UBS & Company
Chartered Accountants

F-10, Manish Twin Plaza,
Plot No. 3, Sector-IV, Dwarka,
New Delhi - 110 078
Tel. : 011 - 45621780
E-mail : bhimca@hotmail.com

INDEPENDENT AUDITORS' REPORT

To the Members of

GLOBAL NONWOVENS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **GLOBAL NONWOVENS LIMITED**, which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss(including other comprehensive Income), the Cash Flow Statement, the Statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flowsand changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified in the Companies (Indian Accounting Standards) Rules (as amended) under Section 133 of the Act. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
b) in the case of the Statement of Profit and Loss, loss for the year ended on that date;
c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
d) in the case of Statement of Equity, the changes in equity for the year ended on that date

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

UBS & CO. New Delhi

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), and Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the IndianAccounting Standards specified under Section 133 of the Act.

e) On the basis of written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone financial statements.

(ii) The Company did not have any long term contracts including derivatives contracts, for which there were any material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(iv) The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and the same are in accordance with the books of accounts maintained by the company – Refer Note 37 to the standalone financial statements.

FOR UBS & COMPANY
Chartered Accountants
Firm Reg. No. 012351N

(BHIMRAJ AGARWAL)
PARTNER
Membership No. 090909

UBS & CO New Delhi Chartered Accountant

Place:New Delhi
Dated: 24/05/2017

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All the fixed assets have been physically verified by the management during the year and there is regular programme of verification which, in our opinion is reasonable, having regard to the size of the company and nature of the assets. No material discrepancies were noticed on such verification and the same have been properly dealt with in the books of account;

(c)The title deeds of immovable properties are held in the name of the company.

(ii) (a) The management has conducted the physical verification of inventory at reasonable intervals.

(b) There were no discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and I86 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

(v) As per explanations and information given to us, the Company has not accepted or renewed deposits from public during the year hence the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

(vi) The Central Government has not prescribed the maintenance of cost records under sub-section (l) of section 148 Companies Act 2013 for the industries the Company belong to.

UBS &CO. New Delhi Chartered Accountant

(vii) According to the information and explanations given to us, in respect of statutory dues and other dues.

a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employees' state Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Service Tax, cess and other material statutory dues applicable to it and there is no arrears as on 31, March 2017 for period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no disputed statutory dues, which have not been deposited.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks.

(ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has raised moneys by way of term loans and was applied for the purposes for which those are raised.

(x) According to the information and explanation given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

(xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

(xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) Basedupon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

UBS &CO. New Delhi Chartered Accountant

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

FOR UBS & COMPANY
Chartered Accountants
Firm Reg. No. 012351N

(BHIMRAJ AGARWAL)
PARTNER
Membership No. 090909

Place: New Delhi
Dated: 24/05/2017

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of Global Nonwovens Limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Global Nonwovens Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

TheCompany's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

UBS & Co. New Delhi Chartered Accountants

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the companyhas, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR UBS & COMPANY
Chartered Accountants
Firm Reg. No. 012351N

UBS & CO
New Delhi
Chartered Accountant

(BHIMRAJ AGARWAL)
PARTNER
Membership No. 090909

Place:New Delhi
Date: 24/05/2017

Global Nonwovens Limited
Balance Sheet as at 31st March 2017

Rs in Lacs

	Note	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
ASSETS				
(1) Non Current Assets				
(a) Property, Plant and Equipment	2	37,366.77	39,918.97	102.99
(b) Capital work-in-progress	2	69.56	1.75	40,151.61
(c) Intangible Assets	2	63.33	79.64	10.68
(d) Financial Assets				
Other Financial Assets	3	17.78	3.78	0.78
(e) Deferred Tax Assets (Net)	4	2,840.08	2,254.13	-
Total Non Current Assets		**40,357.52**	**42,258.26**	**40,266.06**
(2) Current Assets				
(a) Inventories	5	2,623.30	1,400.76	554.09
(b) Financial Assets				
(i) Investments	6	-	-	127.78
(ii) Trade Receivables	7	970.57	528.48	-
(iii) Cash and Cash Equivalents	8	120.09	27.14	159.62
(iv) Bank Balances other than (iii) above	9	160.59	1,278.80	264.31
(v) Other Financial Assets	10	9.66	9.17	4.41
(c) Other Current Assets	11	3,606.08	4,565.01	2,762.76
Total Current Assets		**7,490.30**	**7,809.36**	**3,872.97**
Total Assets		**47,847.82**	**50,067.63**	**44,139.03**
Equity And Liabilities				
(1) Equity				
(a) Equity Share capital	12	8,146.00	8,146.00	7,080.00
(b) Other Equity	13	(1,889.61)	(601.44)	(67.08)
Total Equity		**6,256.39**	**7,544.56**	**7,012.92**
(2) Non Current Liabilities				
(a) Financial Liabilities				
Borrowings	14	27,196.45	30,372.91	34,017.85
(b) Provisions	15	31.43	19.39	10.78
(c) Other Non Current Liabilities	16	4,897.17	5,272.54	-
Total Non Current Liabilities		**32,125.06**	**35,664.84**	**34,028.62**
(3) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	2,247.72	475.12	-
(ii) Trade Payables	18	2,094.67	956.82	46.92
(iii) Other Financial Liabilities	19	4,493.22	4,873.13	2,985.63
(b) Other Current liabilities	20	508.67	492.21	61.83
(c) Provisions	21	122.10	60.94	3.11
Total Current Liabilities		**9,466.37**	**6,858.23**	**3,097.48**
Total Equity and Liabilities		**47,847.82**	**50,067.63**	**44,139.03**

Summary of Significant Accounting Policies	1
Other Notes on Accounts	32-50

The accompanying Notes are Integral Part of the Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors

For UBS & Company
Chartered Accountants
Firm Registration No : 012351N

Bhimraj Agarwal
Partner
M No : 090909
Place: New Delhi
Date: 24/05/2017

Muthukumar Samuel
Whole Time Director
DIN - 06981352

G.D.Singal
Director
DIN - 00708019

V.K. Singhal
(Chief Financial Officer)

UBS & CO. New Delhi Chartered Accountants

GLOBAL NONWOVEN LTD.

Global Nonwovens Limited

Statement of Profit and Loss for the Year ended 31st March 2017.

Rs In Lacs

	Note	For the year Ended 31st March 2017	For the year Ended 31st March 2016
I. REVENUES			
Revenue from Operations	22	14,306.88	6,584.00
Other Income	23(a)	44.83	42.19
Other Gains/(Losses)	23(b)	251.50	73.70
Total Revenue (I)		**14,603.21**	**6,699.89**
II. EXPENSES			
Cost of Materials Consumed	24	8,270.79	3,884.19
Purchase of Stock-in-Trade		-	-
Changes in Inventories of Finished goods, Work-in-Progress and Stock-in-Trade	25	(504.56)	(75.72)
Excise Duty Expenses		1,260.16	509.10
Employee Benefits Expense	26	838.53	507.35
Finance Costs	27	2,079.01	1,616.05
Depreciation and Amortization Expense	28	2,231.73	1,666.13
Other Expenses	29	2,302.91	1,382.90
Total Expenses (II)		**16,478.57**	**9,490.00**
III. Profit Before Tax (I - II)		**(1,875.36)**	**(2,790.11)**
IV Tax Expense			
(i) Current Tax		-	-
(ii) Deferred Tax		(585.95)	(2,254.13)
IV Total Tax Expenses		(585.95)	(2,254.13)
V Profit/(Loss) for the Year (III - IV)		**(1,289.41)**	**(535.98)**
VI Other Comprehensive Income			
A Items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit obligations (net of tax thereon)		1.24	1.61
Other Comprehensive Income for the year, net of tax		1.24	1.61
VII Total Comprehensive Income For the year (V + VI)		**(1,288.17)**	**(534.37)**
VIII Earnings per Equity Share:			
Earnings per Share (Basic & Diluted) on Net Profit	31	(1.58)	(0.67)

Summary of Significant Accounting Policies	1
Other Notes on Accounts	32-50

The accompanying Notes are Integral Part of the Financial Statements

As per our report of even date attached

For UBS & Company
Chartered Accountants
Firm Registration No : 012351N

Bhimraj Agarwal
Partner
M No : 090909
Place: New Delhi
Date: 24/05/2017

UBS & CO. New Delhi Chartered Accountant

For and on behalf of the Board of Directors

Muthukumar Samuel
Whole Time Director
DIN - 06981352

G.D.Singal
Director
DIN - 00708019

V.K. Singhal
(Chief Financial Officer)

GLOBAL NONWOVEN LTD.

Global Nonwovens Limited
Statement of Cash Flow For the Year Ended 31st March 2017

Rs In Lacs

Particular	For the year Ended 31st March 2017		For the year Ended 31st March 2016	
A. Cash Inflow/(Outflow) from Operating Activities :				
Net Profit/(Loss) Before Taxes	(1,875.36)		(2,790.11)	
Adjustments for non cash items				
Depeciation & Amortisation	2,231.73		1,666.13	
Interest Income	(40.93)		(42.19)	
Interest Expense	1,813.68		1,562.87	
(Profit)/Loss on sale of property, plant and equipment	-		0.81	
Provision for Gratuity	13.38		10.30	
(Profit)/ Loss on sales of Mutual Fund	(18.69)		(7.29)	
Operating Profit/(Loss) before Working Capital Changes	2,123.80		400.52	
Adjustments for (increase)/decrease in Operating Assets :				
Increase(-)/Decrease in Trade receivables	(442.09)		(528.48)	
Increase(-)/Decrease in Short term loan and advances	957.89		(1,803.41)	
Increase(-)/Decrease in Inventories	(1,222.54)		(846.67)	
Increase(-)/Decrease in Long term loan and advances	(14.00)		(3.00)	
Adjustment for increase/ (decrease) in Operating Liabilities :				
Increase/Decrease(-) in Trade Payables	1,137.85		(1,480.84)	
Increase/Decrease(-) in Other Current/Financial Liabilities	77.54		(73.59)	
Increase/Decrease(-) in Short Term Provisions	61.06		47.62	
Cash Generated from Operations	2,679.52		(4,287.85)	
Direct Tax Paid	0.55		(3.60)	
Net Cash Generated/(used in) from Operating Activities		2,680.07		(4,291.45)
B. Cash Inflow/(Outflow) from Investing Activities :				
Capital Expenditure on Fixed Assets	(106.40)		(1,696.72)	
Sale proceeds of property, plant and equipment	-		3.25	
Government Grants received	-		5,929.94	
Dividend Received from Mutual Fund	-		1.47	
Interest Received on Fixed Deposits/Others	40.93		47.40	
Movement of Fixed Deposits	1,118.20		(1,014.49)	
Investment in Mutual fund	(3,690.00)		(2,544.51)	
Redemption of Mutual Fund	3,708.69		2,682.31	
Net Cash Generated/(used in) from Investing Activities		1,071.42		3,408.66
C. Cash Inflow/(Outflow) from Financing Activities :				
Issue of Share Capital	-		1,066.00	
Working Capital Loan	1,772.59		475.12	
Proceeds/(Repayment) of Term Loan	(4,717.46)		922.06	
Unsecured loan received	1,700.00		3,900.00	
Repayment of Unsecured loan	(600.00)		(4,050.00)	
Interest Paid	(1,813.68)		(1,562.87)	
Net Cash Generated/(used in) from Financing Activities		(3,658.54)		750.31
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		92.95		(132.48)
Opening Balance of Cash & Cash Equivalents		27.14		159.62
Closing Balance of Cash & Cash Equivalents		120.09		27.14
Cash & Cash Equivalents Comprise				
Cash in Hand		0.05		0.12
Balance with Scheduled Banks in Current Accounts		120.04		27.02
		120.09		27.14

(i) Figures in bracket represent outflows
(ii) The above Cash Flow Statement has been prepared under the Indirect Method as set out in Indian Accounting Standard 7

The accompanying Notes are Integral Part of the Financial Statements
As per our report of even date attached

For and on behalf of the Board of Directors

For UBS & Company
Chartered Accountants
Firm Registration No : 012351N

Muthukumar Samuel
Whole Time Director
DIN - 06981352

G.D.Singal
Director
DIN - 00708019

Bhimraj Agarwal
Partner
M No : 090909
Place: New Delhi
Date: 24/05/2017

V.K. Singhal
(Chief Financial Officer)

UBS & CO. New Delhi Chartered Accountant

GLOBAL NONWOVEN LTD.

Global Nonwovens Limited

Statement of Changes in Equity for the period ended 31st March 2017.

A. Equity Share Capital

Rs in Lacs

Particulars	As at 1st April 2015	Changes in equity share capital	As at 31st Mar 2016.	Changes in equity share capital	As at 31st Mar 2017
Equity Share Capital	7,080.00	1,066.00	8,146.00	-	8,146.00
Total	7,080.00	1,066.00	8,146.00	-	8,146.00

B. Other Equity

Rs. in Lacs

Particulars	Reserve and Surplus			Remeasurements of post employment benefit obligations (net of tax thereon)	Total
		General Reserve	Retained Earnings		
Balance as at 1st April 2015		-	(67.08)	-	(67.08)
Profit For the Year		-	(535.98)	-	(535.98)
Other Comprehensive Income For the Year		-	-	1.61	1.61
Total Comprehensive Income For the Year		-	(535.98)	1.61	(534.37)
Balance as at 31st Mar 2016.		-	(603.06)	1.61	(601.44)
Profit For the Year		-	(1,289.41)	-	(1,289.41)
Other Comprehensive Income For the Year		-		1.24	1.24
Total Comprehensive Income For the Year		-	(1,289.41)	1.24	(1,288.17)
Balance as at 31st Mar 2017.		-	(1,892.46)	2.85	(1,889.61)

As per our report of even date attached

For and on behalf of the Board of Directors

For UBS & Company
Chartered Accountants
Firm Registration No : 012351N

Bhimraj Agarwal
Partner
M No : 090909
Place: New Delhi
Date: 24/05/2017

UBS & CO. New Delhi Chartered Accountant

Muthukumar Samuel
Whole Time Director
DIN - 06981352

G.D.Singal
Director
DIN - 00708019

V.K. Singhal
(Chief Financial Officer)

GLOBAL NONWOVEN LTD.

Company Informations

Global Nonwovens Limited is a company limited by shares, incorporated and domiciled in India engaged in manufacturing of Nonwoven Fabrics. The plant is located in Nasik.

1. Summary of Significant Accounting Policies

1.1 Basis of Preparation

Compliance with Ind AS

The Financial Statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the "Ind-AS") as notified by the Ministry of Corporate Affairs, pursuant to section 133 of the Companies Act 2013 (The Companies (Indian Accounting Standards) Rules, 2015) and comply in all material aspects with their provisions.

The financial statements up to year ended 31st March 2016 were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies Act, 2013. These financial statements for the year ended 31st March 2017 are the first, the Company has prepared in accordance with Ind-AS. Refer Note 32 for information on how the Company has adopted Ind-AS. The Company followed the provisions of Ind- AS 101 in preparing its opening Ind-AS Balance Sheet as of the date of transition, viz., 1st April 2015. Certain of the Company's Ind-AS accounting policies used in the opening Balance Sheet differed from its Indian GAAP policies applied as at 31st March, 2015 and accordingly the adjustments were made to restate the opening balances as per Ind-AS. The resulting adjustment arose from events and transactions before the date of transition to Ind-AS were recognized directly through retained earnings as at 1st April, 2015 as required by Ind- AS 101.

Historical Cost Conventions and Fair Value

These financial statements have been prepared on a historical cost basis, except for some assets and liabilities which have been measured at fair value, as specifically disclosed.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Reporting Presentation Currency

All amounts in the financial statements and notes thereon have been presented in Indian Rupees (INR) (reporting and primarily functional currency of the company) and rounded off to the nearest Lacs with two decimals, unless otherwise stated.

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1.2 Classification of Assets and Liabilities

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Ind-AS 1 notified under the Companies (Indian Accounting Standards) Rules, 2015. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, twelve months has been considered by the Company for the purpose of current/ non-current classification of assets and liabilities. However certain liabilities such as trade payables and some accruals for employee and other operating costs are part of the working capital used in the Company's normal operating cycle, accordingly classified as current liabilities even if they are due to be settled more than twelve months after the reporting period.

1.3 Accounting Estimates & Judgements and key sources of estimation uncertainty

Due to the nature of the Company's operations, critical accounting estimates and judgements principally relate to the:

- Tangible fixed assets (estimate useful life);
- Intangible fixed assets (estimate useful life)
- Impairment testing (if and when applicable)
- Provision inventories (obsoleteness / lower net realizable value)
- Provision for doubtful debts
- Provision for employee's post employment benefits (actuarial assumptions)

In preparing the financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period in which the same is determined.

The management of the Company makes assumptions about the estimated useful lives, depreciation methods or residual values of items of property, plant and equipment, based on past experience and information currently available. In addition, the management assesses annually whether any indications of impairment of intangible assets and tangible assets. The management of the Company believe that on balance sheet date no impairment indications were existing.

The management of the Company believe that the inventory balances on hand could be sold to the third parties at the disclosed value taking into consideration the condition of inventories held and current conditions in the market.

Furthermore, the management believe that the net carrying amount of trade receivables is recoverable based on their past experience in the market and their assessment of the credit worthiness of debtors at 31st March 2017. Such estimates are inherently imprecise and there may be additional information about one or more debtors that the management are not aware of, which could significantly affect their estimations.

The provisions for defined benefit plans have been calculated by a local (external) actuarial expert. The basic assumptions are related to the mortality, discount rate and expected developments with regards to the salaries. Management believes that the mortality tables used are general acceptable mortality tables the countries involved. The discount rate have been determined by reference to market yields at the end of the reporting period based on the expected duration of the obligation. The future salary increases have been estimated by using the expected inflation plus an additional mark-up based on historical experience and management expectations.

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1.4 **Operating Segments.**

Company operates in only one reportatable operating segment of Nonwoven Fabrics, in accordance withe Ind AS 108 (Operating Segments).

1.5 **Inventories**

Inventories are measured at lower of cost or net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials is determined on FIFO basis, cost of process chemicals, stores, packing materials are determined on weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Non usable wastes are valued at net realizable value.

1.6 **Excise Duty.**

Excise duty is accounted for and included in the closing stock valuation of finished goods.

1.7 **Property, Plant and Equipment**

Land, buildings, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes are stated at historical cost or deemed cost less accumulated depreciation (except Land) and any accumulated impairment losses. Cost comprises of purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

1.8 **Intangible Assets**

Intangible Assets are stated at cost less accumulated amortization.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of its intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible assets.

1.9 **Expenses on new projects, substantial expansion and during construction period**

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit & Loss. Income earned during construction period is deducted from the total of the indirect expenditure. Expenditure/ income arising during trial run is added to/ reduced from capital work-in-progress.

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1.10 Impairment of Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.11 Depreciation

Depreciation on buildings, machinery and equipment has been provided on straight-line basis over the estimated useful lives of the respective assets. Intangible assets are amortised over their estimated useful economic lives on straight line basis. Land and construction in progress are not depreciated. The estimated useful lives considered for providing depreciation on other substantial assets are as follows:

Factory Buildings - 30 Years
Non Factory Buildings - 60 Years
Plant & Machinery - 10-15 Years
Furniture and Fixtures - 10 Years
Office Equipments - 5 Years
Computers - 3 Year
Vehicles - 6-8 Years
Software - 4-6 Years
The residual values, estimated useful lives and depreciation methods of each items of property, plant and equipment are reassessed annually.

1.12 Leases

Operating Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the excepted inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

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1.13 Investments and other financial assets

Financial assets are initially measured on trade date at fair value, plus transaction costs. All recognised financial assets are subsequently measured in their entirety at either amortized cost or at fair value.

(a) Classification

The Investments and other financial assets has been classified as per Company's business model for managing the financial assets and the contractual terms of the cash flows.

(b) Measurement

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(b.1) Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company's classifies its debt instruments:

Amortised Cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss:

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises.

(b.2) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

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Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(c) **Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 47 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(d) **Derecognition of financial assets**

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

(e) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the Financial Statements when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(f) **Income recognition**

(f.1) **Interest Income**

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

(f.2) **Dividends**

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

1.14 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand, short-term deposits and highly liquid investments with an original maturity of three months or less which are readily convertible in cash and subject to insignificant risk of change in value.

1.15 Trade Receivables

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. If collection is expect to be collected within a period of 12 months or less from the reporting date, they are classified as current assets otherwise as non-current assets.

Trade receivables are measured at their transaction price unless it contains a significant financing component. Loss allowance for expected life time credit loss is recognized on initial recognition.

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1.16 Borrowings.

Borrowings are recognized initially at fair value, less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the statement of profit or loss over the period of the borrowings using the effective interest method.

1.17 Provisions.

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Provisions in the nature of long term are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

1.18 Employee Benefits

(i) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages etc. and the expected cost of bonus, exgratia, incentives are recognized in the period during which the employee renders the related service.

(ii) Post-Employment Benefits

(a) **Defined Contribution Plans**

State Government Provident Fund Scheme is a defined contribution plan. The contribution paid/payable under the scheme is recognized in the profit & loss account during the period during which the employee renders the related service.

(b) **Defined Benefit Plans**

The employee Gratuity Fund Scheme managed by a trust is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation under the projected unit credit method which recognizes each period of service as giving rise to additional unit of employees benefits entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on government securities as at balance sheet date, having maturity periods approximated to the returns of related obligations. In case of funded plans the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on net basis.

(c) The obligation for leave encashment is provided for and paid on yearly basis.

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(d) Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

1.19 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, and value added taxes.

Sale of Products

The Company recognizes revenue from sale of goods when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and significant risks and rewards of ownership have been transferred to the customer. No element of financing is deemed present in the sales.

1.20 Other Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognized in the income statement on the date the entity's right to receive payments is established.

Company has elected to present gains or losses arising from fair value adjustments of financial instruments, gains or losses on disposal of property, plant and equipment, gain or losses from disposal/redemption of investments and regular foreign currency transactions and translations as a separate line item "other gains/(losses) - net" on the face of the statement of profit and loss as permitted in para 85 of Ind AS 1.

1.21 Export Benefits

Export incentives in the form of Duty Draw back benefit is accounted for on accrual basis and treated as income from operations.

Advance licenses obtained against actual export made are being accounted on accrual basis based upon difference between domestic vs. imported raw material prices prevailing at the end of the period and is adjusted to raw material cost.

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1.22 Government Grants

Grants/Subsidy from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions. Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

Grants/Subsidy related to acquisition of property, plant & equipment are recognised in the balance sheet by setting up the grant as deferred income and are recognised in statement of profit and loss on a straight line basis on the expected remaining lives of the related assets/project and presented as net off from depreciation expenses of the period.

Other government grants (grants related to income) are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

1.23 Claims and Benefits

Claims receivable is accounted on accrual basis to the extent considered receivable.

1.24 Income Taxes

The income tax expense is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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1.25 Foreign currency transactions and translation

Transactions in foreign currencies are recorded in functional currency at the exchange rates prevailing at the date of the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rates prevailing at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss with the exception for exchange differences on foreign currency borrowings relating to qualifying assets under construction are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions. Non-monetary items measures at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item

1.26 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Transaction cost in respect of long-term borrowings are amortised over the tenure of respective loans using effective interest method. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

1.27 Contingent Liability and Contingent Assets

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

1.28 Earnings Per Share

Earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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Ind AS Amendment Issued, but not yet effective

Standards/ amendments issued but not yet effective up to March 31, 2017 are as follows. The Company intends to adopt these standards when they become effective.

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standard) (Amendments) Rules 2017, notifying amendments to Ind AS 7 "Statement of Cash Flow" and Ind AS 102 "Share based payment and would be applicable for the reporting period beginning on or after 1st April 2017. The amendments are in accordance with the recent amendment made by International Accounting Standard Board (IASB) to IAS 7 "Statement of Cash Flows" and IAS 2 "Share Based Payment" respectively.

The amendment to Ind AS 2 would be not applicable to the company. However company is evaluating the requirements of the amendment in Ind AS 7 with effect on the financial statements.

Amendments to Ind AS 7, 'Statement of cash flows' on disclosure initiative:
The amendment to Ind AS 7 introduce an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. This includes changes arising from cash flows (e.g. drawdowns and repayments of borrowings) and non-cash changes (i.e. changes in fair values), Changes resulting from acquisitions and disposals and effect of foreign exchange differences. Changes in financial assets must be included in this disclosure if the cash flows were, or will be, included in cash flows from financing activities.

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Notes to the financial statements for the year ended 31 March 2017

2. Property, plant and equipment

Rs in Lacs

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 1 April 2015	Additions	Deletions	As at 31 March 2016	As at 1 April 2015	Additions	Deletions	As at 31 March 2016	As at 1 April 2015	As at 31 March 2016
Tangible Assets										
Factory Building	-	5,554.57	-	5,554.57	-	132.11	-	132.11	-	5,422.46
Plant and equipment	-	36,093.14	-	36,093.14	-	1,771.60	-	1,771.60	-	34,321.53
Vehicles	4.43	10.35	4.06	10.72	-	0.71	-	0.71	4.43	10.01
Furniture and fixtures	62.75	12.93	-	75.68	-	7.51	-	7.51	62.75	68.17
Office equipments	16.03	11.85	-	27.88	-	4.56	-	4.56	16.03	23.32
Computer	19.78	77.85	-	97.63	-	24.15	-	24.15	19.78	73.48
Total	102.99	41,760.68	4.06	41,859.61	-	1,940.64	-	1,940.64	102.99	39,918.97
Capital work-in-progress	40,151.61	1,521.11	41,670.97	1.75	-	-	-	-	40,151.61	1.75
Total	**40,254.60**	**43,281.79**	**41,675.03**	**41,861.36**	**-**	**1,940.64**	**-**	**1,940.64**	**40,254.60**	**39,920.72**

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 31 March 2016	Additions	Deletions	As at 31 March 2017	As at 31 March 2016	Additions	Deletions	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017
Tangible Assets										
Factory Building	5,554.57	-	-	5,554.57	132.11	176.08	-	308.19	5,422.46	5,246.38
Plant and equipment	36,093.14	19.09	-	36,112.22	1,771.60	2,362.83	-	4,134.43	34,321.53	31,977.79
Vehicles	10.72	-	-	10.72	0.71	1.23	-	1.94	10.01	8.78
Furniture and fixtures	75.68	13.42	-	89.10	7.51	8.53	-	16.04	68.17	73.05
Office equipments	27.88	1.60	-	29.48	4.56	6.05	-	10.61	23.32	18.87
Computer	97.63	1.04	-	98.67	24.15	32.63	-	56.79	73.48	41.89
Total	41,859.61	35.15	-	41,894.76	1,940.64	2,587.35	-	4,527.99	39,918.97	37,366.77
Capital work-in-progress	1.75	69.56	1.75	69.56	-	-	-	-	1.75	69.56
Total	**41,861.36**	**104.71**	**1.75**	**41,964.32**	**1,940.64**	**2,587.35**	**-**	**4,527.99**	**39,920.72**	**37,436.33**

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Intangible Assets

Rs In Lacs

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 1 April 2015	Additions	Deletions	As at 31 March 2016	As at 1 April 2015	Additions	Deletions	As at 31 March 2016	As at 1 April 2015	As at 31 March 2016
Intangible Assets										
Softwares	10.68	82.15	-	92.84	-	13.20	-	13.20	10.68	79.64
Total	**10.68**	**82.15**	**-**	**92.84**	**-**	**13.20**	**-**	**13.20**	**10.68**	**79.64**

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 31 March 2016	Additions	Deletions	As at 31 March 2017	As at 31 March 2016	Additions	Deletions	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017
Intangible Assets										
Softwares	92.84	3.44	-	96.27	13.20	19.74	-	32.94	79.64	63.33
Total	**92.84**	**3.44**	**-**	**96.27**	**13.20**	**19.74**	**-**	**32.94**	**79.64**	**63.33**

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1. As Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant & equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

2. Additional disclosure as per previous GAAP

Summary showing Original Book Value as per previous GAAP (comprising separate Original Cost and Accumulated Depreciation thereon) is as follows:

Property, plant and equipment

Rs in Lacs

Particulars	As at 1- April -2015			As at 31 March 2016			As at 31 March 2017		
	Original Cost	Accumulated depreciation	Net Book Value	Original Cost	Accumulated depreciation	Net Book Value	Original Cost	Accumulated depreciation	Net Book Value
Tangible Assets									
Factory Building	-	-	-	5,554.57	132.11	5,422.46	5,554.57	308.19	5,246.38
Plant and equipment	-	-	-	36,093.14	1,771.60	34,321.53	36,112.22	4,134.43	31,977.79
Furniture and fixtures	72.25	9.50	62.75	85.18	17.01	68.17	98.60	25.55	73.05
Office equipments	20.76	4.73	16.03	32.61	9.29	23.32	34.21	15.34	18.87
Computer	28.08	8.30	19.78	105.93	32.45	73.48	106.97	65.08	41.89
Vehicles	6.22	1.78	4.43	10.35	0.34	10.01	10.35	1.56	8.78
Total	**127.31**	**24.32**	**102.99**	**41,881.77**	**1,962.80**	**39,918.97**	**41,916.92**	**4,550.15**	**37,366.77**
Capital work-in-progress	40,151.61	-	40,151.61	1.75	-	1.75	69.56	-	69.56
Total	**40,278.92**	**24.32**	**40,254.60**	**41,883.52**	**1,962.80**	**39,920.72**	**41,986.48**	**4,550.15**	**37,436.33**

Intangible Assets

Particulars	As at 1- April -2015			As at 31 March 2016			As at 31 March 2017		
	Original Cost	Accumulated depreciation	Net Book Value	Original Cost	Accumulated depreciation	Net Book Value	Original Cost	Accumulated depreciation	Net Book Value
Intangible Assets									
Softwares	14.03	3.34	10.68	96.18	16.54	79.64	99.61	36.29	63.33
Total	**14.03**	**3.34**	**10.68**	**96.18**	**16.54**	**79.64**	**99.61**	**36.29**	**63.33**

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Global Nonwovens Limited

Note to Accounts of Balance Sheet as at 31st March 2017. Rs in Lacs

	Note	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
3 Other Financial Assets				
Security Deposits		17.78	3.78	0.78
		17.78	3.78	0.78
4 Deferred Tax Assets (Net)				
Deferred Tax Assets on :				
- Tax Losses		5,857.97	4,737.05	-
- Defined Benefit Obligations		9.78	2.68	-
- Others		1,629.21	1,745.20	-
Total Deferred Tax Assets		7,496.97	6,484.94	-
Deferred Tax Liabilities on :				
- Property, Plant & Equipments		4,581.22	4,230.81	-
- Financial assets at Fair Value through Profit & Loss/ Others		75.66	-	-
Total Deferred Tax Liabilities		4,656.88	4,230.81	-
Total Deferred Tax Assets (Net)		2,840.08	2,254.13	-

Movement in Deferred Tax Assets (Net)

	Property, Plant and Equipments	Tax Losses	Defined Benefits Obligations
As at 1st April 2015			
Recognised :			
- To Profit & Loss	(4,230.81)	4,737.05	2.68
- To Other Comprehensive Income			
As at 31st March 2016	(4,230.81)	4,737.05	2.68
Recognised :			
- To Profit & Loss	(350.41)	1,120.92	7.10
- To Other Comprehensive Income			
As at 31st March 2017	(4,581.22)	5,857.97	9.78

	Others	Total
As at 1st April 2015		
Recognised :		
- To Profit & Loss	1,745.20	2,254.13
- To Other Comprehensive Income		
As at 31st March 2016	1,745.20	2,254.13
Recognised :		
- To Profit & Loss	(191.65)	585.95
- To Other Comprehensive Income		
As at 31st March 2017	1,553.55	2,840.08

*items for deferred tax liabilities has been presented in negative.

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	Note	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
5 Inventories				
Raw Material (including Goods in Transit)		1,358.81	753.33	234.28
Work In Progress		6.03	53.92	34.87
Finished Goods		1,057.37	504.93	283.07
Store, Spares and Tools		183.03	70.71	-
Packing Material		18.06	17.87	1.87
		2,623.30	1,400.76	554.09
5.1 Inventories valued at lower of cost or net realisable value.				
5.2 Includes Goods in Transit		707.84	-	-
6 Investments				
Investments in Mutual Fund Units				
HDFC Liquid Fund-Dividend-Daily Reinvest (No of Units March 2017 : Nil, March 2016 : Nil, 1st April 2015 : 1252974)		-	-	127.78
		707.84	-	127.78
7 Trade Receivables:				
Unsecured, Considered Good				
Trade Receivables		970.57	528.48	-
		970.57	528.48	-
8 Cash and Cash Equivalents				
Balances with banks:				
– In current accounts		120.04	27.02	158.65
Cash on hand		0.05	0.12	0.96
		120.09	27.14	159.62
9 Bank Balances other than (8) above				
Balances with banks:				
– Deposits with original maturity of more than three months		160.59	1,278.80	264.31
		160.59	1,278.80	264.31
10 Other Financial Assets				
Interest Accrued on Deposits		9.66	9.17	4.41
		9.66	9.17	4.41
11 Other Current Assets				
Balance with Government Authorities		783.01	999.55	690.00
Interest Subsidy Receivable		2,686.79	3,419.02	1,977.37
Capital Subsidy Recivable and Adv Licence Benefits		-	75.06	-
Prepaid Expenses		20.88	8.33	8.32
Advances against Supplies and Services		98.45	57.12	86.90
Advances/Imprest to Employees		16.96	5.93	0.18
		3,606.08	4,565.01	2,762.76

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12 : Equity Share Capital

(a) Authorised Share Capital

Equity Share Capital	No of Shares (Lacs)	Amount (in Lacs)
Equity Share Capital of Rs 10/- Each		
As at 1st April 2015	820.00	8,200.00
Add : Increase during the year		
As at 31st March 2016	820.00	8,200.00
Add : Increase during the year		
As at 31st March 2017	820.00	8,200.00

(b) Movements in Equity Share Capital

Equity Share Capital	No of Shares (Lacs)	Amount (in Lacs)
Equity Share Capital of Rs 10/- Each		
As at 1st April 2015	708.00	7,080.00
Add : Shares Issued during the year	106.60	1,066.00
As at 31st March 2016	814.60	8,146.00
Add : Shares Issued during the year	-	-
As at 31st March 2017	814.60	8,146.00

(c) Shares Held by the Holding Company

81460000 (Previous Year 49200000) shares held by Holding Company.

(d) Shareholders holding more than 5 percent Equity shares of the Company (Inclusive of share issued pursuant to the scheme of arrangement)

No of Shares in Lacs

Name of the Shareholders	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	No of Shares	% Holding	No of Shares	% Holding	No of Shares	% Holding
Jindal Polyfilms Ltd.	814.60	100%	492.00	60.40%	428.00	60.45%
Champak Niketan Pvt. Ltd.	-	-	200.00	24.55%	200.00	28.25%
Jorehaut Investment Pvt. Ltd.	-	-	80.00	9.82%	-	-
Mangal Gauri Vanijaya Pvt Ltd.	-	-	-	-	80.00	11.30%
Quality Sales Promotion Pvt. Ltd.	-	-	42.60	5.23%	-	-

(e) Terms/ rights attached to Equity shares

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no restriction on distribution of dividend, however same is subject to the approval of the shareholders in the Annual General Meeting of the Company.

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12 **Equity Share Capital**

Rs in Lacs

Particulars	As at 1st April 2015	Changes in equity share capital	As at 31st Mar 2016.	Changes in equity share capital	As at 31st Mar 2017
Equity Share Capital	7,080.00	1,066.00	8,146.00	-	8,146.00
Total	7,080.00	1,066.00	8,146.00	-	8,146.00

13 **Other Equity**

Rs. in Lacs

Particulars	Reserve and Surplus			Remeasurements of post employment benefit obligations (net of tax thereon)	Total
		General Reserve	Retained Earnings		
Balance as at 1st April 2015		-	(67.08)	-	(67.08)
Profit For the Year		-	(535.98)	-	(535.98)
Other Comprehensive Income For the Year		-	-	1.61	1.61
Total Comprehensive Income For the Year		-	(535.98)	1.61	(534.37)
Balance as at 31st Mar 2016.		-	(603.06)	1.61	(601.44)
Profit For the Year		-	(1,289.41)	-	(1,289.41)
Other Comprehensive Income For the Year		-		1.24	1.24
Total Comprehensive Income For the Year		-	(1,289.41)	1.24	(1,288.17)
Balance as at 31st Mar 2017.		-	(1,892.46)	2.85	(1,889.61)

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Note to Accounts of Balance Sheet as at 31st March 2017. Rs in Lacs

	Note	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
14 Borrowings				
(Non Current Borrowings)				
Non Current Portion				
Secured Borrowings From Banks				
Rupee Loans	(i)	20,996.45	25,272.91	28,767.85
Unsecured Borrowings				
Inter Corporate Borrowings	(ii)	6,200.00	5,100.00	5,250.00
		27,196.45	30,372.91	34,017.85
Current Portion				
Secured Borrowings From Banks				
Rupee Loans	(i)	3,976.00	4,417.00	-
		3,976.00	4,417.00	-
Total Non Current Borrowings		31,172.45	34,789.91	34,017.85
Less :				
Current Maturities of Long Term Debts (disclosed in		3,976.00	4,417.00	-
Non Current Borrowings (as per Balance Sheet)		27,196.45	30,372.91	34,017.85

Securities

(i) Global Nonwovens Ltd has availed a term loan of Rs 233.28 Crores and cost over run term loan of Rs.37.61 Crores from a consortium of three banks i.e ICICI, AXIS Bank, and EXIM Bank which carries interest @ MCLR one year+ "Spread "p.a repayable in 25 quarterly instalments from December 2016 against first Paripasu charge on all tangible movable and immovable assets of the project.

Further till date of Merger with Jindal Poly Film Limited, second paripasu charge on entire currents assets,present and future and above term loans are collaterally secured by Corporate Gurantee of Jindal Poly Films Limited .

Further the company has taken bank guarantee limit of Rs.15 Crore from Indusind bank, which is having the first paripasu charge on all fixed assets of the project.

(ii) The unsecured loan are repayable after April 2018.

		As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
15 Provisions				
Employee Benefits		31.43	19.39	10.78
		31.43	19.39	10.78
16 Other Non Current Liabilities				
Deferred Government Grants				
Opening Balance				
Add : Grants/Subsidy Accrued During the Year		5,647.91	5,929.94	-
Less : Released to Profit & Loss		375.37	282.04	-
Closing Balance of Deferred Government Grants		5,272.54	5,647.91	-
Less : Current Portion, disclosed in Note No.20		375.37	375.37	-
Deferred Government Grants (as per Balance Sheet)		4,897.17	5,272.54	-
		4,897.17	5,272.54	-

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	Note	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
17 Borrowings				
(Current Borrowings)				
Secured Borrowings				
From Banks	(i)	2,247.72	475.12	-
Total		2,247.72	475.12	-
Securities				

Note No.17.1 Working Capital Loans from ICICI Bank and Axis Bank are secured by way of hypothecation of all stocks of raw materials,work in process, semi finished goods and finished goods, Consumables stores and spares, and others movables current assets including books - debts, bills weather documentary or clean, both present and future. Note No.17.2 Till the date of Merger with Jindal Poly Film Limited, these are further secured by way of second pari-pasu charge on all tangible fixed assets of the Company and collaterally secured by Corporate Gurantee of Jindal Poly Films Limited.

Note No.17.2 Working Capital Loans from RBL Bank are secured by way of Subservient charge by way of hypothecation on current assets and movable fixed assets of the Company both present and future and Corporate Gurantee of Jindal Poly Films Limited.

	Note	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
18 Trade Payables				
Trade Payable	18.1	1,976.03	901.25	46.92
Trade Payables to Related Parties		118.64	55.57	-
		2,094.67	956.82	46.92

Note No. 18.1 Under the Micro, Small & Medium Enterprises Development Act 2006 (MSME Development Act), certain disclosures are required to be made relating to Micro Enterprises and Small Enterprises.The Company is in the process of compiling relevant information from its suppliers about their coverage under the Act. Since the relevant information is not readily available, no disclosures have been made in the accounts.

	Note	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
19 Other Financial Liabilities				
Current maturities of Long Term Debts		3,976.00	4,417.00	-
Interest accrued		386.16	245.17	444.62
Employees Payables		49.12	52.55	40.61
Security Deposits		6.46	-	-
Capital Creditors		75.47	158.41	2,500.39
		4,493.22	4,873.13	2,985.63
20 Other Current liabilities				
Current Portion of Deferred Government Grant		375.37	375.37	-
Amount received from and Credit balance of customers		28.75	34.42	7.58
Duties & Taxes		104.55	82.43	54.25
		508.67	492.21	61.83
21 Provisions				
Provision of Excise Duty on Finished Goods		117.49	56.10	-
Provision for Employee Benefit Obligations		4.62	4.84	3.11
		122.10	60.94	3.11

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Global Nonwovens Limited

Note to Accounts Statement of Profit and Loss For the Year ended 31st March 2017. Rs in Lacs

		For the Year Ended 31st March 2017	For the Year Ended 31st March 2016
22	**Revenue From Operations**		
	Sales of Products (Including Excise Duty)	14,072.23	6,428.07
	Other Operating Revenue		
	Duty drawback received	13.15	7.09
	Industrial Promotion Subsidy under Mega Project Incentives	221.50	148.84
		14,306.88	6,584.00
23	**Other Income and Other Gains/(Losses)**		
23 (a)	**Other Income**		
	Lease and Other Rent	0.70	-
	Interest Received	40.93	42.19
	Miscellaneous Income	3.20	-
		44.83	42.19
23 (b)	**Other Gains / (Losses)**		
	Net gain on disposal of property, plant and equipment	-	(0.81)
	Gain on sale of Investment in Mutual Fund Units (Net)	18.69	7.29
	Foreign exchange fluctuation (Net)	232.81	67.22
		251.50	73.70
24	**Cost Of Materials Consumed**		
	Raw Material etc.	8,270.79	3,884.19
		8,270.79	3,884.19
25	**Changes In Inventories Of Finished Goods,Work In Progress And Stock In Trade**		
	Opening Stock		
	Finished Goods	504.93	430.89
	Work In Progress	53.92	52.24
		558.85	483.13
	Closing Stock		
	Finished Goods	1,057.37	504.93
	Work In Progress	6.03	53.92
		1,063.41	558.85
		504.56	75.72
26	**Employee Benefit Expense**		
	Salaries, Wages ,Bonus & Other Benefits	781.93	471.22
	Gratuity and Contribution to Provident Fund	45.19	27.83
	Staff & Workmen Welfare Expenses	11.42	8.31
		838.53	507.35

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		For the Year Ended 31st March 2017	For the Year Ended 31st March 2016
27	**Finance Costs**		
	Interest on Financial Liabilities		
	On Term Loans	1,764.83	1,540.17
	On Bank Borrowings & Others	48.85	22.70
	Financial Charges	265.32	53.17
		2,079.01	**1,616.05**
28	**Depreciation and Amortization Expenses**		
	Depreciation of Property, Plant and Equipment	2,587.35	1,948.16
	Amortization of Intangible Assets	19.74	-
	Less : Proportionate Depreciation on assets covered on Govt Benefits/ TUFS Subsidy Scheme/Textile Policy	375.37	282.04
		2,231.73	**1,666.13**
29	**OTHER EXPENSES**		
	Stores and Spares Consumed	110.20	35.77
	Power and Fuel	1,347.78	724.08
	Repairs and Maintenance		
	Plant & Machinery	3.46	1.23
	Buildings	0.20	6.23
	Others	8.29	26.88
	Vehicle Hiring, Running and Maintenance	42.73	29.02
	Packing Material consumed	185.61	76.63
	Lease and Other Rent (Refer Note No.39)	106.29	80.64
	Rates & Taxes	24.00	2.97
	Travelling & Conveyance	28.78	38.88
	Postage & Telephone charges	19.20	12.13
	Legal & Retainership Charges	68.25	27.24
	Water & Electricity Charges	5.85	-
	Insurance	25.82	12.74
	Auditors' Remuneration (Refer Note 30)	2.03	2.03
	Printing & Stationery	4.02	5.82
	Miscellaneous expenses	80.76	28.98
	Freight, Cartage & Octroi	207.22	229.77
	Commission and Other Selling Expenses	9.59	26.92
	Bank Charges	22.85	14.95
		2,302.91	**1,382.90**
30	**Remuneration to Auditors' comprises:**		
	Audit Fees	1.50	1.50
	Certification charges	0.28	0.53
	Tax Audit Fees	0.25	-
		2.03	2.03
31	**Earnings Per Shares**		
	Profit attributable to the Equity Shareholders	(1,289.41)	(535.98)
	Weighted average No of Equity Shares outstanding (Nominal Value of Equity Shares - Rs 10/- each)	814.60	800.91
	Basic and Diluted Earnings per Share (Rs.)	(1.58)	(0.67)

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32 **First Time Adoption of Ind AS**

32.1 **Transition to Ind AS**

The Company has adopted The Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act 2013 from April 1, 2016 and accordingly financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS, prescribed under Section 133 of the Companies Act 2013 read with the relevant rules issued thereunder. These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet as at 1 April 2015 (the transition date).

In preparing the opening Ind AS balance sheet as at 1st April 2015, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). The impact of transition has been made in the Reserves as at 1st April 2015 in accordance with the Ind AS 101 and the figures of the previous year ended 1st April 2015 and 31st March 2016 have been presented/restated after incorporating the applicable Ind AS adjustments.

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

32.2 **Optional Exemptions Availed**

Set out below are the applicable Ind AS 101 optional exemptions applied in the transition from previous GAAP to Ind AS.

(a) Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant & equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

(b) Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments.

(c) Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The Company has elected to apply this exemption for such contracts/arrangements.

32.3 **Exceptions availed**

Set out below are the applicable Ind AS 101 mandatory exceptions applied in the transition from previous GAAP to Ind AS.

(a) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP. Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVPL(Fair Value through Profit & Loss) or FVOCI (Fair value through other Comprehensive income);
- Investment in debt instruments carried at FVPL(Fair Value through Profit & Loss).
- Impairment of financial assets based on expected credit loss model
- Determination of the discounted value for financial instruments carried at amortised cost

(b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

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32.4 **Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

32.4.1 **Reconciliations of Balance Sheet * as per previous GAAP and Ind AS :**

Rs in Lacs

	Ref Note - 36.4.5	As at 31st March 2016			As at 1st April 2015		
		Previous GAAP	Adjustment	Ind AS	Previous GAAP	Adjustment	Ind AS
Assets							
(1) Non Current Assets							
(a) Property, Plant and Equipment		39,918.97	-	39,918.97	102.99	-	102.99
(b) Capital work-in-progress		1.75	-	1.75	40,151.61	-	40,151.61
(c) Intangible Assets		79.64	-	79.64	10.68	-	10.68
(d) Financial Assets				-			-
Other Financial Assets		3.78	-	3.78	0.78	-	0.78
(e) Deferred Tax Assets (Net)		2,254.13	-	2,254.13	-	-	-
Total Non Current Assets		42,258.26	-	42,258.26	40,266.06	-	40,266.06
(2) Current Assets							
(a) Inventories		1,400.76	-	1,400.76	554.09	-	554.09
(b) Financial Assets							
(i) Investments		-	-	-	127.78	-	127.78
(ii) Trade Receivables		528.48	-	528.48	-	-	-
(iii) Cash and Cash Equivalents		27.14	-	27.14	159.62	-	159.62
(iv) Bank Balances other than (iii) above		1,278.80	-	1,278.80	264.31	-	264.31
(v) Other Financial Assets		9.17	-	9.17	4.41	-	4.41
(d) Other Current Assets		4,565.01	-	4,565.01	2,762.76	-	2,762.76
Total Current Assets		7,809.36	-	7,809.36	3,872.97	-	3,872.97
Total Assets		50,067.63	-	50,067.63	44,139.03	-	44,139.03

	Ref Note - 36.4.5	As at 31st March 2016			As at 1st April 2015		
		Previous GAAP	Adjustment	Ind AS	Previous GAAP	Adjustment	Ind AS
Equity And Liabilities							
(1) Equity							
(a) Equity Share capital		8,146.00	-	8,146.00	7,080.00	-	7,080.00
(b) Other Equity	(f)	5,046.46	(5,647.91)	(601.44)	(67.08)	-	(67.08)
Total Equity		13,192.46	(5,647.91)	7,544.56	7,012.92	-	7,012.92
(2) Non Current Liabilities							
(a) Financial Liabilities							
Borrowings		30,372.91	-	30,372.91	34,017.85	-	34,017.85
(b) Provisions		19.39	-	19.39	10.78	-	10.78
(c) Other Non Current Liabilities	(f)	-	5,272.54	5,272.54	-	-	-
Total Non Current Liabilities		30,392.30	5,272.54	35,664.84	34,028.62	-	34,028.62
(3) Current Liabilities							
(a) Financial Liabilities							
(i) Borrowings		475.12	-	475.12	-	-	-
(ii) Trade Payables		956.82	-	956.82	46.92	-	46.92
(iii) Other Financial Liabilities		4,873.13	-	4,873.13	2,985.63	-	2,985.63
(b) Other Current liabilities	(f)	116.85	375.37	492.21	61.83	-	61.83
(c) Provisions		60.94	-	60.94	3.11	-	3.11
Total Current Liabilities		6,482.86	375.37	6,858.23	3,097.48	-	3,097.48
Total Equity and Liabilities		50,067.63	-	50,067.63	44,139.03	-	44,139.03

* For the purpose of above disclousers, figures for the previous GAAP have been reclassified to conform presentation requirements under Ind AS and the requirements laid down in Division II to the Schedule II of the Companies Act 2013.

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32.4.2 Reconciliation of total comprehensive income for the year ended 31 March 2016*

	Ref Note - 36.4.5	As at 31st March 2016		
		Previous GAAP	Adjustment	Ind AS
Revenues				
Revenue from Operations	(b)	6,131.01	452.99	6,584.00
Other Income		42.19	-	42.19
Other Gains/(Losses)		73.70	-	73.70
Total Revenue		6,246.90	452.99	6,699.89
Expenses				
Cost of Materials Consumed		3,884.19	-	3,884.19
Changes in Inventories of Finished goods, Work-in-Progress and Stock-in-Trade	(b)	(75.72)	-	(75.72)
Excise Duty Expenses	(b)	-	509.10	509.10
Employee Benefits Expense		505.74	1.61	507.35
Finance Costs		1,616.05	-	1,616.05
Depreciation and Amortization Expense		1,666.13	-	1,666.13
Other Expenses		1,439.01	(56.10)	1,382.90
Total Expenses		9,035.39	454.61	9,490.00
Profit before Exceptional Items and Tax		(2,788.49)	(1.61)	(2,790.11)
Exceptional Items		-		-
Profit Before Tax		(2,788.49)	(1.61)	(2,790.11)
Tax Expense				
Current Tax		-	-	-
Deferred Tax		(2,254.13)	-	(2,254.13)
Profit for the Year		(534.37)	(1.61)	(535.98)
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
- Remeasurements of defined benefit obligations (net of tax thereon)		-	1.61	1.61
Other Comprehensive Income for the year, net of tax		(534.37)	-	(534.37)

* For the purpose of above disclousers, figures for the previous GAAP have been reclassified to conform presentation requirements under Ind AS and the requirements laid down in Division II to the Schedule II of the Companies Act 2013.

32.4.3 Reconciliation of total equity as at 31 March 2016 and 1 April 2015

Rs in Lacs

	Ref Note - 36.4.5	As at 31st Mar 2016	As at 1st April 2015
Total equity (shareholder's funds) as per previous GAAP		5,046.46	(67.08)
Classification of Government Grant from Reserve to Liability referred as Deferred Government Grants	(f)	(5,647.91)	-
Other Equity as per Ind AS		(601.44)	(67.08)

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32.4.4 **Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2016**

	Ref Note - 36.4.5	Previous GAAP	Adjustment	Ind AS
Net cash inflow/(outflow) from operating activities		(4,291.45)	-	(4,291.45)
Net cash inflow/(outflow) from investing activities		3,408.66	-	3,408.66
Net cash inflow/(outflow) from financing activities	(h)	750.31	-	750.31
Net increase/(decrease) in cash and cash equivalents		(132.48)	-	(132.48)
Cash and cash equivalents as at 1 April 2015		159.62	-	159.62
Cash and cash equivalents as at 31 March 2016		27.14	-	27.14

32.4.5 **Explanatory Notes to First Time Adoption are as follows:**

(a) Fair Valuation of Investments

Under the previous GAAP, investments mutual fund units and others instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value.

Now in accordance with Ind AS 109 (Financial Instruments), investment in Mutual Fund Units have been classified as fair value through statement of Profit and Loss.

(b) Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended 31 March 2016 by Rs 452.99 Lacs. There is no impact on the total equity and profit.

(c) Re-measurements of post-employment benefit obligations

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2016 increased by Rs 1.61 Lacs. There is no impact on the total equity as at 31 March 2016.

(d) Remesurement of Defined Benefits Liabilities/ assets, earlier to transition date

Indian Accounting Standard on Employee Benefits (Ind AS 19) allows the entity to transfer amounts recognised in the Other Comprehensive Income within equity and Company has taken recourse to this provision while preparing the opening balance sheet. Since actuarial gains or losses in all past periods would have been recognised within profit or loss (a component of equity), we believe that no adjustment is required in preparing the opening balance sheet.

(e) Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans and fair value gains or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

(f) Government Grants/ Subsidy

As per earlier GAAP, Government grants has been credited to capital reserve and treated as a part of shareholders' funds. Now In accordance with Ind AS 20 (Government Grants), Subsidy has been reclassified as Deferred Liability and would be recognised in statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Accordingly Government Grants aggregating Rs 5647.91 Lacs has been regrouped from capital reserve to deferred government grants liability.

(g) Tax Implications

Tax impact includes deferred tax impact, wherever applicable as per provisions of Ind AS 12 (Income Taxes), on account of difference between previous GAAP and Ind AS.

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33 Fair Value Measurements

33.1 Financial instruments by category

Rs In Lacs

	As at 31 March 2017			As at 31 March 2016			As at 1 April 2015		
	FVTPL	Amortised Cost		FVTPL	Amortised Cost		FVTPL	Amortised Cost	
Financial assets									
Investments									
Mutual Funds	-		-	-	-	-	127.78	-	-
Other non-current financial assets	-	17.78	-	-	3.78	-	-	0.78	-
Trade receivables	-	970.57	-	-	528.48	-	-	-	-
Cash and cash equivalents	-	120.09	-	-	27.14	-	-	159.62	-
Bank balances other than above	-	160.59	-	-	1,278.80	-	-	264.31	-
Other current financial assets	-	9.66	-	-	9.17	-	-	4.41	-
	-	1,278.69	-	-	1,847.36	-	127.78	429.11	-
Financial liabilities									
Borrowings	-	27,196.45	-	-	30,372.91	-	-	34,017.85	-
Short terms borrowings	-	2,247.72	-	-	475.12	-	-	-	-
Trade payables	-	2,094.67	-	-	956.82	-	-	46.92	-
Other current financial liabilities	-	4,493.22	-	-	4,873.13	-	-	2,985.63	-
	-	36,032.05	-	-	36,677.98	-	-	37,050.39	-

33.2 Fair Value Hierarchy

(a) This section explains the judgements and estimates made in determining the fair values of the financial instruments. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial assets and liablities measured at fair value Rs In Lacs

	As at 1 April 2015			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at FVTPL				
Investments				
Mutual Fund Units	127.78	-	-	127.78
Total	127.78	-	-	127.78

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year

(b) **Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:
- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 or level 3, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

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(c) Fair value estimation

Estimated fair value disclosures of financial instruments are made in accordance with the requirements of Ind AS 107 "Financial Instruments: Disclosure". Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in forced or liquidation sale. As no readily available market exists for a large part of the Company's financial instruments, judgment is necessary in arriving at fair value, based on current economic conditions and specific risks attributable to the instrument. The estimates presented herein are not necessarily indicative of the amounts the Company could realize in a market exchange from the sale of its full holdings of a particular instrument.

The following summarizes the major methods and assumptions used in estimating the fair values of financial instruments.

Interest-bearing borrowings

Fair value is calculated based on discounted expected future principal and interest cash flows. The carrying amount of the Company's loans due after one year is also considered as reasonable estimate of their fair values as the nominal interest rates on the loans due after one year are variable and considered to be a reasonable approximation of the fair market rate with reference to loans with similar credit risk level and maturity period at the reporting date.

Trade and other receivables / payables

Receivables / payables typically have a remaining life of less than one year and receivables are adjusted for impairment losses. Therefore, the carrying amounts for these assets and liabilities are deemed to approximate their fair values, as the allowance for estimated irrecoverable amounts is considered a reasonable estimate of the discount required to reflect the impact of credit risk.

Other long term receivables

These receivables are regularly reviewed and adjusted for impairment losses. Therefore, management considers the carrying amount of these receivables to approximate fair value.

(d) Valuation process

The accounts & finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee (AC).

Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every three months, in line with the Company's quarterly reporting periods.

The main level 3 inputs for unlisted equity securities, contingent considerations and indemnification asset used by the Company are derived and evaluated as follows:

• Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
• Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the Company's internal credit risk management group.
• Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period during the quarterly valuation discussion between the CFO, AC and the valuation team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

34 Financial risk management

(a) Risk management framework

In the ordinary course of business, the Company is exposed to a different extent to a variety of financial risks: foreign currency risk, interest rate risk, liquidity risk, price risk and credit risk. In order to minimize any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in financial instruments.

The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely both in domestic and export market. The Management impact analysis shows credit risk and impact assessment as low.

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Trade and other receivables

Credit risk is the risk that a customer may default or not meet its obligations to the company on a timely basis, leading to financial losses by the Company. The management has an advance collection /credit policy criteria in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. Before accepting a new customer, the Company uses an internal credit system to assess the potential customer's credit quality and defines credit limits separately for each individual customer. The gross carrying amount of trade receivables as at 31st March 2017 aggregates Rs 970.57 Lacs (Previous year ended 31st March 2016 Rs 528.48 Lacs) and only insignificant trade receivables are due for more than six months from the reporting date. The Company reviews for any required allowance for impairment that represents its expected credit losses in respect of trade receivables.

Investments are reviewed for any fair valuation loss on periodically basis and necessary provision/fair valuation adjustments has been made based on the valuation carried by the management to the extent available sources, the management does not expect any investment counterparty to fail to meet its obligations.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due. The Company's liquidity position is carefully monitored and managed. The Company has in place a detailed budgeting and cash forecasting process to help ensure that it has adequate cash available to meet its payment obligations.

The following table provides details of the remaining contractual maturity of the Company's financial Liabilities. It has been drawn up based on the undiscounted cash flows and the earliest date on which the Company can be required to pay. The table includes only principal cash flows.

Rs in Lacs

	Carrying Amounts 31 March 2017	Contractual cash flows				
		Total	0 to 1 years	1 to 2 years	2 to 5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	27,196.45	27,196.45	-	4,632.00	14,754.00	7,810.45
Short term borrowings	2,247.72	2,247.72	2,247.72	-	-	-
Trade payables	2,094.67	2,094.67	2,094.67	-	-	-
Other current financial liabilities	4,493.22	4,493.22	4,493.22	-	-	-
Total non-derivative liabilities	**36,032.05**	**36,032.05**	**8,835.60**	**4,632.00**	**14,754.00**	**7,810.45**

	Carrying Amounts 31 March 2016	Contractual cash flows				
		Total	0 to 1 years	1 to 2 years	2 to 5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	30,372.91	30,372.91	-	4,424.00	15,772.00	10,176.91
Short term borrowings	475.12	475.12	475.12	-	-	-
Trade payables	956.82	956.82	956.82	-	-	-
Other current financial liabilities	4,873.13	4,873.13	4,873.13	-	-	-
Total non-derivative liabilities	**36,677.98**	**36,677.98**	**6,305.07**	**4,424.00**	**15,772.00**	**10,176.91**

	Carrying Amounts 1 April 2015	Contractual cash flows				
		Total	0 to 1 years	1 to 2 years	2 to 5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	34,017.85	34,017.85	3,744.00	4,424.00	15,272.00	10,577.85
Short term borrowings	-	-	-	-	-	-
Trade payables	46.92	46.92	46.92	-	-	-
Other current financial liabilities	2,985.63	2,985.63	2,985.63	-	-	-
Total non-derivative liabilities	**37,050.39**	**37,050.39**	**6,776.54**	**4,424.00**	**15,272.00**	**10,577.85**

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices mainly comprise three types of risk: currency rate risk, interest rate risk and other price risks. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as at March 31, 2017 and March 31, 2016. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company uses derivatives like forward contracts to manage market risks on account of foreign exchange.

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Currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and Euro. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (Rupees). Currency risks related to the principal amounts of the Company's foreign currency payables, have been partially hedged using forward contracts taken by the Company.

Exposure to currency risk

The summary of quantitative data about the Company's exposure (Unhedged) to currency risk as reported to the management of the Company is as follows :

Rs in Lacs

Nature	Cross Currency	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
		Foreign Currency	INR (In Lacs)	Foreign Currency	INR (In Lacs)	Foreign Currency	INR (In Lacs)
Financial Liabilities							
Trade and Other Payables	USD : INR	22.25	1,442.45	7.55	501.08	0.53	33.02
Trade and Other Payables	EURO : INR	32.64	2,260.11	0.56	41.70	23.57	1,574.86
Financial Assets							
Trade Receivables	USD : INR	3.34	216.79	1.41	93.55	-	-

The following significant exchange rates have been applied

	As at 1st April 2015	As at 31st March 2016	As at 31st March 2017
USD	62.47	66.33	64.84
EURO	66.83	75.03	69.25

Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31 March 2017 and 31 March 2016, the Company's borrowings at variable rate were denominated in Rs. Currently the Company's borrowings are within acceptable risk levels, as determined by the management, hence the Company has not taken any swaps to hedge the interest rate risk.

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35 Income Tax

	For the year ended 31st March 2017	For the year ended 31st March 2016
		Rs In Lacs
35.1 Income tax expenses recognised in Statement of Profit and Loss		
Current income tax expense for the year	-	-
Deferred Tax		
Deferred income tax (benefit)/expense for the year	(585.95)	(2,254.13)
MAT Credit Entitlement		-
Total income tax expense recognised in statement of profit and loss for the year	(585.95)	(2,254.13)
35.2 Reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of comprehensive income		
Income before income taxes	(1,875.36)	(2,790.11)
Indian Statutory Income Tax Rate	30.900%	30.900%
Estimated income tax expenses	(579.49)	(862.14)
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Investment Allowance	-	(1,392.94)
Others	(6.47)	0.95
	(585.95)	(2,254.13)

36 Capital Management

The Company manages its capital to ensure to continue as a going concern while maximizing the return to the equity holders through optimization of the debt to equity balance. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual , sourcing of capitalised one through judicious combination of equity and borrowing , both short term and long term.

Consistent with others in the industry, the Company monitors capital on the basis of the optimum gearing ratio of Net debt (comprising total borrowings net of cash & bank balances and current investment) in proportion to Total Equity.

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Debt to Equity Ratio :	5.30	4.50	4.77

37 Details of specified bank notes held and transacted by company during the period November 8, 2016 to December 30, 2016:

Rs In Lacs

Particulars	Specified Bank Notes(SBNs)	Other Denomination Notes	Total
Closing cash in hand as on November 8, 2016	-	0.13	0.13
(+) Permitted receipts	-	2.20	2.20
(-) Permitted payments	-	0.99	0.99
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on December 30, 2016	-	1.33	1.33

Specified Bank Notes is defined as Bank Notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees.

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38 Contingent Liabilites and Capital Commitments

Rs in Lacs

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
38.01 Contingent Liabilites :			
Bank Guarantee issued for EPCG	1,074.50	1,074.50	1,033.21
Bank Guarantee issued for MPCB/MSEDCL	245.00	245.00	245.00
38.02 The estimated Value of Contracts Remaining to be Executed on Capital Account to the extent not Provided for (Net of Advances)	125.32	114.94	1,284.30

39 The Company has taken certain premises on cancellable/non-cancellable operating lease arrangements:

Rs in Lacs

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
39.01 Nashik Factory			
a) Major term of agreements are as under:			
Pariculars			
Lease payments recognized as Pre-operative Expenses during the period	-	15.00	60.00
Lease payments recognized in Statement of Profit & Loss	60.00	45.00	-
Tenure of Lease	15 Years	15 Years	15 Years
Lease deposit	-	-	-
b) The Total of Future Minimum lease payment under non-cancelable operating Lease for each of the following Period are as under :			
i) Not later than 1Year	62.83	60.00	60.00
ii) Later Than 1Year and not later than 5 Years	264.00	260.83	254.83
iii) Later Than 5 years	397.90	463.90	529.90
39.02 Delhi Office			
a) Major term of agreements are as under			
Pariculars			
Lease payments recognized in Statement of Profit & Loss	32.55	-	-
Tenure of Lease	3 Year	-	-
Lease deposit	15.00	-	-
b) The Total of Future Minimum lease payment under non-cancelable operating Lease for each of the following Period are as under :			
i) Not later than 1Year	55.80	-	-
ii) Later Than 1Year and not later than 5 Years	79.05	-	-
iii) Later Than 5 years	-	-	-

40 Related Party Transactions:

1. Relationships :

a) Holding Company

1. Jindal Polyfilms Limited

b) Fellow Subsidiaries

1. Jindal Films India Ltd
2. JPF Netherland B.V.
3. JPF Dutch B.V.
4. JPF USA Holding LLC
5. Jindal Films Americas LLC
6. Films Macedon LLC
7. Jindal Films Europe Virton LLC
8. Jindal Films Europe Brindsi Srl
9. Jindal Films Europe Kerkrade B .V.
10. Jindal Films Europe S.a.r.l
11. Jindal Films Singapore Pte. Ltd.
12. Jindal Films Shanghai Co. Ltd.
13. Jindal Films Europe Virton S.p.r.l
14. Jindal Imaging Ltd.
15. Jindal Photo Imaging Ltd.
16. Jindal Films Europe Services S.a.r.l
17. Jindal Packaging Trading DMCC (incorporated dated 25 August 2016)
18. Rexor SAS (w.e.f 17th July,2016)

c) Associates of Holding Company

1. Rexor SAS (till 16th July, 2016)
2. Hindustan Powergen Ltd.

d) Major Shareholder of Holding Company

1. Jindal Photo Investment Ltd
2. Rishi Trading Company
3. Soyuz Trading Company Ltd

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e) **Key Management Personnel**

1. Mr. Ghanshyam Dass Singal
2. Mr. Sanjeev Kumar Agarwal
3. Mr. Muthukumar Semeul
4. Mr. Vijender Kumar Singhal

2. **Following transactions were carried out with related Parties in the ordinary course of business:**

Rs in Lacs

	As at 31st March 2017	As at 31st March 2016
1. Holding Company		
Jindal Polyfilms Limited		
Lease Rent paid during the year	68.95	68.36
Purchase of Packing Materials	-	0.08
Reimbursment of Expenses	0.20	10.88
Unsecured Loan taken	-	-
Unsecured Loan Payable at year end	700.00	700.00
Interest on Unsecured Loan Payable at year end	174.86	113.44
Interest on Unsecured Loan paid	68.25	-
Outstanding Rent etc Payable	118.64	55.57
2. Major Shareholder of Holding Company		
Jindal Photo Investment Limited		
Unsecured Loan taken	-	-
Unsecured Loan repaid	200.00	1,432.00
Unsecured Loan Payable at year end	200.00	400.00
Interest on Unsecured Loan Payable at year end	2.94	19.12
Interest on Loan paid	32.43	232.57
3. Key Management Personnel		
a Mr.Muthukumar Samuel		
Salary & Allowances	40.50	35.26
b Mr. Vijender Kumar Singhal		
Salary & Allowances	38.67	-

41 Disclosure on Employee Benefits

Rs in Lacs

	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(a) Defined Contribution Plans			
Provident Fund recognise in profit & loss a/c / pre - operative*	31.82	17.53	-
(b) Defined Benefits Plans			
(i) Leave Encashment			
Leave Encashment recognise in profit & loss a/c / pre - operative	4.39	4.68	3.47
Provision for Earned Leaves (Non Funded)*	4.41	4.73	3.06

* Provision for Leave Encashment has been made as a Short Term Employment Benefit . Therefore , Company has not obtained the Acturial Valuation.

(ii) Gratuity Scheme

The Present Value of the defined benefit obligation and the related current service cost were measure using the Projected unit method with actuarial valuations being carried out at the balance sheet date.

The Following tables set out the status of the Gratuity Plan and amounts recognised in the company's Financial Statements as at 31st March, 2017,31st March 2016, 31st March 2015 being the respective measurement date :

	Note	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
i. Change in benefit obligation				
A. Present Value of Obligation as at the beginning of the year		19.51	10.82	4.24
B.Current Service Cost		11.81	9.46	6.10
C.Interest Cost		1.56	0.84	0.36
D. Benefit Paid		-	-	-
E. Actuarial (Gain) / Loss		(1.24)	(1.61)	0.13
F. Present Value of obligation (F = A+B+C+D+E)		31.65	19.51	10.83
ii. Expense Recognised in the Profit and Loss Account/Pre Operative Expenses				
A. Current Service Cost		11.81	9.46	6.09
B. Interest Cost		1.56	0.84	0.36
C. Actuarial (Gain)/Loss		(1.24)	(1.61)	0.13
D. Net Charge (A+ B+ C)		12.14	8.68	6.59
iii. Principal Actuarial Assumptions				
A. Discount Rate (p.a)	1	7.35	8.00	7.75
B. Salary Escalation Rate(p.a)	2	6.00	6.00	6.00

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Note

1. The Discount Rate is based on the Prevailing Market Yields of Indian Government Securities as at the Balance Sheet date for the estimated term of obligations.
2. The estimated of Future Salary increases considered takes into account the inflation, Seniority, Promotion and other Relevant Factors.
3. The Gratuity plan is unfunded

iv. **Demographic Assumptions**

1.Retirement Age	58	58	58
2.Mortality Rate	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
3.Ages	Withdrawal Rate (%)	Withdrawal Rate (%)	Withdrawal Rate (%)
Upto 30 Years	3	3	3
From 31 to 44 Years	2	2	2
Above 44 Years	1	1	1

42 Segment Reporting

42.1. The Segment Revenue taking the Geographical Segments are disclosed as under:

	As at 31st March 2017	As at 31st March 2016
Segment Revenue - Turnover		
1. Within India	11,288.43	4,148.03
2. Outside India	2,835.40	2,280.04

42.2. **Major Customer**

Sales of the Company is evenly distributed, disclosure of major customer could not be made

43.Corporate Social Responsibility

43.01 As per Sec 135(1) of Companies Act 2013, Corporate Social Responsibility is not appilcable to the Company.

44. Disclosures on Advance Licence

44.01 A sum of Rs.40.31 Lacs being custom duty expense on account of excess import made during the year, for which export under advance licence yet to be made, has been adjusted in the cost of raw material. In the previous year a sum of Rs.28.16 Lacs being custom duty benefits on account of excess exports made for which import under advance licence yet to be made.

45. Capital Subsidy and Interest Subsidy

45.01 **Capital Subsidy**

During the previous year 2015-16, the Company has been granted government grants of Rs.3052.94 Lacs as per Technology Upgradation Fund Scheme for Textile & Jute Industries by Ministry of Textiles, Govt. of India for purchase of machineries. Further Rs.2877.00 Lacs was also granted by Government of Maharashtra under Textile policy for 2011-2017 as 10% capital subsidy to new textile units in Maharashtra for purchase of new machineries. The above grant totalling to Rs.5929.94 Lacs have been shown as Government Grants under head of Other Non Current Liabilities. The amount of Rs. 375.37 Lacs (P.Y. Rs. 282.04 Lacs) equal to depriciation on Plant & Machineries against which these grants are related has been transfer from Other Non Current Liabilities to Statement of Profit & Loss and the same has been netted off with depriciation expense.

45.02 **Interest Subsidy**

The Company has accounted for Rs. 1049.71 Lacs (P.Y. Rs. 1282.70 Lacs) as subsidy under TUFS (Technology Upgradation Funded Scheme) by Ministry of Textile, Govt. of India, which is received / receivable in the form of Reimbursement of Interest paid by the company to the lending agencies for the loan disbursed and the same has been reduced from the interest expense charged during the financial year.

Further the Company has also accounted for Rs. 1037.89 Lacs (P.Y. Rs.1368.22 Lacs) as interest subsidy on long term loans to textile projects granted by Govt. of Maharashtra under Textile Policy, which has also been reduced from the interest expense charged during the year.

46 Disclosures on EPCG

46.01 The Company is under obligation to export six times of the duty saved on import of capital goods under EPCG scheme of the Central Government. In the opinion of Management, the company will fullfil the export obligation within their respective time period.

47 Disclosures on Mega Project Incentive Scheme

47.01 Under Mega Project Incentive Scheme approved by the Government of Maharashtra, the Company is entitled to industrial promotion subsidy to the extent of 100% of the capital investment or taxes paid to the State Government, whichever is lower. During the year subsidy receivable under the above said scheme amounting to Rs.221.50 Lacs (P.Y. 148.84 Lacs) has been shown as Income under head other Operating Revenue.

UBS & CO New Delhi Chartered Accountant

Singal

GLOBAL NONWOVEN LTD

48. The Board of Directors of the Company at its meeting held on 23rd August 2016 has approved the scheme of amalgamation of GlobalNonwovensLimited ("AmalgamatingCompany"), a wholly owned subsidiary with Jindal Poly Films Limited ("Amalgamated Company").

As per the scheme, the amalgamating company shall stand transferred to and be vested in the amalgamated company. This scheme has been approved by BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") vide letter 14th October, 2016. Thereafter Petition was filed with Hon'ble High Courts, Allahabad and Mumbai; latter on matter was transferred to National Company Law Tribunal (NCLT), Allahabad Bench and Mumbai Bench by respective High Courts. Now the National Company Law Tribunal (NCLT), Allahabad Bench in its hearing held on 7th April,2017 has sanctioned the Scheme and matter is now pending before the National Company Law Tribunal (NCLT),Mumbai Bench. Pending approval and filling with Registrar of Companies (ROC), financial statements of amalgamating company has not been incorporated in amalgamated companyas at 31st March 2017.

49. The Company has started the commercial production w.e.f 1st July, 2015 and previous year figures are for the period of 01.07.2015 to 31.03.2016, whereas current year figures are for full year, hence the same are not comparable to that extent.

50. Previous GAAP figures have been reclassified/regrouped to conform to the presentation requirements under IndAS and the requirements laid down in Division-II to the Schedule-III of the Companies Act 2013.

As per our report of even date attached

For UBS & Company
Chartered Accountants
Firm Registration No : 012351N

Bhimraj Agarwal
Partner
M No : 090909
Place: New Delhi
Date: 24/05/2017

UBS & CO. New Delhi Chartered Accountant

For and on behalf of the Board of Directors

Muthukumar Samuel
Whole Time Director
DIN - 06981352

G.D.Singal
Whole Time Director
DIN - 00708019

V.K. Singhal
(Chief Financial Officer)

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