16.67	0.14
Total Income	**19186.25**	**100.00**	**18315.55**	**100.00**	**17526.15**	**100.00**	**16630.44**	**100.00**	**11550.07**	**100.00**
Expenditure:										
Cost of Goods Consumed	12328.30	64.26	1736.85	9.48	9241.28	52.73	7753.08	46.62	9988.04	86.48
Purchase of Traded Goods	5008.07	26.10	14696.60	80.24	6156.76	35.13	7479.77	44.98	1151.26	9.97
Changes in Inventories of finished goods, work in progress and stock -in-trade	(889.93)	(4.64)	(372.61)	(2.03)	192.03	1.10	(410.01)	(2.47)	(531.03)	(4.60)
Employee Benefit Expenses	497.11	2.59	366.32	2.00	132.91	0.76	80.39	0.48	63.16	0.55
Finance Cost	458.61	2.39	434.90	2.37	361.89	2.06	279.53	1.68	111.91	0.97
Depreciation and Amortization Expenses	80.93	0.42	41.76	0.23	10.61	0.06	6.23	0.04	2.71	0.02
Other Expenses	1215.38	6.33	1180.74	6.45	1087.64	6.21	1086.78	6.53	528.55	4.58
Total Expenses	**18698.47**	**97.46**	**18084.58**	**98.74**	**17183.13**	**98.04**	**16275.79**	**97.87**	**11314.61**	**97.96**
Profit before exceptional and extraordinary items and tax	487.79	2.54	230.97	1.26	343.02	1.96	354.65	2.13	235.45	2.04
Exceptional/Prior Period item	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Profit before extraordinary items and tax	487.79	2.54	230.97	1.26	343.02	1.96	354.65	2.13	235.45	2.04
Extraordinary item	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Profit Before Tax	**487.79**	**2.54**	**230.97**	**1.26**	**343.02**	**1.96**	**354.65**	**2.13**	**235.45**	**2.04**
Tax Expense:										
Tax Expense for Current Year	156.24	0.81	52.68	0.29	114.54	0.65	115.90	0.70	77.18	0.67
Adjustment of earlier provisions	0	0.00	0	0.00	0	0.00	0	0.00	23.84	0.21
Deferred Tax	6.84	0.04	21.00	0.11	(15.75)	-0.09	15.31	0.09	0.08	0.00
Net Current Tax Expenses	163.08	0.85	73.70	0.40	98.79	0.56	131.21	0.79	101.10	0.88
Restated profit after tax for the period from continuing operations	**324.71**	**1.69**	**157.27**	**0.86**	**244.23**	**1.39**	**223.45**	**1.34**	**134.35**	**1.16**

Key Components of Company's Profit And Loss Statement

Revenue from Sale of Product: Revenue from operations mainly consists of sale of Textiles and Textiles Products

Other Income: Other income primarily comprises of Interest Income.

Expenses: Company's expenses consist of cost of material consumed, employee benefits expense, administration & Other Expenses, finance costs, depreciation and amortization expenses.

Employee Benefits Expense: Employee benefit expense includes Salaries and Wages and Staff Welfare Expenses, Contribution to ESIC & PF, Bonus to Employees and Provision for Gratuity.

Finance Costs: Finance cost comprises interest on Indebtedness, Bank charges.

Depreciation and Amortization Expense: We recognize Depreciation and Amortization expense on a Straight Line Method (SLM method) as per the rates set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

Administration & Other Expenses: Other expenses include rent, electricity, freight, repairs, office maintenance exp, travelling and conveyance exp, telephone and internet exp and miscellaneous expenditure etc.

Financial Performance Highlights for the stub period ended March 31, 2017

Total Income:
The company's total income for the period ended March 31, 2017 was ₹ 19186.26 Lacs. The revenue from Sale of Products was ₹ 19042.48 Lacs which comprised 99.25 % of company's total income for the year ended on March 31, 2017.

Total Expenses:
The total expenditure during the year ended on March 31, 2017 was ₹ 18698.47 Lacs. The total expenditure represents 97.46 % of the total revenue. The total expenses are represented by Cost of material consumed, Employee Benefits Expense, Administrative and other Expenses, Finance Costs, Depreciation and Amortization Expense. The main constituent of total expenditure is Cost of material consumed, which is ₹ 12328.30 Lacs.

Profit/ (Loss) after tax:
The restated net profit during the year ended on March 31, 2017 was ₹ 324.71 Lacs representing 1.69 % of the total revenue of the Company.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2017 WITH FISCAL 2016

Total Income:
During the year 2016-17 the total revenue of the company increased to ₹ 19186.26 Lacs as against ₹ 18315.55 Lacs in the year 2015-16, representing an increase of 4.75% of the total revenue. This increase was mainly due to increase in sale of products

Other Income:
Other income of the Company for the year 2016-17 was ₹ 143.77 Lacs in comparison with ₹ 64.14 Lacs for F.Y. 2015-16.

***Total Expenses*:**
The total expenditure for the year 2016-17 increased to ₹ 18698.47 Lacs from ₹ 18084.58 Lacs in year 2015-16, representing an increase of 3.39% to the previous year.

Employee Benefits Expense:
The Employee Benefit Expense comprises of salaries and wages and staff welfare expenses. The said expenses increased to ₹ 497.11 Lacs during the F.Y. 2016-17 from ₹ 366.33 Lacs in the previous year 2015-16.

Finance Costs:
Finance cost for the year 2016-17 increase to ₹ 458.61 Lacs as against ₹ 434.90 Lacs of the year 2015-16.

Depreciation and Amortization Expense:
Depreciation for the year 2016-17 stood at ₹ 80.93 Lacs calculated at SLM method as per companies Act. For the year 2015-16 the same was ₹ 41.76 Lacs.

Administrative and other Expenses:
Administrative and other Expenses include rent, electricity, freight, repairs, office maintenance exp, travelling and conveyance exp, telephone and internet exp and miscellaneous expenditure etc. These expenses increase to ₹ 1215.38 Lacs for the year 2016-17 as against ₹ 1180.74 Lacs of the year 2015-16.

Profit/ (Loss) Before Tax
The company's profit before tax for F.Y. 2016-17 was Rs 487.79 Lacs as against ₹ 230.97 Lacs in the year 2015-16 representing a increase of 111.19 % to the previous year.

Profit/ (Loss) After Tax
For the year 2016-17 the profit stood at ₹ 324.71 Lacs as against the profit of ₹ 157.27 Lacs for the year 2015-16.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2016 WITH FISCAL 2015

Total Income:
During the year 2015-16 the total revenue of the company increased to ₹ 18315.55 Lacs as against ₹ 17526.15 Lacs in the year 2014-15, representing an increase of 4.50% of the total revenue. This increase was mainly due to increase in sale of products

Other Income:
Other income of the Company for the year 2015-16 was ₹ 64.14 Lacs in comparison with ₹ 447.79 Lacs for F.Y. 2014-15.

***Total Expenses*:**
The total expenditure for the year 2015-16 increased to ₹ 18084.58 Lacs from ₹ 17183.13 Lacs in year 2014-15, representing an increase of 5.25% to the previous year.

Cost of Goods consumed:
The Cost of Material Consumed for the year 2015-16 decreased to ₹ 1736.86 Lacs from ₹ 9241.28 Lacs, representing a decrease of 81.21% to the 2014-15.

Employee Benefits Expense:
The Employee Benefit Expense comprises of salaries and wages and staff welfare expenses. The said expenses increased to ₹ 366.33 Lacs during the F.Y. 2015-16 from ₹ 132.91 Lacs in the previous year 2014-15.

Finance Costs:
Finance cost for the year 2015-16 increase to ₹ 434.90 Lacs as against ₹ 361.89 Lacs of the year 2014-15. This decrease in amount was due to increase of borrowings of the Company.

Depreciation and Amortization Expense:
Depreciation for the year 2015-16 stood at ₹ 41.76 Lacs calculated at SLM method as per companies Act. For the year 2014-15 the same was ₹ 10.61 Lacs.

Administrative and other Expenses:
Administrative and other Expenses include rent, electricity, freight, repairs, office maintenance exp, travelling and conveyance exp, telephone and internet exp and miscellaneous expenditure etc. These expenses incease to ₹ 1180.74 Lacs for the year 2015-16 as against ₹ 1087.64 Lacs of the year 2014-15.

Profit/ (Loss) Before Tax
The company's profit before tax for F.Y. 2015-16 was Rs 230.97 Lacs as against ₹ 343.02 Lacs in the year 2014-15 representing a decrease of 32.67% to the previous year.

Profit/ (Loss) After Tax
For the year 2015-16 the profit stood at ₹ 157.27 Lacs as against the profit of ₹ 244.23 Lacs for the year 2014-15, representing an decrease of 35.60% to the previous year.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2015 WITH FISCAL 2014

Total Income:
During the year 2014-15 the total revenue of the company increase to ₹ 17526.15 Lacs as against ₹ 16630.44 Lacs in the year 2013-14, representing a increase of 5.39% of the total revenue. This increase was due to increase in sale of Products and increase in other income.

Other Income:
Other income of the Company for the year 2014-15 was ₹ 447.79 Lacs in comparison with ₹ 33.79 Lacs for F.Y. 2013-14.

***Total Expenses*:**
The total expenditure for the year 2014-15 increase to ₹ 17183.13 Lacs from ₹ 16275.79 Lacs in year 2013-14, representing a increase of 5.57% to the previous year. This was due to increase in volume of business, which resulted in increase in expenses viz. Cost of material consumed.

Cost of Material Consumed:
The Cost of Material Consumed for the year 2014-15 increased to ₹ 9241.28 Lacs from ₹ 7753.08 Lacs, representing a increase of 19.19% to the previous year.

Employee Benefits Expense:
The Employee Benefit Expense comprises of salaries and wages and staff welfare expenses. The said expenses increase to ₹ 132.91 Lacs during the F.Y. 2014-15 from ₹ 80.39 Lacs in the previous year 2013-14.

Finance Costs:
Finance cost for the year 2014-15 increased to ₹ 361.89 Lacs as against ₹ 279.53 Lacs of the year 2013-14. This increase in amount was due to increase in borrowings of the Company.

Depreciation and Amortization Expense:
Depreciation for the year 2014-15 stood at ₹ 10.61 Lacs calculated at SLM method as per companies Act. For the year 2013-14 the same was ₹ 6.23 Lacs.

Administrative and other Expenses:
Administrative and other Expenses include rent, electricity, freight, repairs, office maintenance exp, travelling and conveyance exp, telephone and internet exp and miscellaneous expenditure etc. These expenses were for the year 2014-15 increased to ₹ 1087.64 Lacs as against ₹ 1086.78 Lacs of the year 2013-14.

Profit/ (Loss) Before Tax
The company's profit before tax for F.Y. 2014-15 decrease to Rs 343.02 Lacs from ₹ 354.65 Lacs in the year 2013-14 representing a decrease of 3.28% compared to the previous year.

Profit/ (Loss) After Tax
For the year 2014-15 the profit stood at ₹ 244.23 Lacs as against the profit of ₹ 223.45 Lacs for the year 2013-14, representing a increase of 9.30% compared to the previous year.

COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2014 WITH FISCAL 2013

Total Income:

During the F.Y. 2013-14 the total income of the Company increased to ₹ 16630.44 Lacs as against previous financial year 2012-13 of ₹ 11550.07 Lacs representing an increase of 43.99%. This increase was mainly due to increase in revenue from sale of products.

Total Expenses:

Total expenditure for the F.Y. 2013-14 increased to ₹ 8328.38 Lacs from ₹ 3430.02 Lacs in FY 2012-13 representing an increase of 142.81%. This was due to increase in volume of business, which resulted in increase in expenses viz. Cost of material consumed, employees benefit expenses, Administrative and other Expenses and changes in inventory of Finished Goods.

Employee benefits expense:

Employee benefits expense increased to ₹ 16275.79 Lacs in the year F.Y 2013-14 from ₹ 11314.61 Lacs in FY 2012-13, representing an increase of 43.85%. This was also due to increase in business activities in the Company.

Finance Costs:

Finance costs increased to ₹ 279.53 Lacs in F.Y 2013-14 as compared to F.Y 2012-13 in which it was ₹ 111.91 Lacs

Depreciation and amortization expense:

Depreciation and amortization expense increased in FY 2013-14 to ₹ 6.23 Lacs from ₹ 2.71 Lacs compared to previous year FY 2012-13.

Administrative and other Expenses:

Other expenses for the F.Y 2013-14 increased to ₹ 1086.78 Lacs whereas it was ₹ 528.55 Lacs in previous F.Y. 2012-13.

Net Profit before tax:

Net Profit before tax for the F.Y 2013-14 increased to ₹ 354.65 Lacs as against ₹ 235.45 Lacs for the previous year 2012-13 representing a decrease of 50.62% compared to the previous year.

Profit after tax:

The Restated profit after tax for the F.Y 2013-14 decreased to ₹ 223.45 Lacs as against ₹ 134.35 Lacs in the previous year 2012-13 representing a decrease of 66.32% compared to the previous year.

Information required as per Item (2) (IX) (E) (5) of Part A of Schedule VIII to the SEBI Regulations:

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions

There has not been any unusual trend on account of our business activity. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Except for any change in economic policy affecting the textiles sector in India, there are no other significant economic changes that may materially affect or likely to affect income from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section "Risk Factors" beginning on page 15 in the Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues

Our Company's future costs and revenues will be determined by demand/supply situation in textiles sector, government policies, monsoon, climatic factors and prices quoted by our suppliers.

5. Increases in net sales or revenue and Introduction of new products or services or increased sales prices

Increases in revenues are by and large linked to increases in volume of our business.

6. Status of any publicly announced New Products or Business Segment

Since our Company has not announced any new Product so not Applicable.

7. Seasonality of business

Our Company's business is not seasonal in nature.

8. Dependence on few customers/ clients

The percentage of contribution of our Company's Top Customers/Clients for the year ended March 31, 2017 is as follows:

Our Major Customers/ Clients for the year ended March 31, 2017

Name of the Clients	Amount (₹ in Lacs)	As % of total turnover
Vivaa Tradecomm Pvt Ltd	4219.77	22.16
RNA Resource Group Ltd	1673.31	8.79
Jindal SR Home Fashion Pvt Ltd	1384.31	7.27
Shufersal Ltd	732.41	3.85
YGN Texpte ltd.	649.44	3.41
Ananya Fabrics Pvt Ltd	552.33	2.90
Rawat Qimat Alamal Co.	450.26	2.36
Concord International (Thailand) Co Ltd	446.71	2.35
Orsun Ltd	445.61	2.34
Aditya Multipack Solution Pvt Ltd	421.68	2.21
Total	**10975.82**	**57.64**

**The above value is inclusive of all applicable taxes and incidental expenses.*

Our Major Suppliers of Raw material for the year ended March 31, 2017

Name of Supplier	Amount (₹ in Lacs)	As % of total Purchase
Lajja Polyfab Private Limited	2603.45	15.02
Vivaa Tradecomm Pvt Ltd	2269.89	13.09
Jindal Denim Inc	1621.66	9.35
Nandan Denim Ltd	919.06	5.30
A M Synergy Pvt Ltd	711.18	4.10
Aarvee Denim & Exports Ltd	378.45	2.18
Shreya Printers	359.69	2.07
Yash Textiles	325.64	1.88
Balkrishna Textiles Pvt Ltd	312.43	1.80
Darpan Denim Pvt Ltd	308.33	1.78
Total	**9809.77**	**56.58**

**The above value is inclusive of all applicable taxes and incidental expenses.*

9. Competitive conditions

Competitive conditions are as described under the Chapters "Industry Overview" and "Our Business" beginning on pages 85 and 94, respectively of the Prospectus.

10. Details of material developments after the date of last balance sheet i.e. March 31, 2017

Except as disclosed in this Prospectus, no circumstances have arisen since the date of last financial statement until the date of filing the Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months. There is no subsequent development after the date of the Auditor's Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of the Company.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPEMENT

Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions, proceedings before any judicial, quasi- judicial, arbitral or administrative tribunals, including pending proceedings for violation of statutory regulations or alleging criminal or economic offences or tax liabilities or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part I of Schedule XIII of the Companies Act) against our Company, Promoter, Group Companies and Directors as of the date of this Prospectus that would have a material adverse effect on our business. There are no defaults, non- payments or overdue of statutory liabilities, institutional/ bank dues and dues payable to holders of debentures or fixed deposits and arrears of cumulative preference shares that would have a material adverse effect on our business.

Further, Our Company has a policy for identification of Material Litigation in terms of the SEBI (ICDR) Regulations, 2009 as amended for disclosure of all pending litigation involving our Company, holding, Directors, Promoters and Group Companies, other than criminal proceedings and statutory or regulatory actions, would be considered 'material' if the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of Rs. 1,00,000/- and where the amount is not quantifiable, such pending cases are material from the perspective of the company's business, operations, prospects or reputation.

The Company has policy for identification of material outstanding dues to creditors in terms of the SEBI (ICDR) Regulations, 2009 as amended for creditors where outstanding dues to any one of them exceeds Rs. 1,00,000/- .

PART 1: CONTINGENT LIABILITIES OF OUR COMPANY

Particulars	Amount (in Lacs)
Direct Tax demands/Notices/Appeals	459.68
Total	**459.68**

PART 2: LITIGATION RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

i. Direct Tax

(a) Income Tax:

Assessment Year 2012-2013

The Assessment order for the Asst. year 2012-13 was passed by Assessing Officer dated March 05, 2015 stating the disallowance of Rs. 1,73,87,137 paid as foreign commission without deducting the applicable taxes and Rs. 32,536/- as prior period expenses. Pursuant to such disallowance the total income assessed by Assessing Officer is Rs. 3,18,67,010 and impose the tax and interest of Rs. 77,88,190 under section 156 of Income Tax Act. In response of the same our company has filed an appeal dated April 06, 2015 under section 246 A of Income Tax Act, 1961 against the disallowance made under Asst. order for the Assessment year 2012-2013. The amount of liability involved in the present matter is Rs. 77,88,190 towards tax and interest. The matter is pending for order.

Assessment year 2013-2014

The Assessment order for the Asst. year 2013-14 was passed by Assessing Officer dated February 08, 2016 stating the disallowance of Rs. 2,55,67,592/- paid as foreign commission without deducting the applicable taxes. Pursuant to such disallowance the total income assessed by Assessing Officer is Rs. 4,93,56,060/- and impose the tax & interest of Rs. 1,13,23,250/- under section 156 of Income Tax Act. In response of the same our company has filed an appeal dated March 08, 2016 under section 246A of the Income Tax Act, 1961 against the disallowance and the demand. The amount of liability involved in the present matter is Rs. 1,13,23,250/- towards tax and interest. The matter is pending for receipt of order.

Assessment Year 2014-2015

The Assessment order for the Asst. year 2014-15was passed by Assessing Officer dated November 18, 2016 stating the disallowance of Rs. 5,98,74,596/- paid as foreign commission without deducting the applicable taxes and Rs. 8236/- as late Payment of PF & ESI. Pursuant to such disallowance the total income assessed by Assessing Officer is Rs. 9,56,11,212/-. The company is liable to pay additional tax and interest of Rs. 2,66,95,800/- under section 156 of Income Tax Act. In response of the same, our Company has filed an appeal dated December 14, 2016 under section 246 A of Income tax, Act, 1961 against the disallowance made under Asst. order. The amount of liability involved in the present matter is Rs. 2,66,95,800/- towards tax and interest. The matter is pending for adjudication.

TDS Demand

The total liability of the Company for the Short deduction, interest on payment default and interest on deduction under section 201 Income Tax Act, 1961 as per TRACES website is Rs. 1,48,280/- for F.Y. 2010-11 and Rs. 12,010 for F.Y. 2013-14, 2014-15 and 2015-16. Further status in the matter is pending for information.

ii. Indirect Tax

NIL

4) Other Pending Litigation

NIL

B. CASES FILED BY OUR COMPANY

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

NIL

4) Other Pending Litigation

NIL

PART 3: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTERS OF THE COMPANY

A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTERS

1) Litigation involving Criminal Laws

Mr. Bhavik Suryakant Parikh

Case No. 3340/2016 Babaji Bapuji Khalas V/S Jyantibhai Chelabhai Prajapati, Mavajibhai Maganbhai, Bhavik Suryakant Parikh and other

The criminal case No. 3340/2016 was filed by Mr. Babaji Bapuji Khalas (hereunder referred as Petitioner) against Mr. Jyantibhai Chelabhai Prajapati, Mavajibhai Maganbhai, Bhavik Suryakant Parikh, Mr. Vishal Mukesh Shah and Mr. Amit Rameshbhai Shah, Riken Rajanikant Shah (hereunder referred as Respondent) under section 406,420,466,468,471 and 114 of Indian Penal Code in Session court of Mizrapur, Ahmedabad for sale of land located 341/1, 341/2, 343, 346, 1529, 1530, 1532 and 1533 of village, Vatva, Ahmedabad which was illegally sold by Respondent by creation of forged documents. Next hearing date of the case is June 06, 2017. The matter is pending for adjudication.

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Mr. Bhavik Suryakant Parikh

In respect of the Assessment Year 2012-13, our Director, Bhavik Suryakant Parikh received an intimation dated August 07, 2014 under Section 143(1)(a) of the Income Tax Act, 1961 for the payment of additional tax and interest of Rs. 1,96,050/-. Further status in the matter is pending for information.

4) Other Pending Litigation

NIL

B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTERS

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

NIL

4) Other Pending Litigation

NIL

PART 4: LITIGATION RELATING TO OUR GROUP COMPANIES

A. LITIGATION AGAINST OUR GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Direct Tax

Padamshree Globe Tradelink Limited

TDS Demand in respect of the Previous Years

The total liability of the Company for the Late filing, Short deduction, interest on payment default and interest on deduction under section 201 Income Tax Act, 1961 is Rs. 10,95,444/-. Further status in the matter is pending for information.

Ajitnath Arcade Private Limited

TDS Demand in respect of the Previous Years

The total liability of the Company for the Late filing, Short deduction, interest on payment default and interest on deduction under section 201 Income Tax Act, 1961 is Rs. 14,69,540/-. Further status in the matter is pending for information.

TDS Demand in respect of the Financial Year 2013-14

The total liability of the Company for the Late filing, Short deduction, interest on payment default and interest on deduction under section 201 Income Tax Act, 1961 is Rs. 1,34,003/-. Further status in the matter is pending for information.

Indirect Tax - NIL

4) Other Pending Litigation

NIL

B. LITIGATION FILED BY OUR GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Litigation involving Tax Liability

Direct Tax – NIL
Indirect Tax - NIL

4) Other Pending Litigation

NIL

PART 6: AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on March 31, 2017:-

Name	Balance as on 31.03.2017 (in Lacs)
Total Outstanding dues to Micro and Small & Medium Enterprises	--
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	2425.71

PART 7: MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE

Except as disclosed in Chapter titled "Management's Discussion & Analysis of Financial Conditions & Results of Operations" beginning on page 186, there have been no material developments that have occurred after the Last Balance Sheet Date.

GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

The Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.

APPROVALS FOR THE ISSUE

S.No.	Name of Approvals
1.	Our Company has received in- principle approval from the SME Platform of NSE dated May 18, 2017 for using the name of the Exchange in its offer document for listing of Equity Shares on SME Platform.
2.	Our Board of Directors have, pursuant to a resolution passed at its meeting held on March 22, 2017 authorized the Fresh Issue of Equity shares and Offer for sale by Selling Shareholders, subject to the approval of the shareholders of our Company and such other authorities as may be necessary.
3.	The Fresh Issue of Equity Shares and Offer for sale of Equity Shares has been authorized by a special resolution adopted at the Extra Ordinary General Meeting of shareholders held on March 27, 2017.

APPROVALS/LICENSES/PERMISSIONS PROCURED TO CONDUCT OUR BUSINESS

A. Incorporation related Approvals:

S. no	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Incorporation as 'Swaroop Financial Services Private Limited'	02-7673 of 1995-1996	Companies Act, 1956	Registrar of Companies, Gujarat, Dadra and Nagar Haveli	October 4, 1995	Valid till cancelled
2.	Fresh Certificate of Incorporation consequent upon change of name of company to 'Globe Textile (India) Private Limited'	U65910GJ1995PTC027673	Companies Act, 1956	Registrar of Companies, Ahmedabad	May 23, 2006	Valid till cancelled
3.	Fresh Certificate of Incorporation consequent upon change of name of company to 'Globe Textiles (India) Private Limited'	U65910GJ1995PTC027673	Companies Act, 1956	Registrar of Companies, Gujarat, Dadra and Nagar Haveli	July 17, 2011	Valid till cancelled
4.	Fresh Certificate of Incorporation consequent upon conversion of company to 'Globe Textiles (India) Limited'	U65910GJ1995PLC027673	Companies Act, 2013	Registrar of Companies, Ahmedabad	March 22, 2017	Valid till cancelled

B. Taxation Related Approvals:

S.no	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number (PAN)	AACCS1339K	Income Tax Act, 1961	Commissioner of Income Tax	September 3, 2011	Valid till cancelled
2.	TAN (Tax Deduction Account Number)	AHMS12688E	Income Tax Act 1961	Income Tax Department	April 27, 2013	Valid till cancelled
3.	Certificate of Importer - Exporter Code (IEC)	0804005893	The Foreign Trade(Development & Regulation) Act, 1992	Foreign Trade Development Officer, Office of Jt. Director General of Foreign Trade	Amendment in branches endorsed dated March 29, 2016 (Original date of issue August 9, 2004)	Valid till cancelled
4.	Service Tax Registration (Taxable Services: Transport of Goods by Road)	AACCS1339KST001	The Finance Act, 1994	Superintendent of Central Excise, Range-IX	Last Amendment dated September 28, 2011 (Original date of issue June 22, 2006)	Valid till cancelled
5.	Value Added Tax Registration Certificate	24073404749	Gujarat Value Added Tax Act, 2003	Assistant Commissioner of Commercial Tax	April 13, 2006	Valid till cancelled
6.	Central Sales Tax Registration Certificate	24573404749	The Central Sales Tax Act, 1956 and Central Sales Tax (Registration and Turnover) Rules, 1957	Assistant Commissioner of Commercial Tax	April 13, 2006	Valid till cancelled
7.	Profession Tax Payer Enrollment Certificate	PRC015130472	Gujrat State Tax on profession, trade, calling and employment Act, 1976	Assistant Manager, Prof.Tax, W.Z., Ahmedabad	December 5, 2008	Valid till cancelled
8.	Central Board of Excise and Customs.	AACCS1339KCE005	Central Excise Act 1944	Commissionerate Ahmedabad-I, Division- IV (Narol)	February 8, 2016	Valid till cancelled

C. Industrial Labour Related Approvals:

S. No	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Registration under Employees' Provident Funds (EPF)	GJVAT007045400 0	Employee's Provident Funds & Miscellaneous Provisions Act, 1952	The Regional Provident Fund Commissioner, Maninagar, Gujarat	--*	Valid till cancelled

2.	Registration under Employees' Provident Funds (EPF)	GJVAT12898 12	Employee's Provident Funds & Miscellaneous Provisions Act, 1952	The Regional Provident Fund Commissioner, Maninagar, Gujarat	--*	Valid till cancelled
3.	Registration under Employee's state Insurance Corporation	370010387900 00108	Employees' State Insurance Act, 1948	Deputy Director of Employee's state Insurance Corporation	February 05, 2014	Valid till cancelled
4.	Registration under Employee's state Insurance Corporation	373710387900 10108	Employees' State Insurance Act, 1948	Deputy Director of Employee's state Insurance Corporation	April 09, 2015	Valid till cancelled
5.	Registration Certificate under Contract Labour Act and endorsement thereof	AMD/97/2015	Contract Labour (Regulation and Abolition) Act, 1970	Asst. Labour Commissioner, Ahmedabad	October 14, 2016	Valid till cancelled

***** The certificate for Registration under Employees' Provident Funds (EPF) is not available in records of the Company.

D. Technical & Business Approvals (UNIT-I: Plot No. 38 to 41, Ahmedabad Apparel Park, GIDC Khokhra, Ahmedabad – 380008 Gujarat, India):

S. No.	Nature of Registration/ License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	**Factory License** (License for setting up and operating Factory)	21148	The Factories Act, 1948	Director Industrial Safety and Health Gujarat State	April 17, 2017	December 31, 2018
2.	Consent to Establish under Water (Prevention & Control of Pollution) Act-1974, and the Air Act, 1981 and the Environment (Protection) Act-1986 For **Readymade Garments and Made ups (Stitching Process)**	CTE No.: 14624	Under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974, Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and the Environment (Protection) Act-1986	Gujarat Pollution Control Board, Regional officer, Ahmedabad	February3, 2014	October 27, 2018
3.	Consolidated consent & Authorisation under Water (Prevention & Control of Pollution) Act-1974, and the Air Act, 1981 and the Environment (Protection) Act-1986	Order No.: 16569	Under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974, Section 21 of the Air (Prevention & Control of Pollution) Act, 1981, Rule 5(4) of Hazardous Waste	Gujarat Pollution Control Board, Regional officer, Ahmedabad	December 21, 2014	November 13, 2019

			(Management and Handling) Rules and the Environment (Protection) Act-1986			
4.	Consent to Establish (NOC) under Water (Prevention & Control of Pollution) Act-1974, and the Air Act, 1981 and the Environment (Protection) Act-1986 For **Steam Boiler (100 KG/hr)**	CTE Amendment No.: 20234 and No. GPCB/RO-ABD-AMC-1468/ID-43074/598	Under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974, Section 21 of the Air Act, 1981 and the Environment (Protection) Act-1986	Gujarat Pollution Control Board, Regional officer, Ahmedabad	August 29, 2016	October 27, 2018
5.	Amendment to Consolidated Consent and and Authorisation order (NOC) under Water (Prevention & Control of Pollution) Act-1974, and the Air Act, 1981 and the Environment (Protection) Act-1986 For **Steam Boiler (100 KG/hr)**	Order No.: 16569 and No. GPCB/CCA/RO-ABD/AMC-1468/ID-43074/14622	Under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974, Section 21 of the Air Act, 1981 and the Environment (Protection) Act-1986	Gujarat Pollution Control Board, Regional officer, Ahmedabad	September 14, 2016	November 13, 2019
6.	Service Tax Registration (Taxable Services: Transport of Goods by Road)	AACCS1339 KSD002	The Finance Act, 1994	Superintendent of Central Excise, Range-IX	Date of issue February 05, 2015	Valid till cancelled
7.	District Industries Centre Registration certificate	EM12400713 009569	Entrepreneurs Memorandum for Setting up Micro, Small or Medium Enterprises	General Manager, District Industries Centre, Ahmedabad	August 06, 2014	Valid till cancelled

E. Technical & Business Approvals (UNIT-II: Godown No 3, Matiya Estate, Piplej Pirana Road, Taluka Mauje, Gram Narolini, Ahmedabad, Gujarat):

S. No.	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	**Factory Licence** (License for setting up and operating Factory)	23667	The Factories Act, 1948	Joint Director, Industrial safety and Health, Ahmedabad Region	May 10, 2016	December 31, 2018

F. Technical & Business Approvals (UNIT-III: Godown no. 22 & 24 Taluka Gram Mauja Sezpur, Gopalpur, Ahmedabad, Gujarat):

S. No.	Nature of Registration/ License	Registration/License No.	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	**Factory License**	24542	The Factories Act, 1948	Director Industrial Safety and Health	September 09, 2016	Expired on December 31,

	(License for setting up and operating Factory)			Gujarat State		2016 (applied for Renewal dated October 14, 2016)

G. Intellectual Property Rights:

S.No	Nature of Registration/ License	Class	Trademark Name and Logo	Owner	Application No. & Date	Remark
1.	Trademark	24		Globe Textiles (India) Pvt. Ltd.	2980663 05/06/2015	Advertisement before Acceptance
2.	Trademark	24		Globe Textiles (India) Pvt. Ltd.	2860665 10/12/2014	Objected
3.	Trademark	25		Globe Textiles (India) Pvt. Ltd.	2860666 10/12/2014	Objected
4	Trademark	25		Globe Textiles (India) Pvt. Ltd.	2980664 05/06/2015	Advertisement before Acceptance

The Details of Domain Name registered on the name of the Company is:-

S.No.	Domain Name and ID	Sponsoring Registrar and IANA ID	Registrant Name, and Address	Creation Date	Registration Expiry Date
1.	Domain Name: www.Globetextiles.Net Registry Domain ID: 1655361837_DOMAIN_NET-VRSN	Registrar: ENOM, INC. Registrar IANA ID: 48	Registrant Name: WEB MASTER Address:- B-502 Aagarwal Appartment, Nr. Anand Nagar, Satellite, Ahmedabad	10/05/2011	10/05/2018

H. Recognitions:

S.No	Nature of Registration/ License	Registration/License No.	Category	Applicable Laws	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate of Recognition	0801160000 22	One Star Export House	Foreign Trade Policy 2015-2020	Director General of Foreign Trade/ Development Commissioner (SEZ)	October 25, 2016	September 19, 2021

I. Certifications:

S. No.	Nature of Certification/ Issuing Authority	Registration/License No.	Issuing Authority	Date of issue	Date of Expiry
1.	Registration cum membership Certificate under The Synthetic & Rayon Textiles Export Promotion Council	RCMC No.: SR/MFG-MER/16455/2016-17	The Synthetic & Rayon Textiles Export Promotion Council, New Delhi	May 13, 2016	March 31, 2021

APPROVAL/LICENSES /PERMISSIONS APPLIED FOR OR RENEWED

In addition to the above, following are the licenses/approvals/registrations that our company has applied or renew but not procured as on date of this Prospectus:-

S. No.	Nature of Registration/License	Issuing Authority	Date of Application
1.	**Factory License** (License for setting up and operating Factory at Godown no. 22 & 24 Taluka Gram Mauja Sezpur, Gopalpur, Ahmedabad, Gujarat)	Joint Director, Industrial safety and Health, Ahmedabad Region	October 14, 2016

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Fresh Issue

The Board of Directors, pursuant to a resolution passed at their meeting held on March 22, 2017 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62 (1) (c) of the Companies Act, 2013 at an Extra Ordinary General Meeting held on March 27 , 2017 authorized the Issue.

Offer for Sale

The Offer for Sale has been authorised by a resolution of the Board of Directors of the Company passed at their meeting held on March 22, 2017 and by shareholders of our Company at an Extra Ordinary General Meeting held on March 27, 2017. The Selling Shareholders Mr. Bhavik Suryakant Parikh and Mr. Nilaybhai Jagdishbhai Vora have also authorised the sale of their Equity Shares pursuant to the Offer through their Authorization letter dated March 22, 2017.

Our Company has obtained in-principle approval from the SME Platform of NSE for using its name in the Draft Prospectus/Prospectus pursuant to an approval letter dated May 18, 2017 NSE is the Designated Stock Exchange.

Prohibition by SEBI or governmental authorities

We confirm that there is no prohibition on our Company, Selling Shareholders, our Promoters, our Promoters Group, our Directors, our Group Companies or the natural person(s) in control of our Company from accessing or operating in the Capital Markets or restrained from buying, selling or dealing in securities under any order or direction passed by the Board (SEBI) or any other authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither of our Promoters, Selling Shareholders, Promoter Group, Directors or the person(s) in control of our Company, has ever been part of Promoter, Promoter Group, Directors or the person(s) in control of any other Company which is debarred from accessing the capital market under any order or directions made by the Board (SEBI) or any other regulatory or governmental authority.

Association with Securities Market

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors.

Prohibition by RBI

Neither our Company, Selling Shareholders, our Promoters, our Directors, Group Companies, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a will full defaulter by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter "Outstanding Litigations and Material Development" beginning on page 198 of the Prospectus.

Eligibility for the Issue

Our Company is eligible in terms of Regulations 4(2) of SEBI ICDR Regulations for this Issue.

Our Company is an "Unlisted Company" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 106(M) (2) and other provisions of Chapter XB of the SEBI

(ICDR) Regulations, as we are an company whose post Issue paid up capital will be more than ₹ 10 crore and upto twenty five crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "SME Platform of NSE (NSE EMERGE).

We confirm that:

1. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this Issue is 100% underwritten and that the LM to the Issue Shall underwrites minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled "General Information – Underwriting" beginning on page 54 of this Prospectus.

2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.

3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any of this Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

4. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the LM and will enter into agreement with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of NSE. For further details of the arrangement of market making please refer to section titled "General Information – Details of the Market Making Arrangements for this Issue" beginning on page 55 of this Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

5. Our Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories. The Company has entered into an agreement for registration with the Central Depositary Services Limited (CDSL) dated May 12, 2017 and National Securities Depository Limited dated May 23, 2017 for establishing connectivity

6. Our Company has a website i.e. www.globetextiles.net

7. There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of the NSE (NSE EMERGE):-

1. Our Company was originally incorporated on October 04, 1995 as "Swaroop Financial Services Private Limited" vide Registration no. 027673/1995-1996(CIN:U99999GJ1995PTC0027673) under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. Later, the name of the Company was changed to "Globe Textile (India) Private Limited" vide Shareholder's Resolution passed at the Extra Ordinary General Meeting of the Company held on March 31, 2006 and a fresh Certificate of Incorporation dated May 23, 2006 issued by the Registrar of Companies, Gujarat, Ahmedabad pursuant to change in name of our Company. Further, Our Company vide Shareholders Resolution passed at the Extra Ordinary General Meeting held on June 24, 2011 and a fresh Certificate of Incorporation

dated July 17, 2011 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, the name of our Company was changed to "Globe Textiles (India) private Limited". Later, our Company was converted into Public Limited Company and consequently name of company was changed from "Globe Textiles (India) Private Limited" to "Globe Textiles (India) Limited" vide Special resolution passed by the Shareholders at the Extra Ordinary General Meeting held on March 4, 2017 and a fresh certificate of incorporation dated March 22, 2017 issued by the Registrar of Companies, Gujarat, Ahmedabad.

2. The Post Issue paid up capital of the company will be 1,00,76,100 shares of face value of ₹ 10/- aggregating to ₹ 10.08 Crore which is less than ₹ 25 Crore.

3. The company confirms that it has track record of more than 3 years.

4. The company confirms that it has positive cash accruals (earnings before depreciation and tax) from operations for atleast 2 financial years preceding the application and its net-worth as on March 31, 2017 is positive.

5. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

6. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.

7. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.

8. Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the company.

Compliance with Part A of Schedule VIII of the SEBI (ICDR) Regulations

Our Company is in compliance with the provisions specified in Part A of the SEBI (ICDR) Regulations. No exemption from eligibility norms has been sought under Regulation 109 of the SEBI (ICDR) Regulations, with respect to the Issue. Further, our Company has not been formed by the conversion of a partnership firm into a company.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JUNE 05, 2017 WHICH READS AS FOLLOWS:

WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, THE SELLING SHAREHOLDERS, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THEISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THECOMPANY, WE CONFIRM THAT:**

   A. **THE PROSPECTUS FILED WITH THE EXCHANGE IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

   B. **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

   C. **THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**
5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**
7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – <u>NOT APPLICABLE</u>**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION .**
9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION– NOTED FOR COMPLIANCE**
10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, THE EQUITY SHARES ARE TO BE ISSUED IN DEMATERLISED FORM ONLY.**
11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:**

    A. **AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY AND**

       AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BO

    B. **ARD FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE – NOTED FOR COMPLAINCE**
14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BACKGROUND OR THECOMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.**
15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**
16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DI/7/2015 DATED OCTOBER 30, 2015.**
17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM – EGITIMATE BUSINESS TRANSACTIONS - TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE PROSPECTUS.**

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

1. **WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
2. **WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE COMPANY HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE COMPANY OR**

RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES ISSUED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.

3. **WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE–REQUIREMENTS) REGULATIONS, 2009 - NOTED FOR COMPLIANCE.**
4. **WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPE–IFIED SECURITIES OF THE COMPANY**
5. **WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS. - NOT APPLICABLE**
6. **WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) –REGULATIONS, 2009 HAVE BEEN MADE**

Note:

The filing of this Prospectus does not, however, absolve our company from any liabilities under section 34, section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the LM any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Gujarat, Ahmedabad in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Hem Securities Limited:

Sr. No.	Issue name	Issue size (Rs in Cr.)	Issue Price (Rs.)	Listing date	Opening Price on listing date	+/-% change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Pansari Developers Limited	10.1904	22.00	October 18, 2016	22.90	3.41% [-6.89%]	-4.55% [-3.05%]	-8.86% [5.32%]
2.	Dhanuka Realty Limited	4.224	40.00	October 18, 2016	41.25	-8.13% [-6.89%]	-6.25% [-3.05%]	-2.50% [5.32%]
3.	Globe international Carriers Limited	5.1696	24.00	October 19, 2016	24.95	0.00% [-6.75%]	-1.46% [-3.02%]	7.50% [5.55%]
4.	Art Nirman Limited	5.01	25.00	October 19, 2016	30.00	12.00% [-6.75%]	12.20% [-3.02%]	6.00% [5.55%]
5.	Krishana Phoschem Limited	19.728	30.00	February 27, 2017	36.00	17.50% [2.78%]	16.83% [7.96%]	NA
6.	Global education Limited	10.245	150.00	March 02, 2017	180.00	58.33% [3.80%]	83.33% [8.15%]	NA
7.	RMC Switchgears Limited	4.1472	27.00	March 14, 2017	32.40	41.85% [0.06%]	NA	NA

8.	Laxmi Cotspin Limited	9.60	20.00	March 31, 2017	21.00	-11.75% [1.42%]	NA	NA
9.	Dev Information Technology Limited	6.25	42.00	April 17, 2017	50.40	39.52% [4.23%]	NA	NA
10.	Vadivarhe Speciality Chemicals Limited	14.46	42.00	June 02, 2017	50.40	NA	NA	NA

Source: Price Information www.bseindia.com.& www.nseindia.com *, Issue Information from respective Prospectus.*

Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount- 30th calendar days from listing			No. of IPOs trading at Premium- 30th calendar days from listing			No. of IPOs trading at discount- 180th calendar days from listing			No. of IPOs trading at Premium- 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2013-14	3(1)	10.66	-	-	1	1	1	-	-	-	-	2	-	1
2014-15	7(2)	38.25	-	-	-	2	-	5	-	-	-	3	-	4
2015-16	8(3)	34.20	-	-	1	2	2	3	-	-	-	3	1	4
2016-17	12(4)	99.90	-	-	1	3	3	4	-	-	2	3	1	2
2017-18	2(5)	20.71	-	-	-	-	1	-	-	-	-	-	-	-

(1) The scrips of Samruddhi Realty Limited, Captain Polyplast Limited and Tentiwal Wire Products Limited were listed on April 12, 2013, December 11, 2013 and December 31, 2013 respectively.

(2)The scrips of R&B Denims Limited, Bansal Roofing Products Limited, Atishay Infotech Limited, Dhabriya Polywood Limited, Vibrant Global Capital Limited, ADCC Infocad Limited and Captain Pipes Limited were listed on April 22, 2014, July 14, 2014, October 16, 2014, October 17, 2014, October 21, 2014, October 22, 2014, and December 11, 2014 respectively.

(3)The scrips of O.P. Chains Limited, Junction Fabrics and Apparels Limited, Loyal Equipments Limited, Emkay Taps & Cutting Tools Limited, Universal Autofoundry Limited, Bella Casa Fashion and Retail Limited , Vishal Bearings Limited and Cawasji Behramji Catering Services Limited were listed on April 22, 2015, July 10, 2015, July 16, 2015, August 13, 2015, September 4, 2015, October 15, 2015, October 15, 2015 and October 19, 2015 respectively.

(4) The scrips of Raghav Ramming Mass Limited and Advance Syntex Limited was listed on April 13, 2016 and July 12, 2016 respectively. Further, Aurangabad Distillery Limited, Pansari Developers Limited, Dhanuka Realty Limited, Globe International Carriers Limited and Art Nirman Limited were listed on October 17, 2016, October 18th, 2016, October 18th, 2016, October 19th, 2016 and October 19th, 2016 respectively and has not completed 180th day from date of listing. Further Krishana Phoschem Limited and Global Education Limited as listed on February 27, 2017 and March 02, 2017 respectively and have not completed 180th days. Further RMC Switchgears Limited was listed on March 14, 2017 and have not completed 90th and 180th days and Laxmi Coptsin Limited was listed on March 31, 2017 and has not completed 30th, 90th and 180th days.

(5) The Script of Dev Information Technology Limited & Vadivarhe Speciality Chemicals Limited was listed on April 17, 2017and June 02, 2017 respectively and has not completed 30th,90th and 180th days from Listing.

Note:

a) Based on date of listing.
b) BSE SENSEX and CNX NIFTY has been considered as the benchmark index.
c) Prices on BSE/NSE are considered for all of the above calculations.
d) In case 30th /90th /180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
e) In case 30th /90th /180th day, scrips are not traded then last trading price has been considered.
f) N.A. – Period not completed.
g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by lead manager are provided.

Track Record of past issues handled by Hem Securities Limited

For details regarding track record of LM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: www.hemsecurities.com

Disclaimer from our Company, Selling Shareholders, Directors and the Lead Manager

Our Company, the Directors, Selling Shareholders and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The LM accept no responsibility, save to the limited extent as provided in the Agreement entered between the LM, Selling Shareholders and our Company on April 06, 2017 and the Underwriting Agreement dated June 01, 2017 entered into between the Underwriters, Selling Shareholders, Syndicate Members and our Company and the Market Making Agreement dated June 01, 2017 entered into among the Market Maker, LM and our Company.

All information shall be made available by our Company, the Selling Shareholders and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entities, or our affiliates or associates or Selling Shareholders in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates or Selling Shareholders, for which they have received and may in future receive compensation.

Note

Applicants who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted

non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Ahmedabad, Gujarat, India only.

No action has been, or will be, taken to permit a public Offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause of the SME Platform of NSE

As required, a copy of this offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter May 18, 2017 permission to the Company to use the Exchange's name in this offer Document as one of the stock exchanges on which this Company's securities are proposed to be listed. The Exchange has scrutinized offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Company's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Company, its Promoter, its management or any scheme or project of this Company.

Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

The Draft Prospectus/ Prospectus are being filed with National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East),Mumbai-400051, Maharashtra

A copy of this Prospectus shall not be filed with the SEBI, nor will SEBI issue any observation on the offer document in term of Regulation 106(M) (3) of the SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at the

Securities and Exchange Board of India, SEBI Western Regional Office, SEBI Unit No. 002, Ground Floor SAKAR I near Gandhigram Railway Station, Opposite Nehru Bridge, Ashram Road, Ahmedabad-380009, Gujarat for their record purpose only.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the ROC Bhawan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpur, Ahmedabad, 380013, Gujarat

Listing

The Equity Shares of our Company are proposed to be listed on SME Platform of NSE. Our Company has obtained in-principle approval from NSE by way of its letter dated May 18, 2017 for listing of equity shares on SME Platform of NSE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company and selling shareholders shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Prospectus.
If such money is not repaid within the prescribed time then our Company and selling shareholders becomes liable to repay it, then our Company and every officer in default and selling shareholders shall, be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of NSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within Six (6) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company and selling shareholders shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period. Subject to applicable law.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:
Any person who-

a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under section 447 of the Companies, Act 2013

Consents

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Peer Review Auditor, Our Banker to the Company; (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the issue to act in their respective capacities have been be obtained as required as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/S. Dharmesh Parikh & Co., Chartered Accountants, Statutory Auditor and Peer Review Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Draft Prospectus/ Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Prospectus.

Experts Opinion

Except for the reports in the section "Financial information of the Company" and "Statement of Tax Benefits" on page 147 and page 83 of this Prospectus from the Peer Review Auditors and Statutory Auditor respectively, our Company has not obtained any expert opinions. However, the term "expert" shall not be construed to mean an "expert"" as defined under the U.S. Securities Act 1933.

Expenses of the Issue

The total expenses of the Issue are estimated to be approximately Rs. 73.88 Lakhs, which is 5.39% of the Issue size. The estimated Issue related expenses include Issue Management Fee, underwriting and management fees SCSB's commission/ Selling commission, fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. All expenses with respect to the Issue would be paid by our company and Selling Shareholders as decided mutually.

The Estimated Issue expenses are as under:-

Particulars	Expenses	As a % of total expenses	As a % of Issue
Payment to Merchant Banker including, underwriting and selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Bankers etc. and other out of pocket expenses*	66.63	90.19	4.86
Printing & Stationery, Distribution and Postage expenses etc	2.25	3.04	0.16
Advertising and Marketing Expenses	2.00	2.71	0.15
Statutory & Regulatory Fees and other expenses	3.00	4.06	0.22
Total estimated Issue Expenses*	73.88	100.00	5.39

**Included Commission/ processing fees for SCSB, Brokerage and selling commission for Registered Brokers, RTA's and CDPs*

Fees, Brokerage and Selling Commission payable to the LM

The total fees payable to the Lead Manager will be as per the (i) Agreement dated April 06, 2017 with the Lead Manager Hem Securities Limited, (ii) the Underwriting Agreement dated June 01, 2017 with the Selling Underwriter and (iii) the Market Making Agreement dated June 01, 2017 with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Prospectus until the Issue Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN and printing of bulk mailing register will be as per the agreement between our Company, Selling Shareholders and the Registrar to the Issue dated February 28, 2017 a copy of which is available for inspection at our Company's Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

Particulars regarding Public or Rights Issues during the last five (5) years

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Prospectus.

Previous issues of Equity Shares otherwise than for cash

For detailed description please refer to section titled "Capital Structure" beginning on page 58 of this Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made/Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

Performance vis-a-vis objects – Public/right issue of our Company and /or listed Group Companies/ subsidiaries and associates of our Company

Except as stated in the chapter titled "Capital Structure" beginning on page 58 of this Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies or associates of our Company are listed on any stock exchange.

Performance vis-a-vis objects - Last Issue of Group/Associate Companies

All of our Group / Associate body corporate are unlisted and have not made a public issue of shares.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Prospectus.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Prospectus.

Option to Subscribe

Equity Shares being issued through the Prospectus can be applied for in dematerialized form only.

Stock Market Data of the Equity Shares

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

Mechanism for Redressal of Investor Grievances

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or demat credit, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, with a copy to the Compliance Officer and with a copy to the relevant Designated Intermediary with whom the Application Form was submitted.

The Applicants should give full details such as name of the sole/ first applicant, application Form number, DP ID, Client ID, PAN, date of the Application Form, address, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted. Further, the Applicant shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company will constitute Stakeholders Relationship Committee in the meeting of our Board of Directors before listing of Equity Shares on Stock Exchange. For further details on the Committees, please refer to section titled "Our Management" beginning on page 122 of this Prospectus.

Our Company has appointed Mr. Yash Manojbhai Shah, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Ms. Yash Manojbhai Shah
Globe Textiles (India)Limited
Plot No. 38 to 41, Ahmedabad Apparel Park,
GIDC Khokhra, Ahmedabad – 380008
Gujarat, India
E-mail: cs@globetextiles.net
Website: www.globetextiles.net

Investors can contact the Compliance Officer or the Registrar in case of any pre- Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system "**SCORES**". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Status of Investor Complaints

We confirm that we have not received any investor compliant during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

For details, see the chapter "Our Group Companies" beginning on page 140 of this Prospectus.

Change in Auditors during the last three (3) years

There have been no changes in our Company's auditors in the last three (3) years.

Capitalization of Reserves or Profits

Except as disclosed under section titled "Capital Structure" beginning on page 58 of this Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

Revaluation of Assets

Our Company has not revalued its assets in five (5) years preceding the date of this Prospectus.

Tax Implications

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the

Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled "Statement of Tax Benefits" beginning on page 83 of this Prospectus.

Purchase of Property

Other than as disclosed in Section "Our Business" on page 94 of the Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Prospectus, other than property, in respect of which:-

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

Servicing Behavior

Except as stated in this Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of Our Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation**.**

Except as disclosed in chapter titled "Our Management" beginning on page 122 and "Annexure R – Statement of Related Party Transactions" beginning on page 177 of the Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

SECTION VII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2009 , our Memorandum and Articles of Association, the terms of the Draft Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

For details in relation to Issue expenses, see "Objects of the Issue" and "Other Regulatory and Statutory Disclosures" on pages 73 and 209, respectively.

Authority for the Issue

The present Public Issue of 26,88,000 Equity Shares includes a fresh Issue of 13,68,000 Equity shares and an offer for sale by the Selling Shareholders of 13,20,000 equity shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on March 22, 2017 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on March 27, 2017 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to "Main Provisions of Articles of Association of the Company" on page 274 of the Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to "Dividend Policy" on page 146 of the Prospectus.

Face Value and Issue Price

The Equity Shares having a Face Value of ₹ 10.00 each are being offered in terms of the Prospectus at the price of 51.00 per equity Share (including premium of 41.00 per share). The Issue Price is determined by our Company and Selling Shareholders in consultation with the Lead Manager and is justified under the section titled "Basis for Issue Price" on page 80 of the Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Compliance with the disclosure and accounting norms

Our Company shall comply with all requirements of the SEBI ICDR Regulations, 2009. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;

- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to Section titled "Main Provisions of Articles of Association of the Company" beginning on page 274 of the Prospectus.

Minimum Application Value, Market Lot and Trading Lot

As per regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated May 23, 2017 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated May 12, 2017 between CDSL, our Company and Registrar to the Issue; and

The trading of the Equity Shares will happen in the minimum contract size of 2000 Equity Shares and the same may be modified by the SME platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 2000 Equity Shares and is subject to a minimum allotment of 2000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Minimum Number of Allottees

The minimum number of allottees in the Issue shall be 50 shareholders In case the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be

made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Operation of Subscription List of Public Issue

ISSUE OPENS ON	June 12, 2017
ISSUE CLOSES ON	June 15, 2017

Minimum Subscription

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level.

As per section 39 of the Companies Act 2013, if the "stated minimum amount" has not been subscribed and the sum payable on Application is not received within a period of 30 days from the date of issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If the issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within 60 (sixty) days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 (eight) days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under Section 39 read with Rule 11 of Companies(Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013 and other applicable laws, if any.

In accordance with Regulation [106R] of SEBI ICDR Regulations, The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty)

Further, in accordance with Regulation 106 Q of the SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of 2000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Exchange.

Application by Eligible NRIs, FPIs or VCFs registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the section titled "Capital Structure" beginning on page 58 of the Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details please refer sub-heading "Main Provisions of the Articles of Association" on page 274 of the Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company, Selling Shareholders and the Lead Manager are not liable to inform to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Option to receive Equity Shares in Dematerialized Form

As per section 29(1) of the new Companies Act 2013, every company making public offer shall issue securities only in dematerialized form only. The investors have an option either to receive the security certificate or to hold the securities with depository. However, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange.

Migration to Main Board

In accordance with the NSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of the NSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter XB of the SEBI (ICDR) Regulation, 2009, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above ₹ 25 Crore by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times

the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its main board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the main board or

- If the Paid-Up Capital of our Company is more than ₹ 10.00 Crore and up to ₹ 25.00 Crore, our company may still apply for migration to the Main Board. If our Company fulfils the eligibility criteria for listing laid down by the Main Board of NSE and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this Issue are proposed to be listed on the SME platform of NSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to "General Information - Details of the Market Making Arrangements for this Issue" on page 55 of the Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Issue size in the following manner:

Issue size	Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)
Upto ₹ 20 Crore, as applicable in our case	25%	24%

Further, the Market Maker shall give (2) Two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Ahmedabad, Gujarat, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M) (2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is more than ₹ 10 Crore and upto ₹ 25 Crore, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of NSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "Terms of the Issue" and "Issue Procedure" on page 223 and 232 of the Prospectus.

The Issue comprise of a Public Issue of 26,88,000 Equity Shares of Face Value of ₹ 10/- each fully paid (The "Equity Shares") for cash at a price of ₹ 51.00/- per Equity Shares *(including a premium of* ₹ 41.00*/- per equity share)* aggregating to ₹ 1370.88 Lakhs ("*the issue"*) by our Company of which 1,44,000 Equity Shares of ₹ 10/- each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of 25,44,000 Equity Shares of ₹ 10/- each is hereinafter referred to as the net issue, comprising the Fresh Issue of 13,68,000 Equity Shares and the Offer for Sale 13,20,000 Equity Shares by Selling Shareholder. The Issue and the Net Issue will constitute 26.68% and 25.25% respectively of the post issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Fixed Price Issue Process

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	25,44,000 Equity Shares	1,44,000 Equity Shares
Percentage of Issue Size available for allocation	94.64% of the Issue Size	5.36% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 2000 Equity Shares and further allotment in multiples of 2000 Equity Shares each. For further details please refer to *"Issue Procedure - Basis of Allotment"* on page 264 of this Prospectus.	Firm Allotment
Mode of Application	All the applications shall make the application (Online or Physical) through ASBA Process Only	Through ASBA Process Only
Mode of Allotment	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Minimum Application Size	**For Other than Retail Individual Investors:** Such number of Equity Shares in multiples of 2000 Equity Shares at an Issue price of ₹ 51.00 each, such that the Application Value exceeds ₹ 2.00 Lakh. **For Retail Individuals Investors:** 2000 Equity Shares at an Issue price of ₹ 51.00 each	1,44,000 Equity Shares
Maximum Application Size	**For Other than Retails Individual Investors:** The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable. **For Retail Individuals Investors:** Such number of Equity Shares in multiples of 2000 Equity Shares such that the Application Value does not exceed ₹ 2,00,000/-	1,44,000 Equity Shares
Trading Lot	2000 Equity Shares	2000 Equity Shares, However the Market Makers may accept odd lots if

		any in the market as required under the SEBI (ICDR) Regulations, 2009.
Application lot Size	2000 Equity Shares thereafter Equity Shares and in multiples of 2000	
Terms of Payment	Full Application Amount shall be blocked by the SCSBs in the bank account of the ASBA Applicant that is specified in the Application Form at the time of submission of the Application Form.	

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please refer to *"Issue Structure"* on page 229 of the Prospectus.

*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue 'the allocation' in the net issue to the public category shall be made as follows:

a) Minimum fifty percent to retail individual investors; and
b) Remaining to
(i) Individual Applicant other than retail Individual Investors; and
(ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty percent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

Withdrawal of the Issue

The Company and Selling Shareholder, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If the Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, the Company will file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval to the Prospectus after it is filed with the RoC.

Issue Programme

ISSUE OPENING DATE	June 12, 2017
ISSUE CLOSING DATE	June 15, 2017

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the issue closing date:
a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.

c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by LM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document") included below under section "-PART B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)(Fifth Amendment)Regulations, 2015, there have been certain changes in the issue procedure for initial public offerings including making ASBA Process mandatory for all investors, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular No. (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an issue to six working days.

Please note that the information stated/ covered in this section may not be complete and/or accurate and as such would be subject to modification/change. *Our Company, Selling Shareholders and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Prospectus and the Prospectus.*

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

Our Company, Selling Shareholders and the LM are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Prospectus.

PART A

Fixed Price Issue Procedure

The Issue is being made under Regulation 106(M) (2) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended via Fixed Price Process.

Applicants are required to submit their Applications to the Designated Intermediaries. In case of QIB Applicants, our Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. Further the Equity shares on allotment shall be trade only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

Application Form

Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors can apply through ASBA Mode. The prescribed color of the Application Form for various categories applying in this issue is as follows:

Category	Color
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called ***"Designated Intermediaries")***

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA Applicants.

Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, (Lead Manager to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE i.e. www.nseindia.com.

Who can apply?

In addition to the category of Applicants as set forth under "General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue", the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non

Institutional Investors category;

- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
- Any other persons eligible to apply in this Issue under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

MAXIMUM AND MINIMUM APPLICATION SIZE

1. **For Retail Individual Applicants**

The Application must be for a minimum of 2000 Equity Shares and in multiples of 2000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000.

2. **For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of 2000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2, 00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

Participation by Associates /Affiliates of LM and the Syndicate Members

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Option to Subscribe in the Issue

a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Applicants:

1. Our Company, Selling Shareholders and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.

2. Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.

3. Copies of the Application Form along with Abridge Prospectus and copies of the Prospectus will be available with the, the Lead Managers, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.

4. Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.

5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective DesignatedIntermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.

8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs) , the relevant SCSB , shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.

9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents Indian (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that

number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

Applications by eligible NRIs/ FPI's on Repatriation Basis

Application Forms have been made available for eligible NRIs at our registered office.

Eligible NRIs applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under reserved category. The Eligible NRIs who intend to get the amount blocked in the Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis.

Allotment of Equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

As Per The Current Regulations, The Following Restrictions Are Applicable For Investments By FPIs.

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by a domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of Schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized Stock Exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian Company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-Convertible debentures or bonds issued by Non – Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFC) by the Reserve Bank of India; (i) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014, hold equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after Initial Public Offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment from the time being in force.

3. In respect of investments in the secondary market, the following additional conditions shall apply:
   a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;

   b) Nothing contained in clause (a) shall apply to:

      - Any transactions in derivatives on a recognized stock exchange;
      - Short selling transactions in accordance with the framework specified by the Board;
      - Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
      - Any other transaction specified by the Board.

   c) No transaction on the stock exchange shall be carried forward;

d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to;

i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
ii. Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
iii. Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines of Disinvestment of shares of Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
viii. Any other transaction specified by Board.

e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form: Provided that any shares held in non-dematerialized form, before the commencement of these regulation, can be held in non-dematerialized form, if such shares cannot be dematerialized.

4. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

5. The purchase of Equity Shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.

6. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.

7. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.

8. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority

b) Such offshore derivatives instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal, in offshore derivatives instruments directly or indirectly.

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulation, 2014 shall be deemed to have been issued under the corresponding provision of SEBI (Foreign Portfolio Investors) Regulation, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10 per cent of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to the payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provision of SEBI (Foreign Portfolio Investors) Regulation, 2014, for a period of one year from the date of commencement of aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

Applications by Limited Liability Partnerships

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the LLP Act, 2008 must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

Applications by Insurance Companies

In case of applications made by insurance companies registered with IRDA, certified copy of certificate of registration issued by IRDA must be attached to the Application Form Failing this, our Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2010, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

(a) Equity shares of a company: The lesser of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) The entire group of the investee company: at least 10% of the respective fund in case of a life insurer or 10% of investment assets in case of general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and

(c) The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

Applications under Power of Attorney

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs. 2500 Lacs and pension funds with minimum corpus of Rs. 2500 Lacs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Application by Provident Funds/Pension Funds

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 lakhs (subject to applicable law) and pension funds with minimum corpus of Rs. 2,500 lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of this Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Prospectus.

Method and Process of Applications

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.

2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.

3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.

4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.

5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.

6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.

7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.

8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.

9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.

10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdraw/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment if finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Terms of payment

The entire Issue price of ₹ 51.00 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

Payment mechanism

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that pursuant to SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in the public issue can only invest through ASBA Mode.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.

2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
   i. the applications accepted by them,
   ii. the applications uploaded by them
   iii. the applications accepted but not uploaded by them or
   iv. with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Lead Managers nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
   (i) The applications accepted by any Designated Intermediaries

   (ii) The applications uploaded by any Designated Intermediariesor
   (iii) The applications accepted but not uploaded by any Designated Intermediaries

5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediariesand their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediariescan also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.

6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.

5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
    - Name of the Applicant;
    - IPO Name:
    - Application Form Number;
    - Investor Category;
    - PAN (of First Applicant, if more than one Applicant);
    - DP ID of the demat account of the Applicant;
    - Client Identification Number of the demat account of the Applicant;
    - Number of Equity Shares Applied for;
    - Bank Account details;
    - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
    - Bank account number.

8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Allocation of Equity shares

1) The Issue is being made through the Fixed Price Process wherein 1,44,000 Equity Shares shall be reserved for Market Maker and 12,72,000 Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non Retail Applicants.

2) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.

3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

4) In terms of SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.

5) Allotment status details shall be available on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and Filing of Prospectus with ROC

a) Our company has entered into an Underwriting Agreement dated June 01, 2017.

b) A copy of Prospectus will be filled with the RoC in terms of Section 26 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

Issuance of Allotment Advice

1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.

2) The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

General Instructions

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the Syndicate (in the Specified

Locations), the SCSBs, the Registered Broker (at the Broker Centers),the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations); Instruct your respective Banks to not release the funds blocked in the ASBA Account under the ASBA process;

- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not make more than five applications from one bank account.

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centers for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Submission of Application Form

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

Right to Reject Applications

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who—

(a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

Undertakings by Our Company

We undertakes as follows:

1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Issue Closing Date.
3) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
4) That the our Promoters' contribution in full has already been brought in;
5) That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and
6) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;

Undertakings by the Selling Shareholder

1) The Equity Shares offered pursuant to the Offer for Sale have been held by the Selling Shareholder for a period of at least one year prior to the date of this Prospectus, are free and clear of any liens or encumbrances and, to the extent that the Equity Shares being offered have resulted from a bonus issue, the bonus issue has been on equity shares held for a period of at least one year prior to the filing of this Prospectus and has been issued out of free reserves and share premium existing in the book as at March 31, 2017;

2) The Selling Shareholder is the legal and beneficial owner of and has full title to the Investor Offered Shares;

3) The Selling Shareholder will not have recourse to the proceeds of the Offer for Sale, until approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;

4) The Selling Shareholder will not sell, transfer, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered in the Offer for Sale; and

5) The Selling Shareholder will take all such steps as may be required to ensure that the Equity Shares being sold by them in the Offer for Sale are available for transfer in the Offer for Sale.

6) They shall take all such steps as may be required to ensure that the Equity Shares being sold by them pursuant to the Offer are available for transfer in the Offer within the time specified under applicable law; and

7) They shall comply with all applicable laws, in India, including the Companies Act, the SEBI Regulations, the FEMA and the applicable circulars, guidelines and regulations issued by SEBI and RBI, each in relation to the Equity Shares offered by them in the Offer.

Utilization of Issue Proceeds

The Board of Directors of our Company certifies that:

1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6) The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company will sign the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a) Agreement dated May 23, 2017 between NSDL, the Company and the Registrar to the Issue;
b) Agreement dated May 12, 2017 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. INE581X01013

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus/Prospectus before investing in the Issue

Section 1: Purpose of the General Information Document (GID)

This document is applicable to the public issues undertaken inter-alia through the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations, 2009"**) as amended.

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies **("RoC").** Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **LM(s)** to the Issue and on the website of Securities and Exchange Board of India **("SEBI")** at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section "Glossary and Abbreviations".

Section 2: Brief Introduction to IPOs on SME Exchange

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009 if applicable. For details of compliance with the eligibility requirements by the Issuer Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under Chapter XB of SEBI (ICDR) regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer whose post-issue face value capital is more than ten crore rupees and upto twenty five crore rupees, may also issue its specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation.

2.2 Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1 an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 as may be applicable ("the Companies Act), the Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force.

Following are the eligibility requirements for making an SME IPO under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation:

a) In accordance with Regulation 106(P) of SEBI (ICDR) Regulation, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.

b) In accordance with regulation 106(R) of SEBI (ICDR) Regulation, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise the entire application money will be blocked forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, 2013.

c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulation, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.

e) The Issuer shall have Net Tangible Assets of at least Rs. 1 crore as per the latest audited financial result.

f) The Net worth (excluding revaluation reserves) of the Issuer shall be at least Rs. 1 crore as per the latest audited financial result.

g) The issuer should have a tract record of distributable profits in terms of Section 123 of Companies Act, 2013 for two out of immediately preceding three financial years.

h) The post –issue paid up capital of the issuer shall be at least Rs. 1 crore.

i) The issuer shall mandatorily facilitate trading in demat securities

j) The issuer should not been referred to Board for Industrial and Financial Reconstruction.

k) No petition for winding up is admitted by a court of competent jurisdiction against the Issuer.

l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.

m) The company should have a website

n) There has been no change in the promoter(s) of the company in the 1 year preceding the date of filing application to NSE for listing on SME segment.

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106 (M) (3) of SEBI (ICDR) Regulation, 2009 the provisions of regulations 6(1), 6(2), 6(3) , Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus the Company is eligible for the Issue in accordance with Regulation 106M(2) and other provision of Chapter XB of SEBI (ICDR) Regulations as the post –issue face value capital does not exceed Rs 2,500 Lakh. Company also complies with the eligibility conditions laid by the SME Platform of NSE for listing of our Equity Shares.

2.3 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process **("Book Built Issue")** or undertake a Fixed Price Issue **("Fixed Price Issue").** An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in this Daft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 Issue Period

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange.

2.5 Migration To Main Board

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

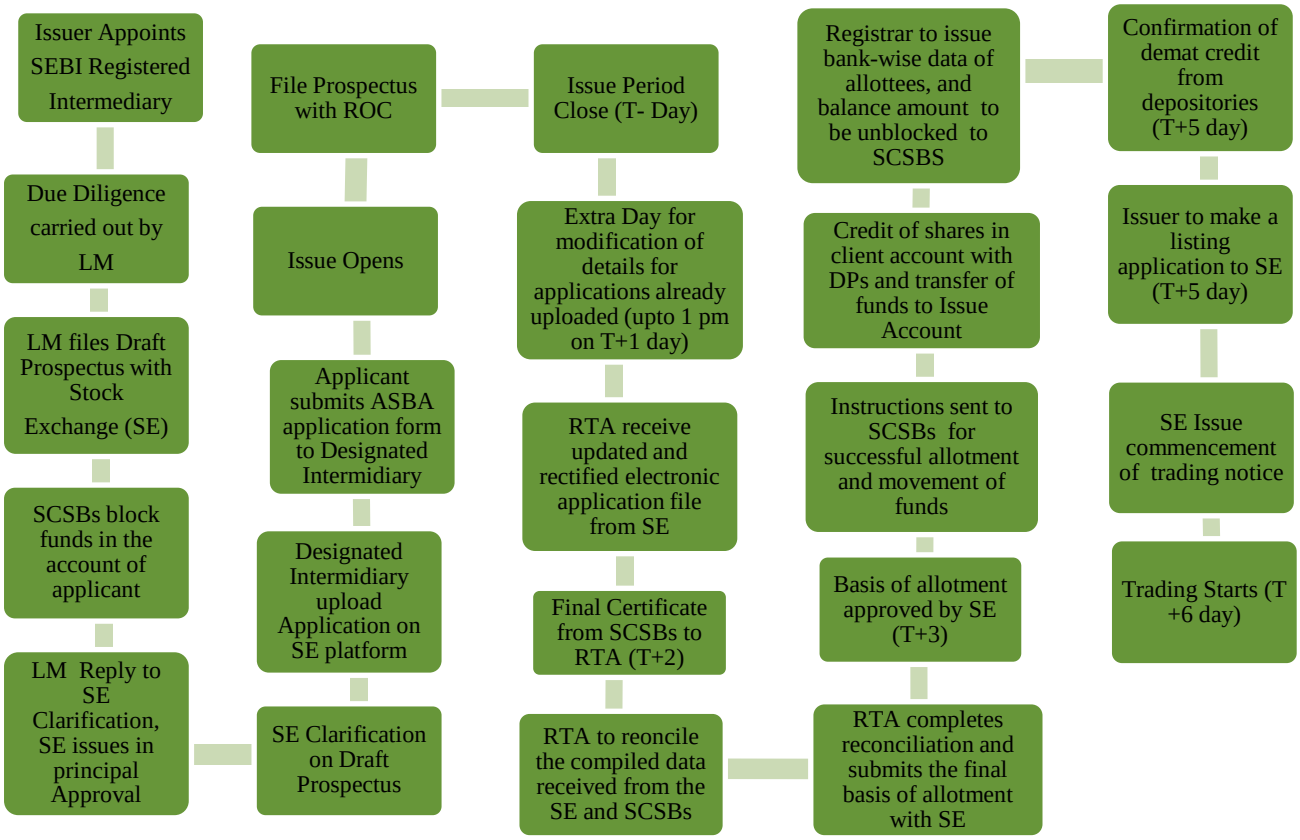
a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), The Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.6 Flowchart Of Timelines

A flow chart of process flow in Fixed Price Issues is as follows:



Section 3: Category of Investors Eligible to Participate in an Issue

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FII's, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three) or in the names of minors as natural / legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorized to invest in equity shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law; NRIs other than Eligible NRIs are not eligible to participate in this Issue.
- Indian Financial Institutions, scheduled commercial banks regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors, VCFs and FVCIs registered with SEBI.
- Limited liability partnerships registered in India and authorized to invest in equity shares.
- State Industrial Development Corporations.
- Trusts/societies registered under the Societies Registration Act, 1860, as amended or under any other law relating to trusts/societies and who are authorized under their respective constitutions to hold and invest in equity shares;

- Scientific and/ or Industrial Research Organizations authorized to invest in equity shares.
- Insurance Companies registered with IRDA;
- Provident Funds and Pension Funds with minimum corpus of Rs. 2500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no F.No.2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy, air force of the Union of India or by Department of Posts, India;
- Any other person eligible to apply to this Issue, under the laws, rules, regulations, guidelines, and policies applicable to them and under Indian Laws.

As per the existing regulations, OCBs are not allowed to participate in an Issue.

Section 4: Applying in the Issue

Fixed Price Issue: Applicants should only use the specified cum Application Form either bearing the stamp of Designated Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the registered office of the Issuer, and office of the RTA and at the office of the LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Application Form for various categories of Applicants is as follows:

Category	Color of the Application
Resident Indian, Eligible NRIs applying on a non -repatriation basis	White
NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs on a repatriation basis	Blue

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

4.1 Instructions For Filing Application Form/ Application Form (Fixed Price Issue)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

Globe Textiles

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : ..... Contact Details: ..... CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : .....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Option	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CO
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ Non-Resident Indians - NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VCF
☐ Alternative Investment Funds - AIF
☐ Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with Individual)

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date :	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue 1) 2) 3)	

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures) | Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

ASBA Bank A/c No.

Bank & Branch

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Address : _____ Contact Details: _____ CIN No _____	For Eligible NRI, FII, FVCI, applying on Repatriation Basis

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

FIXED PRICE OME ISSUE

INE00000000000

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms. _____

Address _____

Email _____

Tel. No (with STD code) / Mobile _____

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (This must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹): "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Retail Discount	Net Price	"Cut-off" Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder

☐ Non-Institutional Bidder

☐ QIB

6. Investor Status

☐	Non-Resident Indians (Repatriation basis)	NR
☐	Foreign Institutional Investor	FII
☐	Foreign Venture Capital Investor	FVCI
☐	FII Sub Account Corporate/ Individual	FII SA
☐	Others (Please Specify)	OTH

7. PAYMENT DETAILS — PAYMENT OPTION : FULL PAY

Amount paid (₹ in figures): _____ (₹ in words): _____

ASBA Bank A/c No.

Bank Name & Branch

I/WE (IN CASE OF JOINT APPLICANTS) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE APPLICABLE ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date :	I/We authorize the SCSB to do all acts as are necessary to make the Application in this box 1) 2) 3)	

TEAR HERE

LOGO

XYZ LIMITED INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No.

(DPID / CLID) | PAN of Sole / First Bidder

Amount paid (₹ in figures) | Bank & Branch | Stamp & Signature of SCSB Branch

ASBA Bank A/c No.

Received from Mr./Ms. _____

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

ASBA Bank A/c No. _____

Bank & Branch _____

Name of Sole / First Bidder _____

Acknowledgement Slip for Bidder

Bid cum Application Form No.

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (including letters notifying the unblocking of the bank accounts of \Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer,

b) The Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

c) **Joint Applications**: In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Bid cum Application Form/Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

d) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

- **makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- **makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- **otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."**

e) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE FIRST APPLICANT

a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim ("PAN Exempted Applicants"). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.

e) Applications by Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**

b) Applicants should ensure that the beneficiary account provided in the Application Form is active.

c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.

d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

a) The Issuer may mention Price as per Prospectus. However a Prospectus registered with RoC contains one price.

b) Minimum and Maximum Application Size

i. For Retails Individual Applicants

The Application must be for a minimum of 2000 equity shares. As the application price payable by the retail individual applicants cannot exceed ₹ 200000 they can make Application for only minimum Application size i.e. for 2000 equity shares.

ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of equity shares such that the Application Amount exceeds ` 200000 and in multiples of 2000 equity shares thereafter. An application cannot be submitted for more than the Issue Size. However, the maximum application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision of Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 200000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of equity shares that can be held by them under prescribed law or regulation or as specified in this Prospectus.

c) **Multiple Applications:** An applicant should submit only one Application Form. Submission of a second Application Form to either the same or to the Designated Intermediaries and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

d) Applicants are requested to note the following procedures may be followed by the Registrar to the issue to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and PFI sub-accounts, applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

e) The following applications may not be treated as multiple applications:

i. Application by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Application clearly indicates the scheme for which the application has been made.

iii. Application by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs, and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

a) The categories of Applicants identified as per the SEBI ICDR Regulations, 2009 as amended for the purpose of Application, allocation and allotment in the Issue are RIIs, Individual applicants other than RIIs, and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

b) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI ICDR Regulations, 2009 as amended. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.

c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation Applicant may refer to the Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

b) Certain categories of Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.

d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

a) All Applicants are required to use ASBA facility to block the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the funds shall be blocked for Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.

b) All categories of investors can participate in the Issue only through ASBA mechanism.

c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.1.7.1 Payment instructions for Applicants

(a) Applicants may submit the Application Form either in physical mode or online mode to any Designated Intermediaries.

(b) Applicants should specify the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

(c) Applicant should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;

(d) Applicant shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Application Forms can be submitted.

(f) Applicants applying through a member of the Syndicate should ensure that the Application Form is submitted to a member of the Syndicate only at the Specified Locations. Applicants should also note that Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Application Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries).

(g) Applicants applying through a Registered Broker, RTA or CDP should note that Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in Application Form, is maintained has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Application Forms.

(h) ASBA Applicant applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form may upload the details on the Stock Exchange Platform.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.

(l) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

(m) The Application Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

(n) SCSBs applying in the Issue must apply through an Account maintained with any other SCSB; else their Application is liable to be rejected.

4.1.8 Unblocking of ASBA Account

a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted, if any, against each Application, (ii) the amount to

be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ non allotment / partial allotment ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs to unblock the respective bank accounts.

b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

In the event of withdrawal or rejection of the Application Form and for unsuccessful Application, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

4.1.8.1 Discount (if applicable)

a) The Discount is stated in absolute rupee terms.
b) RII, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, Applicants may refer to the Prospectus.
c) For the Applicants entitled to the applicable Discount in the Issue the Application Amount less Discount (if applicable) shall be blocked.

4.1.8.2 Additional Instructions for NRIs

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Application by NRIs applying on a repatriation basis, blocking of funds in their NRO account shall not be accepted.

4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
c) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorization has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form.
d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by the Designated Intermediary, as applicable, for submission of the Application Form.

a) All communications in connection with Applications made in the Issue should be addressed as under:

i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Applicants should contact the Registrar to the Issue.

ii. In case of Applications submitted to the Designated Branches of the SCSBs or Registered Brokers or Registered RTA/DP, the Applicants should contact the relevant Designated Branch of the SCSBs or Registered Brokers or Registered RTA/DP, as the case maybe.

iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.

b) The following details (as applicable) should be quoted while making any queries –

i. Full name of the sole or Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.

ii. name and address of the Designated Intermediary, where the Application was submitted; or

iii. In case of ASBA Applications, ASBA Account number in which the amount equivalent to the Application Amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application upwards) who has registered his or her interest in the Equity Shares at a particular number of shares is free to revise number of shares applied using revision forms available separately.

b) RII may revise their applications till closure of the issue period or withdraw their applications until finalization of allotment.

c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the same Designated Intermediary through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Globe Textiles

COMMON BID REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : ..... Contact Details: ..... CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : .....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	**ESCROW BANK/SCSB BRANCH STAMP & CODE**
BANK BRANCH SERIAL NO.	**SCSB SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms. .....

Address .....

Email .....

Tel. No (with STD code) / Mobile .....

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please✓tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please✓tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

6. PAYMENT DETAILS — PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Additional Amount Paid (₹ in figures) ..... (₹ in words) .....

ASBA Bank A/c No. .....

Bank Name & Branch .....

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date :	I/We authorize the SCSB to do all acts as are necessary to make the Application in the line 1) 2) 3)	

TEAR HERE

LOGO

XYZ LIMITED
BID REVISION FORM - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Additional Amount Paid (₹) | Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms. .....

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Additional Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No. .....

Bank & Branch .....

Bid cum Application Form No.

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'

a) Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of the share applied for given in his or her Application Form or earlier Revision Form.
b) In case of revision of Applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, should not exceed Rs.200,000/- due to revision and the application may be considered, subject to the eligibility, for allocation under the Non-Institutional Category.

4.2.3FIELD 6: PAYMENT DETAILS

Applicant may Issue instructions to block the revised amount in the ASBA Account, to the Designated Branch through whom such Applicant had placed the original Application to enable the relevant SCSB to block the additional Application Amount, if any.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/APPLICATION FORM

Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of Application Form
All Investor Applications	To the Designated Intermediaries

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively

SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

5.1 Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue.

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form. Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Designated Intermediary.

Applicants may submit an Application Form either in physical/ electronic form to Designated Intermediaries or the Designated Branches of the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

5.2 GROUNDS FOR TECHNICAL REJECTIONS

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:-

- Amount paid does not tally with the amount payable for the Equity shares applied for;

- In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply.
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 2000;
- Category not ticked;
- Multiple Applications as defined in this Prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and Prospectus as per the instructions in the Prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or " qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals.
- Application or revision thereof by QIB Applicants , Non Institutional Applicants where the Application Amount is in excess of Rs. 200000 received after 3.00 pm on the issue Closing date unless the extended time is permitted by NSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges; and
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form.
- Details of ASBA Account not provided in the Application form
- From one ASBA Account, more than five applications are made by applicant.

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of GID.

APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE

This being the Fixed Price Issue this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1 Basis of Allotment

Allotment will be made in consultation with SME Platform of NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
c) For applications where the proportionate allotment works out to less than 2000 Equity Shares the allotment will be made as follows:
   i. Each successful applicant shall be allotted 2000 Equity Shares;
   ii. The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
d) If the proportionate allotment to an applicant works out to a number that is not a multiple of 2000 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 2000 Equity Shares subject to a minimum allotment of 2000 Equity Shares.
e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 2000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in the Prospectus.
f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual applicants as described below:
   i. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as the Retail Individual Investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
   ii. Remaining to Individual applicants other than retail individual investors and Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
   iii. The unsubscribed portion in either of the categories specified in (a) or (b) above may be available for allocation to the applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with SME Platform of NSE.

The Executive Director/ Managing Director of the SME Platform of NSE, Designated Stock Exchange in addition to Lead Merchant Banker and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 5 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within 5 Working Days of the Issue Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Issue Closing Date.

8.2 GROUNDS FOR UNBLOCKING OF FUNDS

8.2.1 Non Receipt of Listing Permission

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalized.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith initiate action to unblock the application amount from the Investors accounts. If such money is not repaid within the eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of Companies Act, and disclosed in the Prospectus.

8.2.2 Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of Companies Act, 2013 if the "stated minimum amount" has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our company does not receive the 100% subscription of the offer through the Offer Document including devolvement of underwriters , if any, within sixty (60) days from the date of closure of the issue, our company shall forthwith unblocked the entire application amount received. If there is a delay beyond eighty days after our company becomes liable to pay the amount, our company and every officer in default will, on and from the expiry of this period be jointly and severally liable to repay the money, with interest or other penalty as prescribed under SEBI Regulations and the Companies Act, 2013.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50 no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked within 6 working days of closure of the issue.

Further in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.100000/- (Rupees One Lakh) per application.

The equity shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance without the applicable laws of such jurisdiction.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be unblocked forthwith.

8.3 **Mode of Unblocking of Funds**

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

8.3.1Mode of making refunds for Applicants

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 Interest In Case Of Delay in Allotment

The Issuer may pay interest at the rate of 15% per annum if demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 working days from the Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee	An Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Applicants to make a Application authorizing an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
Applicant	Prospective Applicants in the Issue who apply through ASBA
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Bid	The date after which the SCSBs may not accept any application for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Closing Date

Term	Description
Issue Closing Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Opening Date
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Opening Date
Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (other than Anchor Investors) can submit their Application, inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Application Amount	The value indicated in the Application Form and payable by the Applicant upon submission of the Application (except for Anchor Investors), less discounts (if applicable).
Application Form	The form in terms of which the Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise.
Applicant	Any prospective investor (including an ASBA Applicant) who makes an Application pursuant to the terms of the Prospectus and the Application Form. In case of issues undertaken through the fixed price process, all references to a Applicant should be construed to mean an Applicant
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009,
Broker Centers	Broker Centers notified by the Stock Exchanges, where Applicants can submit the Application Form to a Registered Broker. The details of such broker centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Prospectus and the Application Form of the Issuer.
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited

Term	Description
Demographic Details	Details of the Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Application Forms used by the ASBA Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated Date	The date on or after which funds are transferred by the SCSBs to the Public Issue Account of the Issuer.
Designated Stock Exchange	The designated stock exchange as disclosed in the Prospectus of the Issuer
Designated Intermediaries /Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Discount	Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	This Draft Prospectus filed with Stock Exchange in case of Fixed Price Issues and which may mention a price
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the Promoter and immediate relatives of the promoter. For further details Applicant may refer to the Prospectus
Equity Shares	Equity shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
First Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000

Term	Description
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Applied for Equity Shares for an amount of more than ` 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs, FPIs and FVCIs
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalize the Issue Price

Term	Description
Prospectus	The prospectus to be filed with the RoC in accordance with Section 32 of the Companies Act, 2013 read with section 26 of Companies Act 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTA	Registrar to the Issue and Share Transfer Agent
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Prospectus and Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than ` 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ` 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares indicates therein in any of their Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centers
Stock Exchanges/ SE	The stock exchanges as disclosed in the Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of the Bids in this Issue (excluding Application from ASBA Applicants)
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the Prospectus
Underwriters	The Lead Manager(s)

Term	Description
Underwriting Agreement	The agreement dated entered into between the Underwriters and our company.
Working Day	Any day, other than 2nd and 4th Saturday of the month, Sundays or public holidays, on which commercial banks in India are open for business, provided however, with reference to announcement Issue Period, "Working Days" shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government, the FDI Policy (as defined below) and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), issued consolidates FDI Policy, which with effect from June 07, 2016 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on June 7, 2016. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

Subscription by foreign investors (NRIs/FPIs)

FPIs are permitted to subscribe to Equity Shares of an Indian Company in a public Issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. SEBI registered FPIs have been permitted to purchase shares of an Indian company through Issue, subject to total FPI investment being within the individual FPI/sub account investment limit of 10 per cent subject to the total sectoral cap of all FPIs/sub-accounts put together being 24 per cent of the paid-up capital of the Indian company.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of FIPB or RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

Representation from the Applicants

No person shall make an application in the Issue, unless such person is eligible to acquire Equity Shares of our Company in accordance with applicable laws, rules, regulations, guidelines and approvals.

Investors that make application under the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters, and their respective directors, officers, agents, affiliates and representatives, as applicable, that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

There is no reservation for Non Residents, NRIs, FPIs, foreign venture capital funds, multi-lateral and bilateral development financial institutions and any other foreign investor. All Non Residents, NRIs, FPIs and foreign venture capital funds, multi-lateral and bilateral development financial institutions and any other foreign investor applicants will be treated on the same basis with other categories for the purpose of allocation.

As per the existing policy of the Government of India, OCBs also cannot participate in any Public Issue.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S promulgated under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the

registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold outside the United States to certain persons in offshore transactions in compliance with Regulation S under the Securities Act.

Our Company, Selling Shareholders, LM and the Issue Management Team are not making any selling efforts in any jurisdiction outside India.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION VIII - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

Pursuant to Schedule I of the Companies Act, and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

ARTICLE NO.	INTERPRETATION	HEADING
1	In these Articles unless there be something in the subject matter or context inconsistent therewith:	
	i. "**The Act**" means the Companies Act, 2013 and the applicable provisions of the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force.	**The Act**
	ii. "**Articles**" means Articles of Association of the Company as originally framed or altered from time to time	**Articles**
	iii**. "Beneficial Owner"** shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.	**Beneficial Owner**
	iv. "**Board or Board of Director**" means the Collective body of the Board of Directors of the Company.	**Board or Board of Directors**
	v. "**Chairman**" means the Chairman of the Board of the Directors of the Company.	**Chairman**
	vi. **"The Company**" means Globe Textiles (India) Limited	**The Company**
	vii. "**Depositories Act, 1996**" shall mean Depositories Act, 1996 and include any Statutory modification or re-enactment thereof for the time being in force.	**Depositories Act,1996**
	viii. "**Depository**" shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.	**Depository**
	ix. "**Directors**" mean the Directors for the time being of the Company.	**Directors**
	x. "**Dividend**" includes any interim dividend	**Dividend**
	xi. "**Document**" means a document as defined in Section 2 (36) of the Companies Act, 2013.	**Document**
	xii. ''**Equity Share Capital**'', with reference to any Company limited by shares, means all share capital which is not preference share capital	**Equity Share Capital**
	xiii. "**KMP**" means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.	**KMP**
	xiv. "**Managing Director**" means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of Directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of managing director, by whatever name called.	**Managing Director**
	xv. "**Month**" means Calendar month	**Month**
	xvi. "**Office**" means the registered office for the time being of the Company.	**Office**
	xvii. "**Paid-up share capital**" or "share capital paid-up" means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called	**Paid-up share Capital**
	xviii."**Postal Ballot**" means voting by post or through any electronic mode	**Postal Ballot**
	xix. "**Proxy**" includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.	**Proxy**
	xx. "**Public Holiday**" means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government to be such a holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.	**Public Holiday**

	xxi. "**Registrar**" means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated and includes an Additional Registrar a Joint Registrar, a Deputy Registrar or an Assistant Registrar having the duty of registering companies and discharging various functions under this Act.	**Registrar**
	xxii. "**Rules**" means the applicable rules as prescribed under the relevant sections of the Act for time being in force	**Rules**
	xxiii. "**SEBI**" means Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.	**SEBI**
	xxiv. "**Securities**" means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)	**Securities**
	xxv. "**Share**" means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.	**Share**
	xxvi. "**Seal**" means the common seal of the Company.	**Seal**
	xxvii. ''**Preference Share Capital**'', with reference to any Company limited by shares, means that part of the issued share capital of the Company which carries or would carry a preferential right with respect to— (*a*) payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and (*b*) repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the Company;	**Preference Share Capital**
	Words imparting the plural number also include, where the context requires or admits, the singular number, and vice versa. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company. 'In writing' and 'written' includes printing, lithography and other modes of representing or reproducing words in a visible form.	
2.	The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any)and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.	**Share Capital**
3.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.	
4.	Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.	**Issue of Sweat Equity Shares**
5.	The Company shall have powers to issue any debentures, debenture-stock or other securities at Par, discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.	**Issue of Debentures**
6.	i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to	**Issue of Share Certificates**

	the memorandum or after allotment or within 15 days of the application for registration of transfer of transmission or within such other period as the conditions of issue shall be provided,— a. one certificate for all his shares without payment of any charges; or b. several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first ii. The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary; iii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon. iv. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.	
7.	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty Rupees for each certificate.	
8.	Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.	
9.	The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company.	
10.	i. The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder. ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40. iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.	**Power to pay Commission in connection with the Securities issued**
11.	i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.	**Variations of Shareholder's rights**

12.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.	
13.	Subject to the provisions of section 55 and 62, any preference shares may with the sanction of ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine	**Issue of Preference Shares**
14.	(1) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered: (a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act. (b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62. (c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62. (2) The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue. (3) Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company: Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting.	**Further Issue of shares**
15.	. The Company shall have a first and paramount lien— a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and or b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company. c. Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at fixed time in respect of such shares; Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. . The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.	**Lien**
16.	The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien: Provided that no sale shall be made— a. unless a sum in respect of which the lien exists is presently payable; or b. until the expiration of fourteen days after a notice in writing stating and	

	demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.	
17.	i. To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof. ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer. iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.	
18.	i. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.	
19.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Articles:- a) The Company shall at its discretion, be entitled to decline to register more than three persons as the joint-holders of any share. b) The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share. c) On the death of any such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. d) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share. e) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate, if any, relating to such share or to receive documents from the Company and any documents served on or sent to such person shall be deemed served on all the joint-holders. f) (i) Any one of the two or more joint-holders may vote at General Meeting either personally or by attorney or by proxy in respect of such shares as if they were solely entitled hereto and if more than one such joint-holders be present at any meeting personally or by proxy or by attorney then one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by attorney or by proxy stands first in Register in respect of such shares. (ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Clause be deemed as Joint-Holders. g) The provisions of these Articles relating to joint-holding of shares shall mutatis mutandis apply to any other securities including Debentures of the company registered in Joint-names.	**Joint Holdings**
20.	i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:	**Calls on shares**

	Provided that no call shall exceed one fourth of the nominal value of the shares or be payable at less than one month from the date fixed for the payment of the last preceding call. ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares. iii. A call may be revoked or postponed at the discretion of the Board.	
21.	A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.	
22.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	
23.	i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine. ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.	
24.	i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture iii. or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.	
25.	The Board— i. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and ii. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.	
26.	Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up. Provided however that any amount paid to the extent called – up, shall be entitled to proportionate dividend and voting right.	
27.	The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.	
28.	The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company.	
29.	i. The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles. ii. Each share in the Company shall be distinguished by its appropriate number. iii. A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares.	**Transfer of shares**
30.	i. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee. ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.	

31.	The Board may, subject to the right of appeal conferred by section 58 of Companies Act, 2013 and Section 22A of the Securities Contracts (Regulation) Act, 1956,decline to register, by giving notice of intimation of such refusal to the transferor and transferee within timelines as specified under the Act- i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or ii. any transfer of shares on which the Company has a lien. iii. Provided however that the Company will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.	
32.	The Board shall decline to recognize any instrument of transfer unless— i. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56; ii. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and the instrument of transfer is in respect of only one class of shares. Provided that, transfer of shares in whatever lot shall not be refused. iii. The Company agrees that when proper documents are lodged for transfer and there are no material defects in the documents except minor difference in signature of the transferor(s), iv. Then the Company will promptly send to the first transferor an intimation of the aforesaid defect in the documents, and inform the transferor that objection, if any, of the transferor supported by valid proof, is not lodged with the Company within fifteen days of receipt of the Company's letter , then the securities will be transferred; v. If the objection from the transferor with supporting documents is not received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the matter.	
33.	The Company agrees that in respect of transfer of shares where the Company has not effected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay.	
34.	On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine. Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.	
35.	The provisions of these Articles relating to transfer of Shares shall mutatis mutandis apply to any other securities including debentures of the company.	
36.	The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.	**Register of Transfers**
37.	i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles. a. The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996.	**Dematerialisation of Securities**

b. Option for Investors:

Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.

If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security

c. Securities in Depository to be in fungible form:-

- All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.
- Nothing contained in Sections 88, 89, 112 & 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.

d. Rights of Depositories & Beneficial Owners:-

Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.

e. Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

f. Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.

ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.

iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any

	media as may be permitted by law including in any form of electronic media. vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.	
38.	i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares. ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	
39.	i. Any person becoming entitled to a share, in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either— a. to be registered himself as holder of the share; or b. to make such transfer of the share as the deceased or insolvent member could have made. ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.	
40.	i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.	**Transmission of shares**
41.	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.	
42.	The provisions of these Articles relating to transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company. No fee shall be charged for requisition of transfer, transmission, probate, succession certificate and letter of admiration, Certificate of Death or marriage, power of attorney or similar other documents.	
43.	If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.	**Forfeiture of shares**
44.	The notice aforesaid shall—	

	i. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and ii. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.	
45.	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.	
46.	i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	
47.	i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. ii. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.	
48.	i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share; ii. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favour of the person to whom the share is sold or disposed off; iii. The transferee shall thereupon be registered as the holder of the share; and iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.	
49.	The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share	
50.	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	
51.	Upon any sale, re-allotment or other disposal under the provisions of the preceding articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	
52.	The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	
53.	The Provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	
54.	The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	
55.	Neither a judgment in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence	**Initial payment not to preclude forfeiture**

	granted by the Company in respect of the payment of any such money, shall preclude the Company from proceeding to enforce forfeiture of such shares as hereinafter provided.	
56.	The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.	**Alteration of capital**
57.	Subject to the provisions of section 61, the Company may, by ordinary resolution,— i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; iv. Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.	
58.	Where shares are converted into stock,— i. the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose. ii. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage. iii. Such of the articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.	**Conversion of Shares into Stock**
59.	The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,— i. its share capital; ii. any capital redemption reserve account; or iii. Any share premium account.	**Reduction of Capital**
60.	The Company may issue share warrants subject to, and in accordance with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue of a share warrant. The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants. Not more than one person shall be recognized as depositor of the share warrant. The Company shall, on two days written notice, return the deposited share warrants to the depositor. Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any	**Share Warrants**

	other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company. The bearer of share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holders of shares included in the warrant, and he shall be a member of the Company. The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant of coupon may be issued by way of renewal in case of defacement, loss or destruction.	
61.	i. The Company in general meeting may, upon the recommendation of the Board, resolve— a. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and b. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards— a. paying up any amounts for the time being unpaid on any shares held by such members respectively; b. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up bonus shares, to and amongst such members in the proportions aforesaid; c. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b); d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares; e. The Board shall give effect to the resolution passed by the Company in pursuance of this -regulation. iii. Allotment or Distribution of Bonus Shares shall not be made to those Members who furnish to the Company in written intimation waiving their entitlement to receive such allotment or distribution of shares credited as fully paid up pursuant to this Article 61 as the case may be, and accordingly the corresponding amount shall not be capitalized.	**Capitalisation of profits**
62.	i. Whenever such a resolution as aforesaid shall have been passed, the Board shall— a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and b. generally to do all acts and things required to give effect thereto. ii. The Board shall have power— a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares; iii. Any agreement made under such authority shall be effective and binding on such members.	
63.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.	**Buy-back of shares**

64.	All General Meetings other than annual general meeting shall be called extra-ordinary general meetings.	**General Meeting**
65.	i. The Board may, whenever it thinks fit, call an extraordinary general meeting. ii. The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per section 101 of Companies Act 2013. The directors if they think fit may convene a General Meeting including Annual General Meeting of the company by giving a notice thereof being not less than three days if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote at such meeting. iii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.	
66.	i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. ii. i. Unless the number of members as on date of meeting are not more than one thousand, five members personally present shall be the quorum for a general meeting of the Company. ii. In any other case, the quorum shall be decided as under: a) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand; b) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;	**Proceedings at general meetings**
67.	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.	
68.	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.	
69.	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.	
70.	The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.	
71.	A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.	
72.	i. Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paid up. ii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.	**Demand for poll**
73.	i. A poll demanded on a question of adjournment shall be taken forthwith. ii. A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 104 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the	**Time of taking poll**

	Chairman may direct.	
74.	i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	**Adjournment of meeting**
75.	Subject to any rights or restrictions for the time being attached to any class or classes of shares,— i. on a show of hands, every member present in person shall have one vote; and ii. on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.	**Voting rights**
76.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	
77.	i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	
78.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	
79.	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.	
80.	Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.	
81.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.	
82.	i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive	
83.	No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.	
84.	In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the polls is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.	**Casting Vote**
85.	A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Companies Act, 2013 authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.	**Representation of Body Corporate**

86.	The Company shall comply with provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution.	**Circulation of member's resolution**
87.	The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.	**Resolution requiring special notice**
88.	The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.	**Resolutions passed at adjourned meeting**
89.	The Company shall comply with the provisions of Section 117 and 179 of the Companies Act, 2013 relating to registration of certain resolutions and agreements.	**Registration of resolutions and agreements**
90.	i. The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered. ii. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed : A. In the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting. B. In the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose. C. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise. D. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat. E. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting. F. In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain: a. the names of the Directors present at the meetings, and b. in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution. iii. Nothing contained in Clauses (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting: a. is or could reasonably be regarded, as defamatory of any person b. is irrelevant or immaterial to the proceedings; or c. in detrimental to the interests of the Company. iv. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.	**Minutes of proceedings of general meeting and of Board and other meetings**
91.	The minutes of meetings kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.	**Minutes to be considered to be evidence**
92.	No document purporting to be a report of the proceedings of any general meeting of the	**Publication of**

	Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.	**reports of proceeding of general meetings**
93.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	
94.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	**Proxy**
95.	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.	
96.	The first directors of the Company shall be: 1. Sureshbhai Hirabhai Parikh 2. Vijaybhai Manubhai Shah 3. Dilipbhai Kantilal Adesara 4. Dilipbhai Chandulal Pandya	**Board of Directors**
97.	The Directors need not hold any "Qualification Share(s)".	
98.	Appointment of Senior Executive as a Whole Time Director Subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions: He may be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His re-appointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine. Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole time directors.	
99.	i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. ii. In addition to the remuneration payable to them in pursuance of the Act, the directors -may be paid all travelling, hotel and other expenses properly incurred by them— a. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or b. in connection with the business of the company	
100.	The Board may pay all expenses incurred in getting up and registering the company.	
101.	The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such	

	register.	
102.	All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	
103.	Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.	
104.	i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles. ii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.	
105.	Not less than two-thirds of the total number of Directors of the Company, excluding the Independent directors if any appointed by the Board, shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Act and these Articles be appointed by the Company in General Meeting.	**Retirement and Rotation of Directors**
106.	The remaining Directors shall be appointed in accordance with the provisions of the Act.	
107.	At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.	
108.	Subject to the provisions of the Act and these Articles the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provision of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his reappointment is decided or successor is appointed.	
109.	Subject to the provisions of the Act and these Articles, the retiring Director shall be eligible for reappointment.	
110.	Subject to the provision of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.	
111.	Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any of the Finance Corporation or Credit Corporation or to any other Finance Company or Body out of any loans granted by them to the Company or Body (hereinafter in this Article referred to as "the Corporation") continue to hold debentures or shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors wholetime or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.	**Nominee Director**
112.	The terms and conditions of appointment of a Nominee Director/s shall be governed by the agreement that may be entered into or agreed with mutual consent with such Corporation. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors.	
113.	The Nominee Directors so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Shares or Debentures in the Company as a result of direct subscription or private placement or the liability of the Company arising out of any Guarantee is outstanding and the Nominee	

	Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately, if the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.	
114.	The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Directors. Provided that if any such Nominee Directors is an Officer of the Corporation/IDBI, the sitting fees in relation to such Nominee Directors shall also accrue to the Corporation/IDBI as the case may be and the same shall accordingly be paid by the Company directly to the Corporation.	
115.	Provided also that in the event of the Nominee Directors being appointed as Whole time Directors such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.	
116.	The Company may (subject to the provisions of Act and other applicable provisions and these Articles) remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.	**Removal of Directors**
117.	Special notice as provided in the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.	
118.	On receipt of the notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.	
119.	Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so-, (a) in any notice of the resolution given to members of the Company state the fact of the representations having been made, and (b) send a copy of the representations to every member of the Company to whom the notice of the meeting is sent (whether before or after the receipt of representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting: Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.	
120.	A vacancy created by the removal of a director under this article, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the	

	intended appointment has been given as prescribed in the Act.	
121.	A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.	
122.	If the vacancy is not filled under clause (5) above , it may be filled as a casual vacancy in accordance with the provisions of this Act: Provided that the director who was removed from office shall not be reappointed as a director by the Board of Directors.	
123.	Nothing in this section shall be taken- a) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contact or terms of his appointment as director, or of any other appointment terminating with that as director; or b) as derogating from any power to remove a director under other provisions of this Act.	
124.	Subject to provisions of the Act, the Directors including Managing or whole time Directors shall be entitled to and shall be paid such remuneration as may be fixed by the Board of Directors from time to time in recognition of the services rendered by them for the company. In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them. a. In attending and returning from meetings of the Board of Directors and committee thereof, all General Meetings of the company and any of their adjourned sittings, or b. In connection with the business of the Company.	**Remuneration and sitting fees to Directors including Managing and whole time Directors**
125.	Each Director shall be entitled to be paid out of the funds of the Company by way of sitting fees for his services not exceeding the sum of Rs. 1,00,000/-(Rupees One Lac) as may be fixed by Directors from time to time for every meeting of the Board of Directors and/ or committee thereof attended by him in addition to any remuneration paid to them. If any Director being willing is appointed to an executive office either whole time or part time or be called upon to perform extra services or to make any special exertions for the purpose of the Company then subject to Section 196, 197 & 198, read with Schedule V of the Act, the Board may remunerate such Directors either by a fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to.	
126.	i. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board. a. The power to make calls on shareholders in respect of money unpaid on their shares; b. The Power to authorize buy-back of securities under Section 68 of the Act. c. Power to issue securities, including debenture, whether in or outside India d. The power to borrow moneys e. The power to invest the funds of the Company, f. Power to Grant loans or give guarantee or provide security in respect of loans g. Power to approve financial statements and the Board's Report h. Power to diversify the business of the Company i. Power to approve amalgamation, merger or reconstruction j. Power to take over a Company or acquire a controlling or substantial stake in another Company k. Powers to make political contributions; l. Powers to appoint or remove key managerial personnel (KMP); m. Powers to take note of appointment(s) or removal(s) of one level below the Key	**Powers and duties of Directors:** **Certain powers to be exercised by the Board only at meeting.**

	Management Personnel; n. Powers to appoint internal auditors and secretarial auditor; o. Powers to take note of the disclosure of director's interest and shareholding; p. Powers to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee Company; q. Powers to invite or accept or renew public deposits and related matters; r. Powers to review or change the terms and conditions of public deposit; s. Powers to approve quarterly, half yearly and annual financial statements or financial results as the case may be. Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (d), (e) and (f) to the extent specified in clauses (ii), (iii) and (iv) respectively on such condition as the Board may prescribe. ii. Every resolution delegating the power referred to in sub-clause (d) of clause (i) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate. iii. Every resolution delegating the power referred to in sub-clause (e) of clause (i) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate. iv. Every resolution delegating the power referred to in sub-clause (f) of clause (i) shall specify the total amount up to which loans may be made by the delegates, the purposes for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual cases. v. Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in this Article.	
127.	i. The Board of Directors of the Company shall not except with the consent of the Company in general meeting : a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking; b) remit, or give time for the repayment of any debt, due by a Director; c) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation; d) borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; or e) contribute to *bona fide* charitable and other funds, aggregate of which ill in any financial year, exceed five percent of its average net profits during the three financial years, immediately proceedings. ii. Nothing contained in sub-clause (a) above shall affect: a) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due care and caution, or b) the selling or leasing of any property of the Company where the ordinary	**Restriction on powers of Board**

	business of the Company consists of, or comprises such selling or leasing. iii. Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (i) (a) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorize the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act. iv. No debt incurred by the Company in excess of the limit imposed by sub-clause (d) of clause (i) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.	
128.	Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in Section 180 of the Companies Act, 2013 and in regard to the limitations on the power of the Company contained in Section 182 of the Companies Act, 2013.	
129.	Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorized to exercise and do and not hereby or by the statue or otherwise directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other Act and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.	**General powers of the Company vested in Directors**
130.	Without prejudice to the general powers conferred by Article above and the other powers conferred by these presents and so as not in any way to limit any or all of those powers and subject to the provisions of the Act and these Articles, it is hereby expressly declared that the Directors shall have the following powers: i. to pay and charge to the capital account of the Company and interest lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act, 2013; ii. to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonable satisfactory; iii. to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory; iv. to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as	**Specific powers given to Directors**

may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;

v. To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;

vi. To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;

vii. To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;

viii. Subject to Section 179 of the Companies Act, 2013 to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;

ix. To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;

x. To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;

xi. To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;

xii. To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;

xiii. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Companies Act, 2013 to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;

xiv. Subject to the provisions of Sections 180 of the Companies Act, 2013 to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to

vary or realize such investments.

xv. Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.

xvi. To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions, allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;

xvii. To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at anytime Directors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institution, association, clubs or funds collected to be for the benefit of or to advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;

xviii. To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.

xix. To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transactions of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause.

xx. At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as

	the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them. xxi. To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name of on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company;	
131.	a) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time one or more Directors as Managing Director or Managing Directors and/or Whole-time Directors of the Company for a fixed term not exceeding five years at a time and upon .such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director(s)/Whole-time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act. b) Subject to the approval of shareholders in their meeting, the managing director of the Company may be appointed and continue to hold the office of the chairman and managing director or Chief Executive officer of the Company at the same time. c) Subject to the provisions of Sections 197 & 198 of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government.	**MANAGING DIRECTORS** **Power to appoint Managing or Whole-time Directors**
132.	a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	**Proceedings of the Board**
133.	The quorum for meetings of Board/Committees shall be as provided in the Act or under the rules.	
134.	a) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.	
135.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.	
136.	The participation of directors in a meeting of the Board/ Committees may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	
137.	a) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.	
138.	a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. b) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.	**Delegation of Powers of Board to Committee**
139.	a) A committee may elect a Chairperson of its meetings.	

	b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	
140.	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	
141.	All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	
142.	Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held	
143.	Subject to the provisions of the Act,— a) A chief executive officer, manager, Company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, Company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; b) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.	**Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**
144.	A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officers, manager, Company Secretary or chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief Financial Officer.	
145.	a) The Board shall provide for the safe custody of the seal. b) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.	**The Seal**
146.	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.	
147.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.	
148.	a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit. b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	**Dividends and Reserve**
149.	a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.	

	b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. c) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	
150.	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.	
151.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	
152.	Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.	
153.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	
154.	No dividend shall bear interest against the Company. Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;	
155.	Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration, the company shall, within seven days from the date of expiry of the thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account as per provisions of section 124 and any other pertinent provisions in rules made thereof. The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.	
156.	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	
157.	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	
158.	a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors. b) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in general meeting.	**Accounts**
159.	Minutes Books of General Meetings a) The books containing the minutes of the proceedings of any general meeting of the Company shall;	**Inspection of Statutory Documents of the Company**

	i. be kept at the registered office of the Company, and ii. be open, during the business hours to the inspection of any member without charge subject such reasonable restrictions as the Company may, in general meeting impose so however that not less than two hours in each day are allowed for inspection. Provided however that any person willing to inspect the minutes books of General Meetings shall intimate to the Company his willingness atleast 15 days in advance. b) Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of Rs. 10/- (Ten Rupees only) for each page or part thereof.	
160.	a) The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act. b) The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours— a. by any member or creditor without any payment of fees; or b. by any other person on payment of such fees as may be prescribed, Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.	**Register of charges**
161.	a) The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting. b) Appointment of Auditors shall be governed by provisions of Companies Act 2013 and rules made there under. c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board. d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.	**Audit**
162.	Subject to the provisions of Chapter XX of the Act and rules made there under— i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not. ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or others securities whereon there is any liability.	**Winding up**
163.	Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal Subject to the provisions of Chapter XX of the Act and rules made there under—	**Indemnity**

164.	a) Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents. b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and which in the opinion of the directors, it would be inexpedient in the interests of the Company to disclose.	**Secrecy**

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Prospectus, delivered to the Registrar of Companies, for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Prospectus until the Issue Closing Date.

Material Contracts

1. Agreement dated April 06, 2017 between our Company, Selling Shareholder and Hem Securities Limited as Lead Manager to the Issue.
2. Agreement dated February 28, 2017 executed between our Company, Selling Shareholder and the Registrar to the Issue (Bigshare Services Pvt. Ltd.)
3. Market Making Agreement dated June 01, 2017 between our Company, Lead Manager and Market Maker.
4. Banker to the Issue Agreement dated June 01, 2017 among our Company, Lead Manager, Banker to the Issue, Selling Shareholders and the Registrar to the Issue.
5. Underwriting Agreement dated June 01, 2017 between our Company, Selling Shareholder, Lead Manager and Underwriter.
6. Share Escrow Agreement dated June 01, 2017 between our Company, Selling Shareholder, the LM and Escrow Agent.
7. Tripartite Agreement dated May 12, 2017 among CDSL, the Company and the Registrar to the Issue.
8. Tripartite Agreement dated May 23, 2017 among NSDL, the Company and the Registrar to the Issue.

Material Documents

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated October 4th, 1995 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli.
3. Certificate of Incorporation dated May 23rd, 2006 pursuant to Change of name of Company from Swaroop Financial Services Private Limited to Globe Textile (India) Private Limited issued by the Registrar of Companies, Gujarat, Ahmedabad.
4. Certificate of Incorporation dated July 17th, 2011 pursuant to Change of name of Company from Globe Textile (India) Private Limited to Globe Textiles (India) Private Limited issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli.
5. Fresh Certificate of Incorporation dated March 22, 2017 issued by the Registrar of Companies, Gujarat, Ahmedabad. Consequent upon Conversion of the Company to Public Company.
6. Copy of the Board Resolution dated March 22, 2017 authorizing the Issue, Offer for Sale and other related matters.
7. Copy of Shareholder's Resolution dated March 27, 2017 authorizing the Issue, Offer for Sale and other related matters.
8. Copies of the Authority letter provided by the Selling Shareholder.
9. Copies of Audited Financial Statements of our Company for the years ended March 31, 2017, 2016, 2015, 2014 & 2013.
10. Peer Review Auditors Report dated May 26, 2017 on Restated Financial Statements of our Company for the years ended March 31, 2017, 2016, 2015, 2014, 2013 & 2012.
11. Copy of the Statement of Tax Benefits dated March 30, 2017 from the Statutory Auditor.
12. Consents of the Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to the Issue, Statutory Auditor of the Company, Peer Review Auditor, Promoters of our Company, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Bankers to our Company, as referred to, in their respective capacities.
13. Copy of Certificate from the Peer Review Auditors of our Company, M/S. Dharmesh Parikh & Co., Chartered Accountants, dated May 26, 2017 regarding the Eligibility of the Issue.
14. Board Resolution dated April 28, 2017 for approval of Draft Prospectus, dated June 05, 2017 for approval of Prospectus
15. Due Diligence Certificate from Lead Manager dated April 28, 2017 filed with NSE and dated June 05, 2017 filed with SEBI.
16. Approval from NSE vide letter dated May 18, 2017 to use the name of NSE in the Prospectus for listing of Equity Shares on the SME Platform of the NSE.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I, the person mentioned herein below, as the Selling Shareholder, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. I further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY THE SELLING SHAREHOLDER:

Sd/-

_____ **Mr. Bhavik Suryakant Parikh**

Place: - Ahmedabad

Date: - 05.06.2017

DECLARATION

I, the person mentioned herein below, as the Selling Shareholder, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. I further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY THE SELLING SHAREHOLDER:

Sd/-

_____ **Mr. Nilaybhai Jagdishbhai Vora**

Place: - Ahmedabad

Date: - 05.06.2017

DECLARATION

We, the persons mentioned herein below, as Directors or otherwise, as mentioned, certify that all relevant provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Prospectus. No statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY:

Sd/- _____	**Mr. Bhavik Suryakant Parikh** *Chairman & Managing Director* *DIN: 00038223*
Sd/- _____	**Mr. Nilaybhai Jagdishbhai Vora** *Whole- Time Director* *DIN: 02158990*
Sd/- _____	**Mrs. Purvi Bhavin Parikh** *Non Executive Director* *DIN: 07732523*
Sd/- _____	**Mr. Yogesh Kanhiyalal Vaidya** *Non Executive & Independent Director* *DIN: 00468732*
Sd/- _____	**Mr. Monish Harbans Bhalla** *Additional Non Executive & Independent Director* *DIN: 00221254*
Sd/- _____	**Mr. Bharatbhai Samjibhai Patel** *Additional Non Executive & Independent Director* *DIN: 00243783*

SIGNED BY THE COMPANY SECRETARY & CHIEF FINANCIAL OFFICER OF OUR COMPANY:-

Sd/- _____	**Mr. Yash Manojbhai Shah** *Company Secretary& Compliance officer*
Sd/- _____	**Mr. Bhavin Suryakant Parikh** *Chief Financial Officer & Chief Executive Officer*

Place: Ahmedabad

Date: 05.06.2017