



GARWARE
TECHNICAL FIBRES

Better Ideas in Action

Garware Technical Fibres Limited

(Formerly Garware-Wall Ropes Limited)

Regd. Off.: Plot No. 11, Block D-1, M.I.D.C., Chinchwad, Pune - 411 019.

CIN: L25209MH1976PLC018939; Telephone No.: (+91-20) 27990000;

E-mail: pune_admin@garwarefibres.com;

Website: www.garwarefibres.com

NOTICE

Notice is hereby given that the FORTY-SECOND (42nd) ANNUAL GENERAL MEETING of the Company will be held at Auto Cluster Auditorium, Auto Cluster Development & Research Institute Limited, H-Block, Plot No. C-181, Off Old Pune - Mumbai Highway, Chinchwad, Pune - 411 019 on Tuesday, 17th September, 2019 at 10:30 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, and adopt:
 - a. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2019, together with the Reports of the Board of Directors and Auditors; and
 - b. the Audited Consolidated Financial Statements for the financial year ended 31st March, 2019 and the Report of the Auditors.
2. To declare Dividend on equity shares for the financial year ended 31st March, 2019.
3. To appoint a Director in place of Dr. S. S. Rajpathak (DIN 00040387), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. Ratification of Cost Auditors' remuneration:

To consider, and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014, the payment of remuneration of Rs. 5,60,000/- (Rupees Five Lakh Sixty Thousand only) plus applicable taxes and re-imbursement of actual traveling and out-of-pocket expenses to M/s. Joshi Apte & Associates, appointed as Cost Auditors (Firm Registration No. 000240), by the Board of Directors based on recommendation by the Audit Committee, to conduct the Audit of the Cost Records in respect of the Products covered under the said Rules for the financial year ended 31st March, 2020, be and is hereby ratified and approved."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including a Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, relevant, and / or expedient for giving effect to this resolution."

5. Appointment of Ms. Mallika Sagar (DIN 02228386) as a Non-executive Independent Director of the Company:

To consider, and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Regulations 16(1)(b) and 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations, 2015"], Ms. Mallika Sagar (DIN 02228386), who was appointed as an Additional Director pursuant to provision of Section 161(1) of the Act and the Articles of Association of the Company by the Board of Directors based on recommendation by the Nomination and Remuneration Committee of the Board of Directors of the Company and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that she meets the criteria of Independence as provided in the Act and SEBI (LODR) Regulations, 2015, and whose appointment is recommended by the Nomination and Remuneration Committee and in respect of whom the Company has received notice in writing from a Member proposing her candidature for the office of Director under Section 160 of the Act, be and is hereby appointed as Non-executive Independent Director of the Company with effect from 30th May, 2019 to hold office for a term of 18 (Eighteen) months or till the conclusion of the next Annual General Meeting of the Company, whichever is earlier and who shall not be liable to retire by rotation."

6. Re-appointment of Mr. R. M. Telang (DIN 00092103) as a Non-executive Independent Director of the Company:

To consider, and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force) and to comply with the provisions of Regulation 16(1)(b) and 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations, 2015"], Mr. R. M. Telang (DIN 00092103) (aged 77 years), a Non-executive Independent Director of the Company, whose current term of office shall expire on 24th September, 2019, and who has submitted a declaration that he meets the criteria of Independence and who is eligible for re-appointment under the provisions of the Act and SEBI (LODR) Regulations, 2015 and whose re-appointment is recommended by the Nomination and Remuneration Committee of the Board of Directors of the Company and in respect of whom the Company has received notice in writing from a Member proposing his candidature for the office of Director under Section 160 of the Act, be and is hereby re-appointed as a Non-executive Independent Director of the Company, to hold office for a second term of 05 (five) consecutive years with effect from 25th September, 2019 to 24th September, 2024, and who shall not be liable to retire by rotation."

7. Re-appointment of Mr. S. P. Kulkarni (DIN 00006914) as a Non-executive Independent Director of the Company:

To consider, and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force) and to comply with the provisions of Regulation 16(1)(b) of the SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations, 2015"], Mr. S. P. Kulkarni (DIN 00006914), a Non-executive Independent Director of the Company, whose current term of office shall expire on 24th September, 2019, and who has submitted a declaration that he meets the criteria of Independence and who is eligible for re-appointment under the provisions of the Act and SEBI (LODR) Regulations, 2015 and whose re-appointment is recommended by the Nomination and Remuneration Committee of the Board of Directors of the Company and in respect of whom the Company has received notice in writing from a Member proposing his candidature for the office of Director under Section 160 of the Act, be and is hereby re-appointed as a Non-executive Independent Director of the Company to hold office for a second term of 05 (five) consecutive years with effect from 25th September, 2019 to 24th September, 2024, and who shall not be liable to retire by rotation."

8. **To approve the continuation of payment of remuneration to Mr. V. R. Garware (DIN 00092201), Chairman & Managing Director of the Company:**

To consider, and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in order to comply with the provisions of Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ["SEBI (LODR) Regulations, 2015"] the consent of the Members be and is hereby accorded for continuation of payment of remuneration to Mr. V. R. Garware, Chairman & Managing Director of the Company, as per the terms and conditions approved by the Members by passing an Ordinary Resolution at the 39th Annual General Meeting held on 10th August, 2016 and subsequently modified by passing a Special Resolution at the 40th Annual General Meeting held on 4th August, 2017, even if total annual remuneration payable to Mr. V. R. Garware, Chairman & Managing Director may exceed Rs. 5/- Crores (Rupees Five Crores only) or 2.5 per cent of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, whichever is higher, in any year, till remainder period of term of his appointment i.e., upto 30th November, 2021."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including a Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, relevant, and / or expedient for giving effect to this resolution."

9. **To approve the borrowing limit pursuant to provisions of Section 180(1)(c) of the Companies Act, 2013:**

To consider, and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, of the Companies Act, 2013 ("the Act") read with Rules made thereunder (including any amendment thereto or re-enactment thereof, for the time being in force), and the Articles of Association of the Company and subject to such approvals, consents and permissions, as may be necessary, the consent of the Members be and is hereby accorded to the Board of Directors of the Company to borrow from time to time, any sum or sums of money, which together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid-up share capital, free reserves and securities premium, provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 500/- Crores (Rupees Five Hundred Crores only) or equivalent amount in any other foreign currency as it may deem requisite for the purpose of the business of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including a Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, relevant, usual and / or expedient for giving effect to this resolution."

10. **To approve the limit for Loans and Investment by the Company pursuant to the provisions of Section 186 of the Companies Act, 2013:**

To consider, and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any amendment thereto or re-enactment thereof, for the time being in force), and subject to such approvals, consents and permissions, as may be necessary, the consent of the Members be and is hereby accorded to the Board of Directors of the Company to (a) give any loan to any person(s) / body corporate(s); (b) give any guarantee or provide security in connection with a loan to any person(s) / body corporate(s); and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, which, together with loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all person(s) / body corporate(s) may exceed, at any time, the limits prescribed under Section 186 of the Act, but shall not at any time, exceed Rs. 500 Crores (Rupees Five Hundred Crores only)."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including a Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, relevant and / or expedient for giving effect to this resolution."

By Order of the Board of Directors

Sunil Agarwal

Company Secretary

FCS No.: 6407

Pune,

30th May, 2019

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (the "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF ONLY ON A POLL AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The proxy form, in order to be effective, must be deposited at the Registered Office of the Company not less than forty-eight (48) hours before the time fixed for the commencement of the Meeting.

A person can act as a proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten (10) percent of the total share capital of the Company carrying voting rights. A Member holding more than ten (10) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.

A Member of a Company registered under Section 8 of the Companies Act, 2013, shall not be entitled to appoint any other person as his proxy unless such other person is also a Member of the Company.

3. A Corporate Member intending to send its authorised representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013, is requested to send to the Company a certified copy of the Board Resolution authorising such representative to attend and vote on its behalf at the Meeting.
4. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, relating to Special Business to be transacted at the Meeting is annexed hereto.
5. At the 40th Annual General Meeting of the Company, the Members approved appointment of M/s. Mehta Chokshi & Shah, Chartered Accountants (Firm Registration No. 106201W), as the Statutory Auditors of the Company to hold office from the conclusion of 40th Annual General Meeting till the conclusion of the 45th Annual General Meeting of the Company, subject to ratification of their appointment at every Annual General Meeting. However, pursuant to the provisions of the Companies (Amendment) Act, 2017, effective from 7th May, 2018, the requirement of seeking approval for ratification of appointment of Statutory Auditors by Members of the Company at every Annual General Meeting is omitted. Therefore, the Company is not seeking any ratification of appointment of M/s. Mehta Chokshi & Shah, Chartered Accountants as the Statutory Auditors of the Company, by the Members at the 42nd Annual General Meeting of the Company.
6. Members are requested to notify immediately the change, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number, ECS mandates, nominations, power of attorney, bank account details, etc., to their Depository Participant(s) ["DP"(s)] in case the Equity Shares are held by them in electronic form and to the Company's Registrar and Share Transfer Agent, quoting folio number.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 11th September, 2019 to Tuesday, 17th September, 2019 (both days inclusive), for the purpose of determining the names of Members eligible for dividend on Equity Shares, if declared at the Meeting.
8. The Dividend of Rs. 5.00/- per equity share (50%) of the nominal value of Rs. 10/- each for the year ended 31st March, 2019, as recommended by the Board of Directors, if declared at the Meeting, will be paid, subject to the provisions of the Companies Act, 2013, on or after Tuesday, 17th September, 2019, in respect of shares held in physical form, to those Members whose names appear on the Register of Members as on Tuesday, 17th September, 2019, and in respect of shares held in dematerialised form, to those "Deemed Members" whose names appear in the statement of Beneficial Ownership furnished by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") at the close of business hours on Tuesday, 10th September, 2019.
9. With a view to provide protection against fraudulent encashment of dividend warrant, Members are requested to provide the bank account numbers along with the names and addresses of the concerned banks to enable the Company to incorporate the said details in the dividend warrants. Further, the Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account details for all Members holding shares in physical form.
10. Pursuant to Provisions of Sections 124 and 125 of the Companies Act, 2013 (Section 205A and 205C of erstwhile Companies Act, 1956), any money transferred to the Unpaid Dividend Account which remains unpaid or unclaimed for a period of 07 (seven) years from the date of such transfer, shall be transferred by the Company to a fund called "Investor Education and Protection Fund" (the "IEPF") established by the Central Government.

Accordingly, the unclaimed dividends up to the financial year 2010-2011 have been transferred by the Company to the IEPF.

The unpaid / unclaimed dividend for the financial year 2011-12 and onwards will become transferable to the IEPF at the end of 07 (seven) years from the respective dates of transfer of such amounts to the Unclaimed Dividend Accounts of the Company. Members are, therefore, requested to check and send their claims, if any, for the relevant financial year 2011-12 and onwards before the respective amounts become due for transfer to the IEPF.

The Ministry of Corporate Affairs ("MCA") notified the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 on 5th September, 2016 ("IEPF Rules"), which is applicable to the Company. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial year 2011-2012 and onwards, as on the date of the 41st Annual General Meeting of the Company held on 11th September, 2018, on the website of the Company viz. www.ganwarefibres.com.

Members are also requested to note that, pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the IEPF Rules, the Company is obliged to transfer all shares, in respect of which dividend has remained unpaid or unclaimed for 07 (seven) consecutive years or more to demat account of the IEPF Authority to be opened for said purpose.

In compliance with the aforesaid Rules, the Company has transferred equity shares pertaining to financial year 2010-11 to IEPF Authority after providing necessary intimation to concern Members.

The eligible Members are entitled to claim the shares or apply for refund of dividend to IEPF Authority by making an application in prescribed Form.

11. Members / Proxies / Authorised Representatives attending the Meeting are requested to bring their copies of Annual Report along with duly filled attendance slips.
12. Members who hold shares in dematerialised form are requested to write their DP ID. and Client ID. Numbers and those who hold shares in physical form are requested to write their Folio Numbers in the attendance slips for attending the Meeting.
13. Queries, if any, on the accounts should be sent to the Company at its Registered Office such that the Company will receive the same at least 07 (seven) days before the Meeting.
14. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
15. Non-Resident Indian Members are requested to inform the Company, immediately of:
 - a. Change in their residential status on return to India for permanent settlement.
 - b. Particulars of their Bank Account maintained in India with complete name, branch, account type, MICR number, account number and address of the bank with pin code number, if not furnished earlier.
16. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agent.
17. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names, are requested to send the Share Certificate(s) to the Company for consolidation of their holdings into a single folio.

18. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013, will be available for inspection by the Members at the Meeting.
19. Electronic copy of the Annual Report is being sent to all the Members whose email IDs are registered with the Company / DP unless any Member has requested for a hard copy of the same. Accordingly, the Annual Report of the Company for the financial year ended 31st March, 2019, will be sent in electronic form to those Members who have registered their e-mail addresses with their DPs which are made available to the Company by the Depositories. However, in case a Member wishes to receive a physical copy of the Annual Report, such Member is requested to send an e-mail duly quoting his folio / DP ID and Client ID, as the case may be, to secretarial@garwarefibres.com / pune@linkintime.co.in. Please note that the Annual Report will also be uploaded on the website of the Company viz. www.garwarefibres.com.
20. As per the provisions of the Regulation 40 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, with effect from 1st April, 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. Therefore, Members who still hold share certificates in physical form are advised to get their shares dematerialised.
21. All documents referred to in this Notice and accompanying explanatory statement are open for inspection at the registered office of the Company on all working days (except Saturday, Sunday and Public Holidays) of the Company between 11.00 a.m. to 1.00 p.m. upto the date of this Meeting and at the venue of this Meeting for the duration of this Meeting.
22. Disclosure pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Secretarial Standard – 2 on General Meetings issued by Institute of Company Secretaries of India with respect to Director seeking re-appointment / appointment / continuation of appointment at the Meeting is given in explanatory statement annexed to this Notice.

I. Voting through electronic means

- (i) In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its Members the facility to exercise their right to vote at the Forty-Second Annual General Meeting of the Company by Electronic Means ("e-Voting") and the business may be transacted through e-Voting services provided by CDSL.
- (ii) For Members attending the Meeting who have not cast their vote by remote e-Voting, the Company shall be making arrangements for the Members to cast their votes in respect to the business stated in this Notice through polling paper. The Members who have cast their votes by remote e-Voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

II. The instructions for e-voting are as under:

- (i) The voting period begins on Saturday, 14th September, 2019, (9.00 a.m.) and ends on Monday, 16th September, 2019, (5.00 p.m.). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the Cut-off date Tuesday, 10th September, 2019 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter and Members shall not be allowed to vote beyond the said date and time. A person, who is not member as on Cut-off date should treat this Notice for information purposes only.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Log on to the e-Voting website www.evotingindia.com.
- (iv) Click on "Shareholders" / "Members" tab.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user, follow the steps given below:
For Members holding shares in Demat Form and Physical Form

For Members holding shares in Demat Form and Physical Form	
PAN	<ul style="list-style-type: none"> Enter your 10 digit alpha-numeric PAN issued by the Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company / DP are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Bank Account Number Or Date of Birth (DOB)	<ul style="list-style-type: none"> Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the Depository or Company, please enter the Member Id / Folio Number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.
Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN of the Company on which you choose to vote.

- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option "YES" or "NO" as desired. The option "YES" implies that you assent to the Resolution and option "NO" implies that you dissent to the resolution.
 - (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
 - (xv) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly, modify your vote.
 - (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xvii) You can also take out a print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (xviii) If a Demat account holder has forgotten the login password, then, enter the User ID and the image verification code and click on "Forgot Password" and enter the details as prompted by the system.
 - (xix) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
 - (xx) Note for Non-Individual Members & Custodians:
 - Non-individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdsindia.com.
 - After receiving the login details, they have to create a Compliance User using the admin login and password. The Compliance User would be able to link the account(s) linked in the login which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdsindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same or the same may be sent by email to the scrutinizer at devulkarcs@gmail.com.
 - (xxi) In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdsindia.com or contact Mr. Sunil Agarwal, Company Secretary at the Registered office address or Tel. (020) 27990000 or e-mail at secretarial@garwarefibres.com.
 - (xxii) Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch date of this Notice and holds shares as of the Cut-off date i.e. Tuesday, 10th September, 2019 and whose PAN is not updated nor received the intimation of sequence number, may obtain the login ID and sequence number by sending a request to Link Intime India Pvt. Ltd., Registrar and Share Transfer Agent of the Company.
- III. a. Mr. S. V. Deulkar, Partner (CP No. 965) or failing him Mr. Sridhar Mudaliar, Partner (CP. No. 2664) of M/s. S. V. D. & Associates, Company Secretaries (CP No. 965) has been appointed as Scrutinizer to scrutinize voting process in a fair and transparent manner and in accordance with the applicable laws.
- b. The Scrutinizer shall, immediately after the conclusion of voting at the Meeting, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-Voting in the presence of at least 02 (two) witnesses not in the employment of the Company and make, not later than 48 (forty-eight) hours of the conclusion of the Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- c. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company and on the website of CDSL immediately after the declaration of results by the Chairman or a person authorised by him in writing. The results shall also be communicated to Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited where the equity shares of the Company are listed.

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out the material facts relating to the business mentioned under Item Nos. 4 to 10 of the accompanying Notice dated 30th May, 2019.

Item No. 4:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, the Company is required to appoint a Cost Auditor to conduct the audit of the cost records in respect of the products covered under the said Rules for the financial year ending on 31st March, 2020. Accordingly, M/s Joshi Apte & Associates, Cost Accountants have been appointed as the Cost Auditors of the Company for the financial year 2019-20 by the Board of Directors in its meeting held on 30th May, 2019, on the recommendation of the Audit Committee of the Company for conducting the audit of the concerned cost records maintained by the Company.

The Board of Directors has fixed a remuneration of Rs. 5,60,000/- (Rupees Five Lakh Sixty Thousand only) plus applicable taxes and re-imbursement of actual traveling and out-of-pocket expenses. In terms of Section 148(3) of the Companies Act, 2013 and Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the cost auditors, as fixed by the Board of Directors is required to be ratified by the Company.

None of the Directors and Key Managerial Personnel and their respective relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of this Notice.

The Board of Directors commends the resolution set out at Item No. 4 for ratification by the Members of the Company as an Ordinary Resolution.

Item No. 5:

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and in pursuance of the recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company, the Board of Director of the Company at their meeting held on 30th May, 2019, appointed Ms. Mallika Sagar (DIN 02228386), as an Additional Director, who holds office up to the date of this Annual General Meeting.

Pursuant to the provisions of Sections 149, 150 and 152 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Board of Directors recommends the appointment of Ms. Mallika Sagar as Non-executive Woman Independent Director of the Company with effect from 30th May, 2019, to hold the office for a term of 18 (Eighteen) months or till the conclusion of the next Annual General Meeting of the Company, whichever is earlier and who shall not be liable to retire by rotation.

Ms. Mallika Sagar has submitted a declaration in writing that she meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(i)(b) of the SEBI (LODR) Regulations, 2015.

The Company has also received from her, (i) consent in writing to act as a Director, in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Section 164(2) of the Companies Act, 2013 and (iii) a declaration that she is not debarred or disqualified from holding the office of Director, by virtue of any order passed by SEBI, Ministry of Corporate Affairs or any other such Authority.

The Company has received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013, proposing the candidature of Ms. Mallika Sagar for the office of Director of the Company.

The Board of Directors considers that her rich business / industry experience of over 20 years, especially in the field of Sales and Marketing would be of immense use to the Company. In the opinion of the Board of Directors, Ms. Mallika Sagar fulfils the criteria of Independent Director, as envisaged in Section 149(6) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Qualification of Directors) Rules 2014 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015.

Copy of draft letter setting out the terms and conditions of appointment of the above Director shall be open for inspection in physical or in electronic form by the Members at the registered office of the Company during normal business hours on any working day, excluding Saturday.

The Board of Directors commends the resolution set out at Item No. 5 for approval of the Members of the Company as an Ordinary Resolution.

Ms. Mallika Sagar is not related to any of the Directors or Key Managerial Personnel of the Company in terms of Section 2(77) of the Companies Act, 2013.

Except Ms. Mallika Sagar, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the Resolution under the resolution mentioned at Item No. 5.

Brief profile of Ms. Mallika Sagar:

Ms. Mallika Sagar (aged 43 years) is having Bachelor of Arts degree in History of Art from Bryn Mawr College in the United States and trained as an Auctioneer with world renowned auction house Christie in New York.

Ms. Mallika Sagar has experience of more than twenty years, in the field of sales and auction of Ancient, Modern and Contemporary Indian Art. Ms. Sagar has developed a wide network of contact with prominent people from diverse field. She has served on the advisory panel of the National Gallery of Modern Art, Mumbai.

Ms. Mallika Sagar is also Director of Manisha Trading and Investments Pvt. Ltd. and Mara Trading Pvt. Ltd. She does not hold Membership / Chairmanship of Committees of other Boards.

Ms. Mallika Sagar does not hold any shares in the Company.

Item No. 6 & 7:

The Members of the Company at 37th Annual General Meeting of the Company held on 25th September, 2014, approved the appointments of Mr. R. M. Telang (DIN 00092103) and Mr. S. P. Kulkarni (DIN 00003914) as Non-executive Independent Directors of the Company, for a term of 05 (five) consecutive years. The said term shall expire on 24th September, 2019.

Pursuant to the provisions of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ["SEBI (LODR) Regulations, 2015"] the Members of the Company at the 41st Annual General Meeting held on 11th September, 2018, had passed the Special Resolution for continuing the appointment of Mr. R. M. Telang, being more than 75 years of age, as Non-executive Independent Director of the Company to hold the office for the remaining term of his appointment, i.e. upto 24th September, 2019.

As per the provisions of Section 149(10) of the Companies Act, 2013, Independent Director shall be eligible for re-appointment for another term of upto 05 (five) consecutive years on the Board of a Company upon passing of Special Resolution by the Members of the Company.

Accordingly, the Board of Directors of the Company at their meeting held on 30th May, 2019, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, recommend the re-appointment of Mr. R. M. Telang (aged 77 years) and Mr. S. P. Kulkarni as Non-Executive Independent Directors of the Company to hold offices for a second term of 05 (five) consecutive years with effect from 25th September, 2019, as set out in the Resolutions relating to their respective re-appointment.

The Company has received notices in writing from Members under the provisions of Section 160 of the Companies Act, 2013, proposing the candidatures of Mr. R. M. Telang and Mr. S. P. Kulkarni for the office of Directors of the Company.

Mr. R. M. Telang and Mr. S. P. Kulkarni have submitted declarations in writing that they meet the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 (1)(b) of the SEBI (LODR) Regulations, 2015.

The Company has also received from them, (i) consents in writing to act as Directors, in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) intimations in Form DIR-8 in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that they have not disqualified under Section 164 (2) of the Companies Act, 2013 and (iii) declarations that they are not debarred or disqualified from holding the office of Directors, by virtue of any order passed by SEBI, Ministry of Corporate Affairs or any other such Authority.

The experience of both Mr. R. M. Telang and Mr. S. P. Kulkarni in the business domain, in which the Company operates, has been a immense value to the Company and their contribution in the decision making by the Board of Directors is equally valuable.

The Board of Directors is of the opinion that both Mr. R. M. Telang Mr. S. P. Kulkarni are the persons of integrity, possess vast experience and their rich experience of over 50 years and 45 years respectively, and their association as Non-executive Independent Directors would be of immense use and beneficial and in the best interest of the Company.

In the opinion of the Board of Directors, Mr. R. M. Telang and Mr. S. P. Kulkarni fulfils the criteria of Independent Director, as envisaged in Section 149(6) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Qualification of Directors) Rules 2014 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015.

Further, pursuant to provision of Regulation 17(1A) of the SEBI (LODR) Regulations, 2015, consent of the Members by way of Special Resolution is also required for continuation of a Non-executive Director beyond the age of 75 (seventy five) years. Mr. R. M. Telang is more than 75 (seventy five) years of age. The Special Resolution under Item No. 6, once passed, shall also be deemed as your approval as required under the SEBI (LODR) Regulations, 2015 for appointment of Mr. R. M. Telang as Independent Director.

Copy of draft letters setting out the terms and conditions of appointment of the above Directors shall be open for inspection in physical or in electronic form by the Members at the registered office of the Company during normal business hours on any working day, excluding Saturday.

The Board of Directors commends the resolutions set out at Item Nos. 6 & 7 for approval of the Members of the Company as Special Resolutions.

Mr. R. M. Telang and Mr. S. P. Kulkarni are not related to any of the Directors or Key Managerial Personnel of the Company in terms of Section 2(77) of the Companies Act, 2013.

Except Mr. R. M. Telang and Mr. S. P. Kulkarni none of the other Directors, Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in the Resolutions mentioned at Item Nos. 6 & 7.

Brief profile of Mr. R. M. Telang:

Mr. R. M. Telang (aged 77 years), is a B. Tech. (Chemical Engineer), graduated in the year 1963 from Nagpur University. Mr. R. M. Telang is having more than 50 years of rich experience in the field of polymer and chemical technology.

Mr. R. M. Telang, has been closely associated with the Company since the beginning and had served the Company as Technical Director from 1977 to 1989 and thereafter, as a Whole-time Technical Director till he retired in April 2000.

Mr. R. M. Telang was associated in setting up manufacturing units for Garware Marine Industries Limited and Cordage and Fish Net Divisions of Garware Technical Fibres Limited and also in setting up manufacturing unit of Garware Elastomerics Limited and Garware Beststretch Limited.

Mr. R. M. Telang was first appointed on the Board on 1st July, 1989.

Mr. R. M. Telang holds Directorship in Oceanic Floats Private Limited. He does not hold Membership / Chairmanship of Committees of other Boards.

Mr. R. M. Telang does not hold any shares in the Company.

Other details such as the number of Meetings of the Board attended during the financial year 2018-19 and remuneration drawn has been given in Corporate Governance Report, which forms part of the Annual Report.

Brief profile of Mr. S. P. Kulkarni:

Mr. S. P. Kulkarni (aged 69 years) holds a Bachelor's degree in Electrical Engineering from Pune University and a Masters degree on Management Studies from Bombay University both in first class with distinction.

Mr. Kulkarni joined Garware Nylons Limited as a Management Trainee in the year 1973 and rose to the position of Executive Director. Later, Mr. Kulkarni also worked as a Head of Exports and Projects Group of Garware-Wall Ropes Ltd. (now known as Garware Technical Fibres Ltd.)

Thereafter, Mr. Kulkarni worked in Garware Elastomerics Limited, for thirteen years, out of which, for more than nine years, as Director / Whole-time Director until his retirement on 30.04.2011.

During his professional career of over 45 years, Mr. Kulkarni has been involved in various functional areas such as general management, accounts and finance, manufacturing, engineering, technology, administration, commercial, marketing, exports, diversification and expansion projects, etc.

Mr. Kulkarni was first appointed on the Board on 21st July, 2007.

Mr. Kulkarni is Director of Deshmukh & Co. (Publishers) Private Limited. He does not hold Membership / Chairmanship of Committees of other Boards.

Mr. Kulkarni does not hold any shares in the Company.

Other details such as the number of Meetings of the Board attended during the financial year 2018-19 and remuneration drawn has been given in Corporate Governance Report, which forms part of the Annual Report.

Item No. 8:

The Members of the Company at the 39th Annual General Meeting of the Company held on 10th August, 2016, had approved the re-appointment of Mr. V. R. Garware (DIN 00092201) as the Managing Director designated as Chairman & Managing Director (CMD) of the Company and the terms of his re-appointment including remuneration payable to him for the period from 1st December, 2016 to 30th November, 2021 as per the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, by way of passing of an Ordinary Resolution.

Further, at the 40th Annual General Meeting of the Company held on 4th August, 2017, the Members of the Company, by passing of the Special Resolution, partially modified terms and conditions of re-appointment of Mr. V. R. Garware, relating to commission to be paid to Mr. V. R. Garware, Chairman & Managing Director of the Company, every year, based on the performance of the Company for that particular year, such that total remuneration for any financial year shall not exceed 10 (ten) percent of the net profits of the Company from 1st April, 2017, till remainder of term of his appointment i.e., upto 30th November, 2021 by keeping other terms and conditions of his appointment unchanged.

The newly inserted Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 inter-alia stipulates that the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if the annual remuneration payable to such executive director exceeds rupees Rs. 5 Crore (Rupees Five Crore only) or 2.5 per cent of the net profits of the listed entity, whichever is higher;

Mr. V. R. Garware is a promoter of the Company, and therefore, the provisions of Regulation 17(6)(e) of the SEBI (LODR) Regulations, 2015 gets attracted.

As stated hereinabove, the Members have already passed a Special Resolution at the 40th Annual General Meeting of the Company held on 4th August, 2017, inter alia, according to its approval for the payment of remuneration to Mr. V. R. Garware, such that total remuneration for any financial year shall not exceed 10 (ten) percent of the net profits of the Company. However, the approval of the Members is specifically sought, to comply with requirements stipulated in above referred SEBI (LODR) Regulation.

The Board of Directors commends the resolution set out at Item No. 8 for approval of the Members of the Company as a Special Resolution.

Except Mr. V. R. Garware and Ms. Mayuri V. Garware, being related to Mr. V. R. Garware, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the Resolution under the resolution mentioned at Item No. 8.

Item No. 9

Section 180(1)(c) of the Companies Act, 2013 permits the Company to borrow money which, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid-up share capital, free reserves and securities premium, only if the same is approved by the Members of the Company.

Considering long term strategic and business objectives and meeting working capital requirements of the Company, it is considered expedient to approach the Members of the Company to approve the limit so as to authorise the Board of Directors to borrow from time to time, any sum or sums of money, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid-up share capital, free reserves and securities premium, provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 500 Crores (Rupees Five Hundred Crores only) or equivalent amount in any other foreign currency as it may deem requisite for the purpose of the business of the Company.

The Board of Directors commends the resolution set out at Item No. 9 for approval of the Members of the Company as a Special Resolution.

None of the Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution except to the extent of their shareholding, if any, in the Company.

Item No. 10

The Company has been making investments in and giving loans to various persons and bodies corporate (including its subsidiary) from time to time, in compliance with the applicable provisions of the Act.

The provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person(s) / other body corporate(s); (b) give any guarantee or provide security in connection with a loan to any person(s) / body corporate(s); and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. Further, the said section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Companies Act, 2013, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting.

In view of the above and considering the long term strategic and business objectives of the Company, which requires the Company to make sizeable loans / investments and issue guarantees / securities to person(s) / bodies corporate(s), from time to time, prior approval of the Members is being sought.

Accordingly, the Board of Directors of the Company proposes to obtain approval of Members of the Company by way of Special Resolution for an amount not exceeding Rs. 500 Crores, (Rupees Five Hundred Crores only), notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided or to be provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

The Board of Directors commends the resolution set out at Item No. 10 for approval of the Members of the Company as a Special Resolution.

None of the Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution except to the extent of their shareholding, if any, in the Company.

ADDITIONAL INFORMATION ON DIRECTOR SEEKING RE-APPOINTMENT AT THE FORTY-SECOND ANNUAL GENERAL MEETING**Dr. Shridhar Shrikrishna Rajpathak (DIN 00040387):**

Dr. Shridhar Shrikrishna Rajpathak (DIN No. 00040387) (aged 69 years) holds B.Com (Hons), P.G.D.B.M. and M.B.S. (Marketing) degree from University of Pune. He has also been awarded Ph. D. on thesis subject- "A Treatise on Utilization of Fisheries Resources for Sustainable Growth".

During his professional carrier of more than 46 years, Dr. Rajpathak has been involved in various functional areas such as accounting and finance, costing, marketing, indirect taxation, export procedure, international laws on taxation, etc. Dr. Rajpathak was closely associated with Garware Technical Fibres Limited for last 22 years. He was involved in overall strategic Management and looking after all commercial activities of the organization.

Dr. Rajpathak was first appointed on the Board on 24th May, 2017.

Dr. Rajpathak holds Directorship in Garware Environmental Services Pvt. Ltd. He does not hold Membership / Chairmanship of Committees of other Boards and does not hold any shares in the Company.

Dr. Rajpathak holds 300 shares of the Company as on 31st March, 2019 and he is not related to any other Director and Key Managerial Personal of the Company.

Other detail such as the number of Meetings of the Board attended during the financial year 2018-19 and remuneration drawn has been given in Corporate Governance Report, which forms part of the Annual Report.

By Order of the Board of Directors

Sunil Agarwal

Company Secretary

FCS No.: 6407

Pune,

30th May, 2019



GARWARE
TECHNICAL FIBRES

Better Ideas in Action

Garware Technical Fibres Limited

(Formerly Garware-Wall Ropes Limited)

Regd. Off.: Plot No. 11, Block D-1, M.I.D.C., Chinchwad, Pune - 411 019.

CIN: L25209MH1976PLC018939; Telephone No.: (+91-20) 27990000;

E-mail: pune_admin@garwarefibres.com;

Website: www.garwarefibres.com

Form No. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management & Administration) Rules, 2014]

PROXY FORM

CIN: L25209MH1976PLC018939

Name of the Company: Garware Technical Fibres Limited (Formerly Garware-Wall Ropes Limited)

Registered Office: Plot No. 11, Block D-1, M.I.D.C., Chinchwad, Pune - 411 019.

Name of the Member(s): _____

Registered Address: _____

E-mail Id: _____

Folio No. / Dp. Id. & Client Id: _____

I/We being the Member(s) of _____ shares of the above named Company, hereby appoint:

1. Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him / her
2. Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him / her
3. Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him / her

as my / our proxy to attend and vote (on poll) for me / us and on my / our behalf at the FORTY-SECOND (42nd) ANNUAL GENERAL MEETING of the Company to be held on Tuesday, 17th September, 2019 at 10:30 a.m. at Auto Cluster Auditorium, Auto Cluster Development & Research Institute Ltd., H-Block, Plot No. C-181, off Old Pune-Mumbai Highway, Chinchwad, Pune - 411 019 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description
1	To receive, consider and adopt: a. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2019, together with the Reports of the Board of Directors and Auditors; and b. the Audited Consolidated Financial Statements for the financial year ended 31st March, 2019 and the Report of the Auditors.
2	To declare a dividend on equity shares for the Financial Year ended 31st March, 2019.
3	To appoint a Director in place of Dr. S. S. Rajpathak (DIN 00040387), who retires by rotation and, being eligible, offers himself for re-appointment.
4	Ratification of Cost Auditors' remuneration.
5	Appointment of Ms. Mallika Sagar (DIN 02228386) as a Non-executive Independent Director of the Company.
6	Re-appointment of Mr. R. M. Telang (DIN 00092103) as a Non-executive Independent Director of the Company.
7	Re-appointment of Mr. S. P. Kulkarni (DIN 00006914) as a Non-executive Independent Director of the Company.
8	To approve the continuation of payment of remuneration to Mr. V. R. Garware (DIN 00092201), Chairman & Managing Director of the Company
9	To approve the borrowing limit pursuant to provisions of Section 180(1)(c) of the Companies Act, 2013
10	To approve the limit for Loans and Investment by the Company pursuant to the provisions of Section 186 of the Companies Act, 2013

Signed this _____ day of _____, 2019

Signature of Member: _____

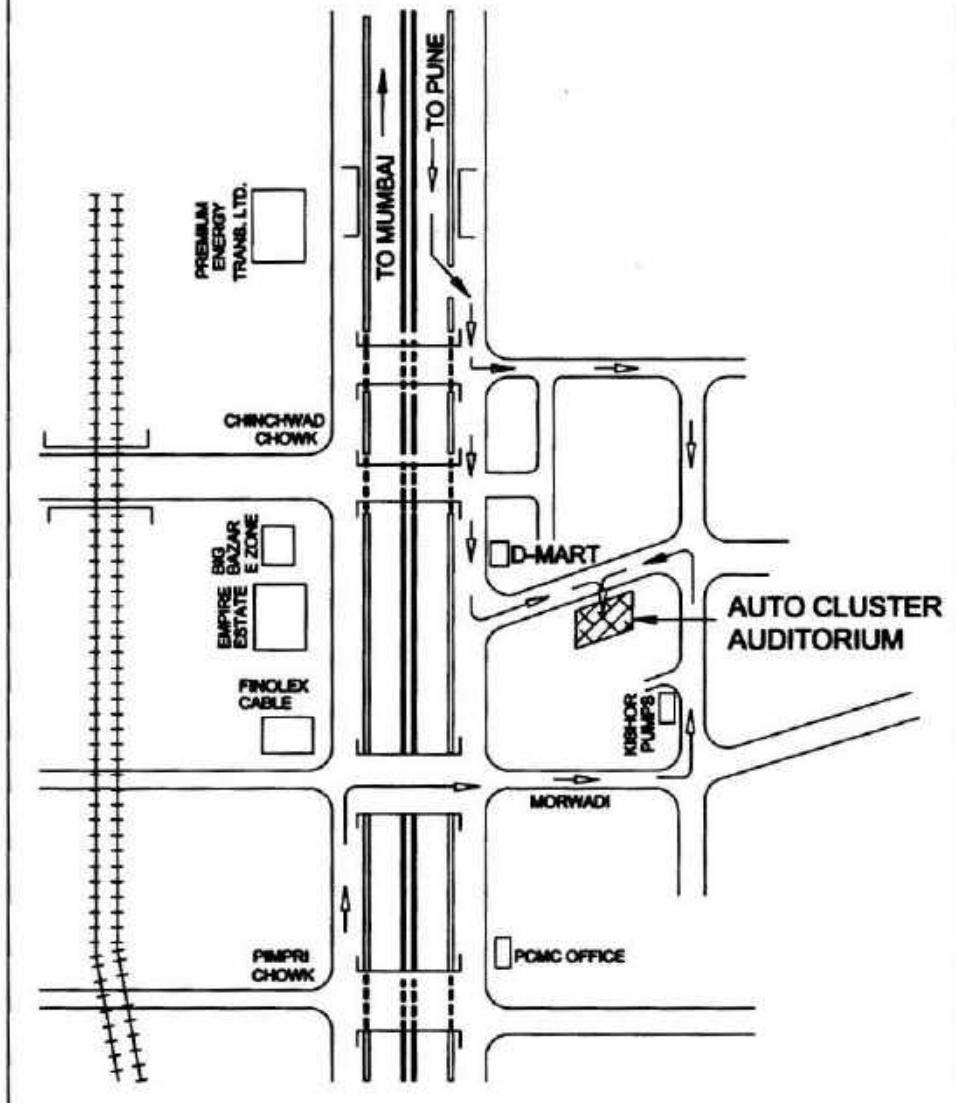
Signature of Proxy holder(s): _____

Note:

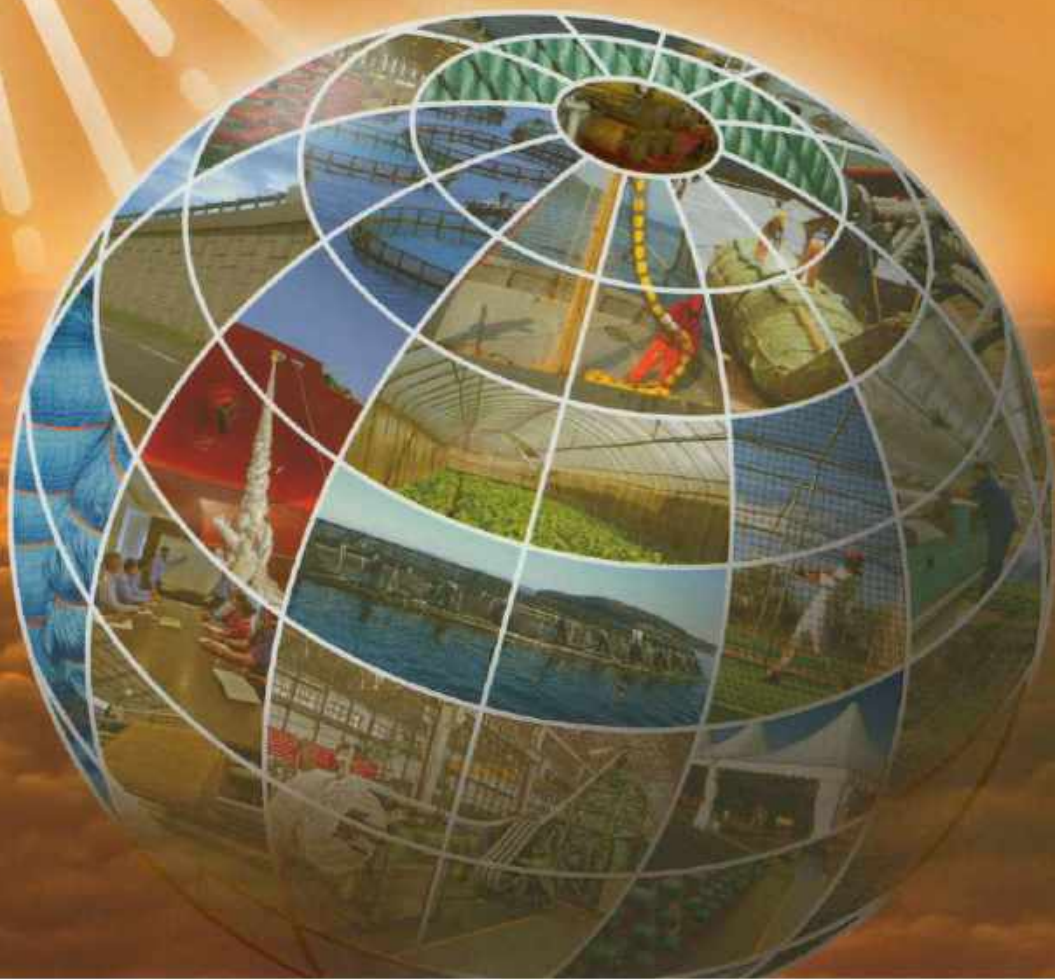
- (i) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than forty-eight (48) hours before the commencement of the FORTY-SECOND (42nd) ANNUAL GENERAL MEETING of the Company.
- (ii) A Proxy may vote either for or against each resolution.

Revenue
Stamp

**ROAD MAP-AUTO CLUSTER AUDITORIUM
GARWARE TECHNICAL FIBRES LIMITED**
(Formerly Garware-Wall Ropes Limited)



Expanding Horizons



42nd Annual Report 2018-2019



GARWARE
TECHNICAL FIBRES

INSIDE

From the Chairman's Desk	2
Directors' Report	9
Corporate Governance Report	34
Management Discussion and Analysis	48
Independent Auditors' Report	50
Balance Sheet	56
Statement of Profit and Loss	57
Cash Flow Statement	59
Notes to Financial Statements	60
Consolidated Financials	
Independent Auditors' Report	93
Balance Sheet	98
Statement of Profit and Loss	99
Cash Flow Statement	101
Notes to Financial Statements	102
Form AOC-1	134

42nd ANNUAL GENERAL MEETING

Day & Date:

Tuesday, 17th September, 2019

Time:

10.30 am

Venue:

Auto Cluster Auditorium,
Auto Cluster Development And
Research Institute Limited,
H-Block, Plot No. C-181,
Off Old Pune-Mumbai Highway,
Chinchwad, Pune - 411 019,
Maharashtra, India.



GARWARE
TECHNICAL FIBRES

In FY 2018-19,
Garware Technical Fibres Ltd. (GTFL)
successfully followed the enhanced
vision and road map for strategic
growth it had adopted in the
previous financial year.

Expanding and deepening its reach
across business segments,
the Company crossed important
milestones and set new benchmarks
of performance, opening new vistas
for sustainable growth in profitability.

From the Chairman's Desk

EXPANDING HORIZONS



Dear Shareholders,

I am happy to report that in the financial year (FY) 2018-19, your Company delivered a good performance and crossed many significant milestones.

As you would be aware, your Company had undertaken a major rebranding exercise in the last FY to convey the breadth and depth of our operations and to infuse fresh energy in our drive for excellence. As part of this process, we prepared a detailed road map for sustained growth in profit over the next five years.

You would be glad to know that in FY 2018-19, the first year of operationalising our strategic plan, all our business and internal departments worked with great focus and enthusiasm to achieve and even surpass the goals that had been set.

Crossing a significant milestone, your Company achieved a turnover of ₹ 1038.80 crores, and entered the league of India's top 500 companies in terms of market capitalisation. Profit before tax (PBT) was ₹ 182.00 crores, 18.95% higher than the figure for the previous year. The return on capital employed (ROCE) was 25.4%.



With greater role clarity, there was palpable increase in employee engagements at all levels. It also gives me pride to report that for the second year in a row, your Company was certified by The Great Place to Work Institute as one of India's 'Best Companies to Work for' in the mid-size category.





The top line growth was driven by international sales, which crossed the ₹ 500-crore mark. In markets like Chile, Scotland and Norway, the growth in sales was significant. The key to success was our approach of providing a basket of differentiated products to meet various requirements of individual customers. This value-based selling approach is now becoming a part of your Company's DNA and augurs well for its growth in markets across the world.

Despite challenging conditions at the start of the financial year, your Company performed well in all market segments. Aquaculture and Sports solutions drove the significant increase in international sales. The geo-synthetics division executed some large projects in the landfill and lining segments, and notched record sales. Working in tandem with the International division, the Coated Fabrics division registered excellent growth in sale of protective shields for use in marine environments. New products introduced for fishing showed promising results in the domestic market.

Our manufacturing teams responded well to the demands of the sales teams and made a major contribution to profits by optimising costs. Successful efforts to increase automation in operations increased efficiency. Our efforts in the areas of managing supply chains, dispatches and working capital were also laudable.

Your Company earned many accolades during the year. The benefits of Sapphire Sealpro, an anti-predator net, was highlighted by the BBC, a globally reputed news channel. V2, an innovative net that reduces fouling in aquaculture cages, bagged the Economic Times Polymers Award. Our products for defence applications generated tremendous excitement at the Africa-India field training exercise (AFINDEX-19). It was also a matter of great pride for us when our gun and muzzle covers for the Vajra, self-propelled Howitzer tanks were displayed in the Republic Day parade.

Your Company has a rich tradition of continuous

innovation for adding value to customers, and in FY 2018-19, the R&D team had many achievements to its credit. Three recently introduced solutions received patents. V2 received tremendous market response soon after it was launched. The R&D and business teams are working hard to ensure that each business segment has innovations at the core of its strategy.

I need to hardly stress that all these achievements of your Company would not have been possible without the efforts put in by our people. All teams worked with sharp focus on high quality and timely execution. With greater role clarity, there was palpable increase in employee engagements at all levels. It also gives me pride to report that for the second year in a row, your Company was certified by The Great Place to Work Institute as one of India's 'Best Companies to Work for' in the mid-size category.

Looking at the future, the central government's 'Make in India' campaign, and the thrust on fisheries and agriculture augur well for us. The emphasis on infrastructure development also holds potential for growth of our geo-synthetics business. We expect the price of crude oil to remain stable in the short term. In any case, our strategy of providing superior value propositions helps us deal with increases in raw material costs.

In conclusion, I would like to reaffirm that your Company will follow the road map it has charted for itself. We are strongly committed to stay on the trajectory of growth. With deep belief in the worth of our solutions and our core strengths, we are determined to execute our plans, seizing opportunities and overcoming challenges as they come.

I look forward to your continued support in our effort towards sustained profitability through 'Better Ideas in Action'.

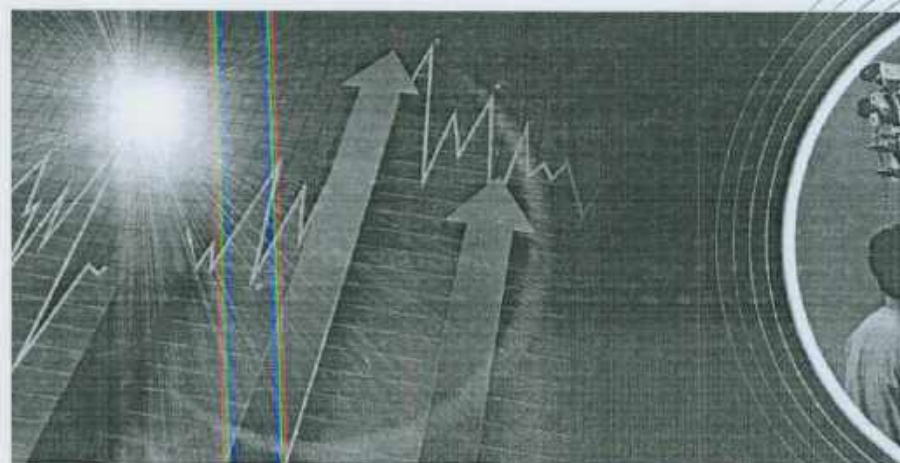
With warm regards,

V. R. Garware
Chairman & Managing Director



Setting new performance benchmarks

In FY 2018-19, GTFL crossed a major milestone. Notching up sales turnover of over ₹ 1000 crores for the first time, it became one of India's top 500 companies on the basis of market capitalisation. The feat was achieved through impressive performances across the board. Responding to aggressive Sales & Marketing thrusts, manufacturing plants recorded new highs in productivity, with strict control over costs. Finance chipped in with astute management of fund flows, and new levels of efficiency were attained in supply chain management, inventory control, and dispatch. The Company thus entered the trajectory of next-level growth, setting new performance benchmarks for itself.

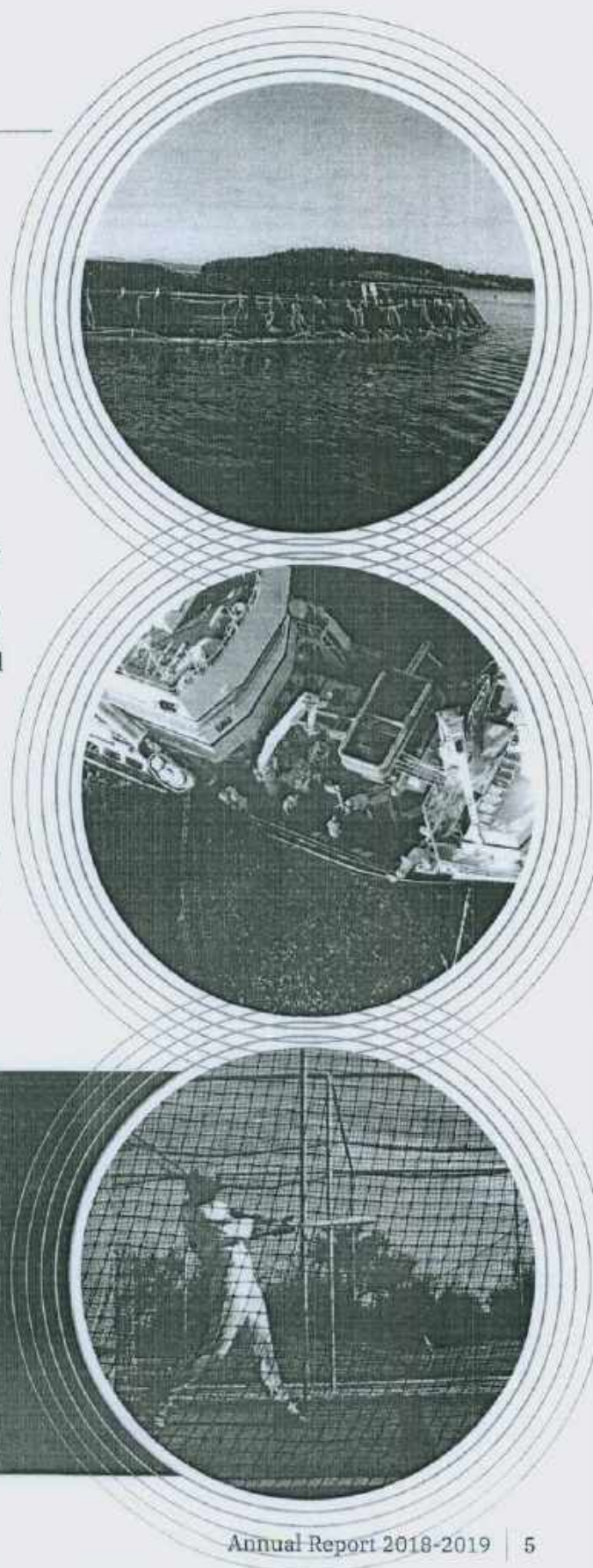




Enhancing international presence

GTFL has deep presence in several markets across the world. In FY 2018-19, the Company reinforced that presence by netting international sales in excess of ₹ 500 crores. Stellar performance was recorded in Chile and Scotland. Through a solutions-based approach, the Company expanded its portfolio of products sold in the aquaculture and sports segments. The Company also earned accolades for developing environment-friendly solutions. BBC, one of the world's most reputed media organisations, reported that by protecting salmon farms from seals, GTFL's Sapphire Sealpro has led to a record decrease in the licensed culling of seals in a Scottish sea farm.

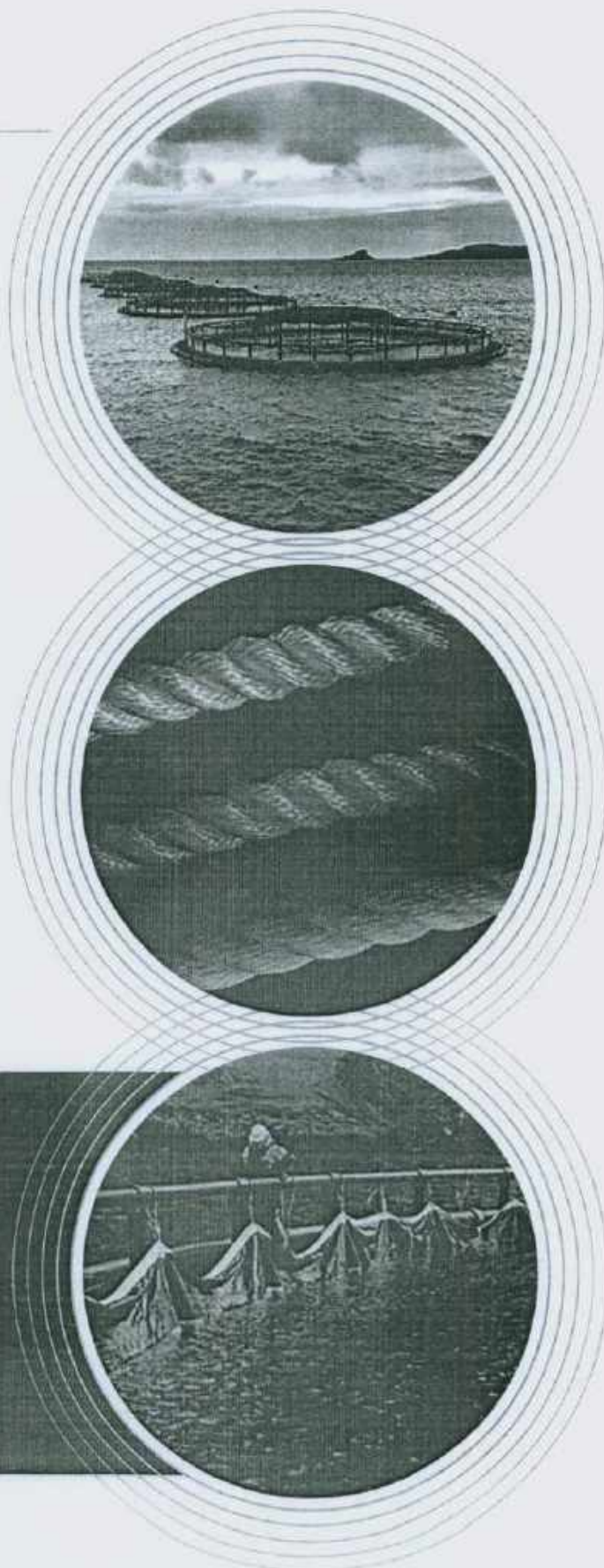
#Source : <https://www.bbc.com/news/uk-scotland-47108133>





Scaling new heights in innovation

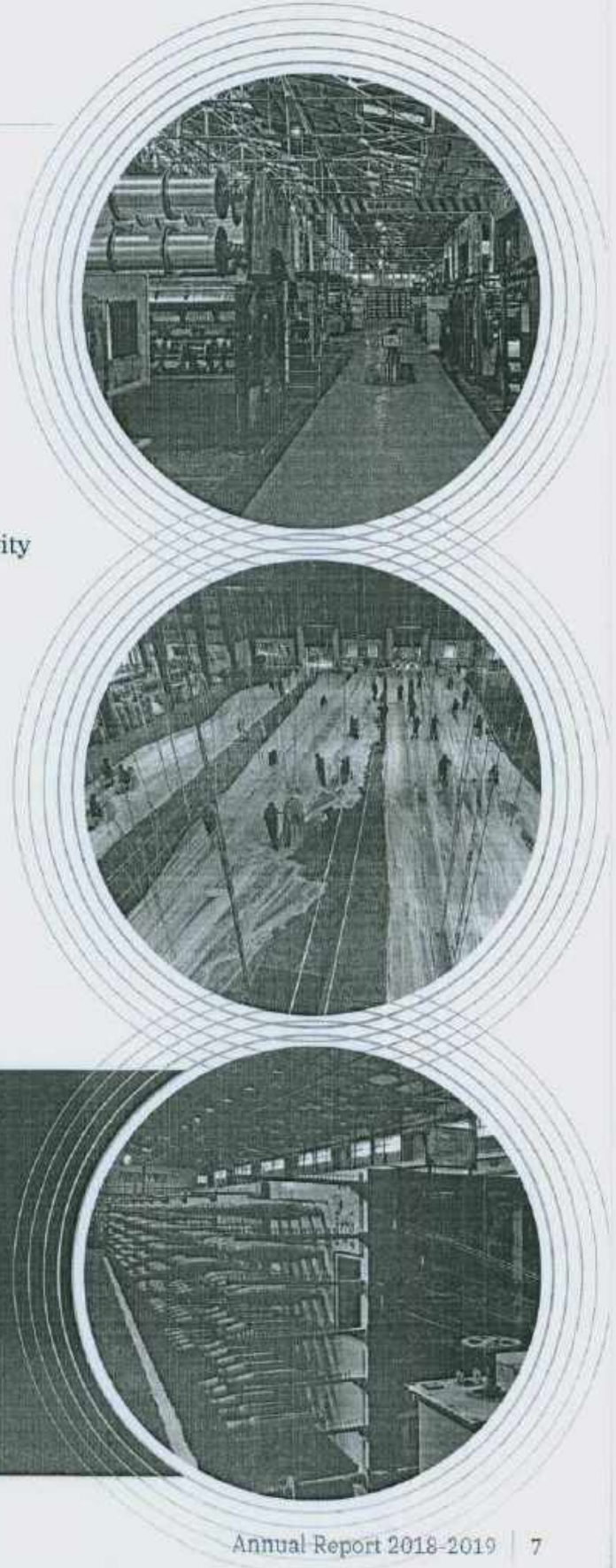
Application-focused innovation is part of GTFL's DNA, and in FY 2018-19, the Company's R&D wing scaled new heights of success. X12 and V2 products earned patents in India, and Sapphire Ultracore was awarded a patent in Chile. V2, an aqua net that reduces costs related to bio fouling by 50% and prevents copper-oxide pollution, bagged the prestigious Economic Times Polymers award, and proved to be a runaway success in several international markets. X12, which acts as a shield against harmful marine pests, showed excellent results in field operations, and promises to be good revenue-earner. Several other innovative solutions are in the pipeline.





Raising the bar in manufacturing

Manufacturing plants are the backbone of the Company's success. In FY 2018-19, the plants rose to new levels of performance, by achieving record accomplishments in productivity with significant cost savings. The feat was attained through vigorous use of automation, backed by enhanced skill sets of the workforce through special training programmes. Innovative practices adopted in the plants led to reduced weight of products without sacrificing strength, faster ramping up of new products, efficient movement of materials, and quicker dispatches. Continuous improvements in manufacturing processes have empowered the Company to respond to market demand with speed, efficiency and flexibility.



Corporate Information

Founder Chairman

- Late Shri. B. D. Garware

Chairman Emeritus

- Late Shri. R. B. Garware

Board of Directors

- V. R. Garware - Chairman & Managing Director
- Ms. M. V. Garware
- R. M. Telang
- S. P. Kulkarni
- Ashish Goel
- S. S. Rajpathak
- Ms. Mallika Sagar (w.e.f. 30-05-2019)

Company Secretary

- Sunil Agarwal

Bankers

- | | |
|-----------------------|------------------|
| ■ Bank of India | ■ HDFC Bank Ltd. |
| ■ Bank of Baroda | ■ IDBI Ltd. |
| ■ DBS Bank India Ltd. | ■ HSBC Bank Ltd. |
| ■ Citibank NA | |

Auditors

- Mehta Chokshi & Shah, Chartered Accountants

Share Transfer Agent

Link Intime India Pvt. Ltd.

202, 2nd Floor, Akshay Complex, Off Dhole Patil Road,
Near Ganesh Temple, Pune - 411 001.

Tel : +91-20-2616 0084, 2616 1629

Telefax : +91-20-2616 3503

E-mail : pune@linkintime.co.in

Registered Office

Plot No. 11, Block D-1, MIDC, Chinchwad,
Pune - 411 019.

Tel : +91-20-2799 0000/0306

E-mail : pune_admin@garwarefibres.com

Website : www.garwarefibres.com

CIN : L25209MH1976PLC018939

Mumbai Offices

- Chowpatty Chambers, Sandhurst Bridge,
Mumbai - 400 007.

Tel : +91-22-2263 4696, 2368 6627

- 39, S. K. Hafizuddin Marg, Byculla,
Mumbai - 400 008.

Tel : +91-22-2309 1164/1168/5111

E-mail : mum_accounts@garwarefibres.com

Foreign Branch

Narrows Reach Business Centre,
6102 North 9th Street,
Unit#500, Tacoma, WA 98406, U.S.A.

Tel : 001-25356 40217

E-mail : usaimports@garwarefibers.com





Directors' Report

(For the Financial Year ended 31st March, 2019)

To The Members,

Your Directors have pleasure in presenting the Forty-Second Annual Report along with Audited Financial Statements of the Company for the financial year ended 31st March, 2019.

■ FINANCIAL SUMMARY:

Particulars	(₹ in lakhs)	
	Year ended 2018-2019	Year ended 2017-2018
Total Revenue	1,03,879.84	90,334.59
Profit subject to Depreciation & Taxation	19,924.08	16,835.91
Less: Depreciation, net of transfer from Revaluation Reserve	1,724.04	1,534.76
Profit Before Tax	18,200.04	15,301.15
Less: Tax Expenses		
Current Tax	5,366.29	4,338.00
Deferred Tax	397.92	451.39
Prior period Taxation	(125.42)	--
Profit After Tax	12,561.25	10,511.76

■ 2018-2019 THE YEAR UNDER REVIEW:

During the year under review, your Company recorded impressive performance, maintaining its record of growth and profitability.

Your Company earned revenue of ₹ 1,038.80 crores for the year ended 31st March, 2019, as against ₹ 903.35 crores of previous year. Domestic Sales amounted to ₹ 450.39 crores, and the Export Sales amounted to ₹ 588.41 crores for the year ended 31st March, 2019.

During the year under review, your Company achieved the significant milestone by recording Net Profit after tax of ₹ 125.61 crores, 19.5% higher than the figure recorded in the previous year.

■ OPERATIONS:

The operations of the Company are elaborated in the annexed "Management Discussion and Analysis Report".

■ CHANGE OF NAME OF THE COMPANY:

During the year under review, the Members of the Company had approved the change of name of the Company by passing of the Special Resolution, through Postal Ballot.

The name of the Company stands changed from Garware-Wall Ropes Limited to Garware Technical Fibres Limited, effective from 20th July, 2018, pursuant to fresh Certificate of Incorporation, issued by Registrar of Companies, Pune.

■ REDUCTION OF CAPITAL OF THE COMPANY:

During the year under review, the Members of the Company had approved Reduction of Capital of the Company by passing of the Special Resolution, through Postal Ballot, by cancelling 9,46,500 Equity Shares of ₹ 10 each held by "GWRL Managerial Staff Welfare Trust" ("Trust") and adjusting outstanding amount of interest free advance of ₹ 3,49,29,308.10 payable by the Trust to the Company, against the Securities Premium Account of the Company.

The BSE Limited and the National Stock Exchange of India Limited have given their no-objection vide Letters dated 31st October, 2018 and 2nd November, 2018, respectively, for reduction of capital of the Company, as stated above.

Your Company had filed an application with National Company Law Tribunal at Mumbai Bench for



confirmation of Special Resolution passed by the Members of the Company approving reduction of capital of the Company, as stated above.

■ RESERVES:

Your Directors, do not propose to transfer any amount to the General Reserve and retain ₹ 50,982.73 lakhs in the Statement of the Profit and Loss.

■ DIVIDEND:

Your Directors, have recommended a Dividend of ₹ 5.00 (50%) per share of ₹ 10 each for your consideration at ensuing Annual General Meeting of the Company. The total proposed dividend for the year would absorb an amount of ₹ 1,319 lakhs (including dividend tax of ₹ 224.90 lakhs).

The Dividend as recommend by the Board of Directors, if approved by the Members of the Company, will be paid to the eligible Members within the stipulated time.

■ DIVIDEND DISTRIBUTION POLICY:

Pursuant to the provision of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has adopted a Dividend Distribution Policy and the same is set out in "Annexure 1", forming an integral part of the Directors Report and the same is uploaded on the Company's website: www.garwarefibres.com/investors/dividend-distribution-policy/.

■ DEPOSITS:

During the year under review, your Company has not accepted any deposit within the meaning of Section 73 and 74 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

■ CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business of your Company during the Financial Year ended 31st March, 2019.

■ MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION:

No material changes and commitments, affecting the

financial position of the Company occurred between the end of the Financial Year of the Company i.e. 31st March, 2019 and the date of this Directors' Report i.e. 30th May, 2019.

■ DIRECTORS AND KEY MANAGERIAL PERSONNEL:

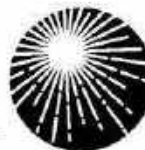
The Board of your Company is duly constituted in accordance with the requirements of the Companies Act, 2013 read with the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, read with Article 96 of the Articles of Association of the Company, Dr. Shridhar Shrikrishna Rajpathak (DIN 00040387) is liable to retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

In terms of the recommendation of the Nomination & Remuneration Committee of the Board and pursuant to the provisions of Section 149 and 161(1) of the Companies Act, 2013, read with Article 100 of the Articles of Association of the Company and subject to the approval of the Members at the ensuing Annual General Meeting of the Company, the Board of Directors of the Company has appointed Ms. Mallika Sagar (DIN 02228386) as an Additional Director, in the category of Non-Executive Independent Director of the Company, with effect from 30th May, 2019 to hold the office for a term of Eighteen (18) months or till the conclusion of the Forty-Third (43rd) Annual General Meeting of the Company, whichever is earlier. The Company has received notice in writing from a Member under Section 160 of the Companies Act, 2013, proposing her candidature for the office of Director.

Mr. Ramesh Manjnath Telang (DIN 00092103) and Mr. Shrikant Pandharinath Kulkarni (DIN 00006914) were appointed as Independent Directors of the Company, for a term of five (05) consecutive years effective from 25th September, 2014. The said term is going to expire on 24th September, 2019.

The Members of the Company at the 41st Annual General Meeting held on 11th September, 2018, had passed the Special Resolution for continuing the appointment of Mr. Ramesh Manjnath Telang, being



more than 75 years of age, as Non-executive Independent Director of the Company to hold the office for the remaining term of his appointment, with effect from 1st April, 2019, pursuant to the provisions of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the recommendation of the Nomination and Remuneration Committee of the Board, the Board of Directors of your Company recommends the re-appointment of Mr. Ramesh Manjnath Telang (aged 77 years) and Mr. Shrikant Pandharinath Kulkarni, the non-executive Directors, as Independent Directors of the Company to hold offices for a second term of five consecutive years with effect from 25th September, 2019. The Company has received notices in writing from Members under Section 160 of the Companies Act, 2013, proposing their candidature for the office of Directors.

As per the provisions of the Companies Act, 2013, Independent Directors will not be liable to retire by rotation.

The resolution seeking approval of the Members of the Company for the appointment of Ms. Mallika Sagar and re-appointment of Mr. Ramesh Manjnath Telang and Mr. Shrikant Pandharinath Kulkarni have been incorporated in the accompanying Notice calling Forty-Second (42nd) Annual General Meeting of the Company, which forms an integral part of this Report.

The details of Dr. Shridhar Shrikrishna Rajpathak, Ms. Mallika Sagar, Mr. Ramesh Manjnath Telang and Mr. Shrikant Pandharinath Kulkarni, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Secretarial Standard - 2 of General Meeting are contained in the accompanying Notice calling Forty-Second (42nd) Annual General Meeting of the Company, which forms an integral part of this Report.

During the Financial Year 2018-19, Mr. S. H. Bamne, ceased to hold the position of Chief Financial Officer (Key Managerial Person) of the Company w.e.f. 13th August, 2018 and Mr. Mukesh Surana was designated as Chief Financial Officer (Key Managerial Personnel) of the Company with effect from 14th August, 2018.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr. V. R. Garware, Chairman & Managing Director, Mr. Mukesh Surana, Chief Financial Officer and Mr. Sunil Agarwal, Company Secretary and Compliance Officer, are discharging the functions and responsibilities of whole-time Key Managerial Personnel of the Company.

During the Financial Year 2018-19, there was no change in the composition of the Board of Directors and the Key Managerial Personnel, except as stated above.

■ DECLARATION BY INDEPENDENT DIRECTORS:

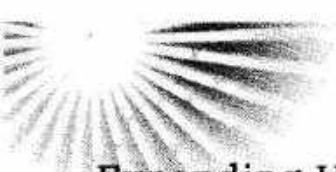
The Company has received declarations from all the Independent Directors, confirming that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Qualification of Directors) rules 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

■ DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, hereby state and confirm that:

1. In the preparation of the Annual Financial Statements for the year ended 31st March, 2019, the applicable Accounting Standards have been followed;
2. For the Financial Year ended 31st March, 2019, such Accounting Policies as mentioned in the Notes to the Financial Statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and



fair view of the state of affairs of the Company and of the Profit and Loss of the Company for the year ended 31st March, 2019;

3. Proper and sufficient care has been taken for the maintenance of adequate accounting records, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities in accordance with the provisions of the Companies Act, 2013;
4. The Annual Financial Statements have been prepared on a "Going Concern" basis;
5. Proper Internal Financial Controls were followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
6. Proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

■ ANNUAL EVALUATION BY THE BOARD:

In view of the provisions of the Companies Act, 2013 and considering the Guidance Note dated 5th January, 2017, issued by the Securities and Exchange Board of India ("SEBI"), the Nomination & Remuneration Committee of the Board has laid down comprehensive framework including the criteria for evaluation of performance of the Board as a whole and various committees of the Board and individual Directors, including Independent Directors.

Based on such comprehensive framework, the Board of Directors of the Company had carried out Annual Evaluation of the performance of the Board as a whole, the Directors individually and also the working of its Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Stakeholder Relationship Committee.

On collation of all the responses, feedback was provided by Chairman of the Board to each member of the Board.

The Board noted the evaluation results that were collated and presented to the Board.

The Directors expressed their satisfaction with the evaluation process.

A separate meeting of Independent Directors was held on Wednesday, 13th February, 2019, inter alia, to:

- i. Review the performance of Non-Independent Directors and the Board as a whole;
- ii. Review the performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors;
- iii. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that was deemed necessary for the Board to effectively and reasonably perform their duties.

■ NUMBER OF MEETINGS OF THE BOARD:

There were five (05) meetings of the Board of Directors held during the Financial Year 2018-19, details of which are given in the annexed "Corporate Governance Report".

■ COMPOSITION OF THE COMMITTEES OF THE BOARD:

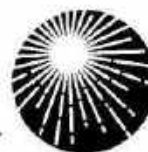
The details relating to the composition of Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee are given in the annexed "Corporate Governance Report".

■ STATUTORY AUDITORS:

Pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and pursuant to the recommendation of the Audit Committee, M/s. Mehta Chokshi & Shah, Chartered Accountants (Firm Registration No. 106201W), were appointed as Statutory Auditors at the 40th Annual General Meeting to hold office from the conclusion of 40th Annual General Meeting till the conclusion of 45th Annual General Meeting of the Company.

■ STATUTORY AUDITORS' REPORT:

There are no audit qualifications, reservations or adverse remarks or disclaimers, in the Statutory Auditors' Report, as annexed elsewhere in this Annual Report.



■ COST AUDIT AND COST COMPLIANCE:

In accordance with the provisions of Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, Cost Audit for the Financial Year 2018-19, was applicable to the Company. M/s. Joshi Apte & Associates, Cost Accountants, (Firm Registration No. 000240), were appointed as Cost Auditor for conducting audit of Cost Accounting Records maintained by the Company, for the Financial Year 2018-19.

Your Company is required to maintain cost records for certain products as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and accordingly such accounts and records are made and maintained in the prescribed manner.

The Audit Report for the Cost Accounting records maintained by the Company for the Financial Year 2018-19, is under preparation and the same will be filed with the Central Government within the prescribed time limit.

M/s. Joshi Apte & Associates, Cost Accountants, (Firm Registration No. 000240), were re-appointed as Cost Auditor for conducting an audit of Cost Accounting Records maintained by the Company, for the Financial Year 2019-20.

A resolution proposing ratification of the remuneration of the said Cost Auditors' for the Financial Year ended 31st March, 2020, forms part of the Notice of the Forty-Second (42nd) Annual General Meeting of the Company.

■ SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. SVD & Associates, Company Secretaries (CP No. 965) as Secretarial Auditors of the Company, for the year ended 31st March, 2019.

The Secretarial Auditor has submitted its Report in Form No. MR-3 for the Financial Year ended on 31st March, 2019 and the same is set out in "Annexure 2", forming an integral part of the Directors'

Report. The observations of the Secretarial Auditors in their report are self-explanatory and therefore, the Directors do not have any further comments to offer on the same.

M/s. SVD & Associates, Company Secretaries (CP No. 965) were appointed as Secretarial Auditors to carry out the audit of the Secretarial and related records of the Company, for the year ended 31st March, 2020.

■ PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

Your Company has not provided any Guarantee during the Financial Year 2018-19, attracting the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

Details of loans given and investments made during the Financial Year 2018-19, under the provisions of Section 186 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the notes to Financial Statements.

■ RELATED PARTY TRANSACTIONS:

All the transactions with Related Parties entered during the Financial Year 2018-19 by the Company, were in the ordinary course of business and on arm's length basis and that the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted.

There were no Material Related Party Transaction(s) made with the Related Party as per Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All Related Party Transactions were placed before the Audit Committee for their prior approval.

Omnibus approval was obtained on a yearly basis for transactions which were of repetitive nature. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website: <https://www.garwarefibres.com/investors/related-party-transactions-policy/>.

Pursuant to the provisions of Section 134(3)(b) of the Companies Act, 2013, Form AOC-2 is not applicable to your Company.



■ ADEQUACY OF INTERNAL FINANCIAL CONTROL:

Your Company continued to remain focused on ensuring a robust and effective Internal Financial Control framework.

Internal Financial Controls laid down by your Company with reference to the Financial Statements are adequate, operating effectively and commensurate to the size, scale of operations and nature of business of the Company.

■ REMUNERATION POLICY:

The Board of Directors of the Company has approved the Policy relating to remuneration for the Directors, Key Managerial Personnel, Senior Management based on recommendation of Nomination & Remuneration Committee of the Board.

The salient aspects covered in the Policy have been outlined in the Corporate Governance Report, which forms an integral part of this Report.

As per the requirements of Section 178(4) of the Companies Act, 2013 details of such a Policy have been uploaded on the Company's website: <https://www.garwarefibres.com/remuneration-policy/>.

■ RISK MANAGEMENT POLICY:

The Company recognizes the importance of Risk Management and hence the Board of Directors of the Company has adopted Risk Assessment and Minimization Policy Statement. This policy framework has been adopted as a fundamental part of the business policy to counter and combat the adverse consequential effects of various risks.

Risk Management involves the following:

- Identification of risks.
- Evaluation of the risks as to likelihood and consequences.
- Assessment of options for minimising / covering the risks.
- Action Plan for the implementation of the Risk Management Plans.
- Review of the Risk Management efforts.

The Board of Directors of the Company regularly review the risk and initiatives taken within framework

of Risk Assessment and Minimization Policy Statement and accordingly, take necessary corrective actions, if required, for managing / mitigating the same.

■ VIGIL MECHANISM

The Board of Directors of the Company has formulated a Vigil Mechanism Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013, Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, 2015, details of which are given in the annexed "Corporate Governance Report".

■ CORPORATE SOCIAL RESPONSIBILITY (CSR):

Pursuant to the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility), Rules, 2014, your Company has established Corporate Social Responsibility (CSR) Committee and an Annual Report on CSR Activities, forming an integral part of the Directors' Report is set out in "Annexure 3".

■ THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

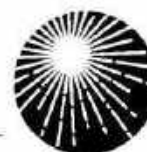
Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, pertaining to the Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is set out in "Annexure 4", forming an integral part of the Directors' Report.

■ EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Sections 134(3)(a) and 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management & Administration) Rules, 2014, an extract of Annual Return as of 31st March, 2019, in Form No. MGT-9, is set out in "Annexure 5", forming an integral part of the Directors' Report.

■ PERSONNEL:

The relations with employees at all levels continued to be cordial throughout the year.



■ PARTICULARS OF EMPLOYEES:

The information required pursuant to the provisions of Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in "Annexure 6", forming an integral part of the Directors' Report.

■ DETAILS OF EMPLOYEE WELFARE TRUST SET UP FOR THE BENEFIT OF EMPLOYEES:

Your Company, on 16th October, 2006, constituted a Trust named as "GWRL Managerial Staff Welfare Trust" to implement the Welfare Scheme for the benefit of its Managerial Employees.

The Details as required by Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 are uploaded on the Company's website: <https://www.garwarefibres.com/investors/stock-exchanges-disclosure/>.

■ THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 ("the Sexual Harassment Act"):

Your Company, has zero tolerance towards any action on the part of any employee, which may fall under the ambit of "Sexual Harassment" at workplace, and is fully committed to uphold and maintain the dignity of every woman employee working in the Company.

Your Company, has adopted a Policy under the Sexual Harassment Act and Rules framed thereunder.

As per the provisions of the Sexual Harassment Act and Rules made thereunder, your Company has constituted Internal Complaints Committee (ICC).

During the Financial Year 2018-19, there were no complaint reported under the Sexual Harassment Act.

■ CONSOLIDATED FINANCIAL STATEMENTS:

Pursuant to the provisions of Section 129 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 and applicable Accounting Standards, the Company has prepared a Consolidated Financial Statement of the Company, its Subsidiary and Associate Company in the same form and manner as

that of the Company, which shall be laid before the ensuing Annual General Meeting of the Company along with the laying of the Company's Standalone Financial Statement.

The Annual Report of the Company inter alia contains the Standalone Audited Financial Statement of the Company and Consolidated Audited Financial Statement of the Company and its Subsidiary and Associate Company.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the Standalone Audited Financial Statements of the Company, Consolidated Financial Statements along with relevant documents and separate Audited Financial Statements in respect of its Subsidiary and Associate Company are also uploaded on the Company's website: <https://www.garwarefibres.com/investors/financial-results/>.

The Audited Financial Statements of the Subsidiary, Associate Company and the related detailed information will be made available to any Member of the Company / its Subsidiary and Associate Company, who may be interested in obtaining the same. The Audited Financial Statements of the Subsidiary and Associate Company will also be kept for inspection by any Member at the Company's Registered Office and that of the Subsidiary and Associate Companies.

■ SUBSIDIARY AND ASSOCIATE:

Garware Environmental Services Private Limited is the wholly owned subsidiary of your Company. This Subsidiary Company is yet to start its commercial operations.

Garware Meditech Private Limited is an associate of your Company and presently not having any business activity.

Pursuant to provisions of first proviso of sub-section (3) of Section 129 of the Companies Act, 2013, a Statement containing salient features of the Financial Statement of its Subsidiary and Associate Company in Form No. AOC-1 is attached to the Financial Statement.

■ CORPORATE GOVERNANCE:

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements)



Regulations, 2015, a separate section on Corporate Governance as well as the Auditor's Certificate regarding compliance of conditions of Corporate Governance is set out in Annexure, which forms an integral part of this Report.

The Report on Corporate Governance also contains certain disclosures required under the Companies Act, 2013.

■ SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There are no significant and material orders passed by Regulators / Courts / Tribunals that would impact the going concern status of the Company and its future operations.

■ SECRETARIAL STANDARDS:

The Institute of Company Secretaries of India had revised the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) with effect from 1st October,

2017. The Company is in compliance with the revised Secretarial Standards.

■ ACKNOWLEDGMENT:

Your Directors gratefully acknowledge the support given by the Customers, Dealers, Distributors, Suppliers, Bankers, various departments of the Central and State Governments, Local Authorities and also the Members of the Company.

Your Directors would further like to record their appreciation for the unstinted efforts put in by all Employees of the Company during the year.

On behalf of the Board of Directors,

Pune
30th May, 2019

V. R. GARWARE
Chairman & Managing Director
DIN 00092201

ANNEXURE 1 TO DIRECTORS' REPORT 2018-19

DIVIDEND DISTRIBUTION POLICY

1. Background and Legal framework:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") require the top 500 listed companies (by market capitalisation) to formulate and disclose a Dividend Distribution Policy in the annual report and on the website of the Company.

As on 31st March, 2019, Garware Technical Fibres Limited ("Company") is amongst the top 500 listed companies (by market capitalisation). The Board of Directors ("Board") of the Company has adopted this Dividend Distribution Policy, which endeavours for fairness, consistency and sustainability, while distributing profits to the Members.

2. Effective date:

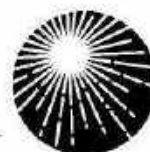
The Dividend Distribution Policy will become effective from the date of its approval and adoption by the Board, i.e. 30th May, 2019.

3. Applicability:

The Dividend Distribution Policy will be applicable in respect of dividend(s) declared by the Company during any financial year commencing from 1st April, 2019.

This Policy shall not apply to:

- Determination and declaration of dividend on preference shares, if any issued or to be issued by the Company, since dividend on preference shares will always be as per the terms of issue approved by the Members;
- In case of issuance of fully or partly paid up bonus share or other securities;
- Distribution of cash (i) by way of share buy-back scheme or any other alternate profit distribution measure (ii) reduction of capital of the Company and (iii) on account of payment of fraction entitlement due to sub-division, split of securities or any such similar corporate action by the Company;



4. Objective:

The Objective of this Policy is to enumerate the details of the broad parameters that would be considered by the Board of Directors of the Company to declare or not to declare any dividend from time to time.

5. Parameters / Factors, that shall be considered for declaration of dividend:

The Company shall pay dividend (including Interim dividend), if any in the compliance with provisions of Section 123 of the Companies Act, 2013 read with the Companies (Declaration and Payment of Dividend) Rules, 2014 and the Regulation or other application provisions, if any.

The Board of Directors will refer to this Policy for declaration of interim dividend or while recommending final dividend to Members for their approval in the Annual General Meeting.

The Board of Director would, inter alia consider the following parameters while declaring or recommending the dividend.

a. Internal factors / financial parameters:-

- Distributable surplus available as per the provisions of the Companies Act, 2013 and the Regulations;
- The Company's liquidity position and future cash flow needs;
- Working Capital and Capital expenditure requirements;
- Capital requirements considering the expansion / modernization plans, long term strategic plans, new businesses, diversification of business, acquisition, investment or growth opportunities;
- Cost and availability of alternative sources of financing;
- Contractual covenants;
- Provisioning for financial implications arising out of unforeseen events and / or contingencies;
- Track record of dividends distributed by the Company; and
- Any special event or achievement or events of similar nature.

b. External factors:-

- Prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable laws including tax laws;
- Economic and regulatory environment including industry or sectoral considerations; and
- Industry growth rate.

In addition to the above, the Board of Directors may consider such other factors as it may consider relevant before declaring or not declaring any dividend from time to time.

6. Circumstances under which Members may not expect any Dividend:

The Members of the Company may not expect dividend in the following circumstances, subject to discretion of the Board of Directors:-

- a. Proposed expansion or modernization plans requiring higher capital allocation;
- b. Plans to undertake any acquisitions, amalgamation, merger, joint ventures, new product launches, long-term strategic plans, diversification, etc., which may require significant capital outflow;
- c. Requirement of higher working capital for the purpose of business of the Company;
- d. The Company has implemented or intends to implement, a share buy-back scheme or any other alternate profit distribution measure;
- e. In the event of loss or in adequacy of profits; and
- f. Other internal and external factors as mentioned in Clause 5 of this Policy impeding the dividend payment.

7. Utilisation of retained earnings:

The Board of Directors may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders from long term prospective. The decision of utilisation of retained earnings of the Company shall be based on the following factors:-

- a. Plan expansion / modernization plans, long term strategic plans, new businesses, diversification of business, acquisition and investment opportunities;
- b. Cost and availability of alternative sources of financing;
- c. Market or product development / expansion plan;
- d. Increase in production capacity;
- e. Replacement of Capital intensive assets; and
- f. Any other factor, which the board may consider relevant for determining the manner of utilization of retained earnings.

8. Parameters adopted with regard to various classes of shares:

The Company currently has only one class of shares, viz. equity, for which this Policy is applicable. This Policy is subject to review if and when the Company issues different classes of shares.

9. Modification of the Policy:

The Board may change / amend this Policy from time to time at its sole discretion and / or in pursuance of any amendments made in the Companies Act, 2013, the Regulations, etc.

10. Disclaimer:

This document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.

ANNEXURE 2 TO DIRECTORS' REPORT 2018-19

Secretarial Audit Report - Form No. MR-3

(For the Financial Year ended 31st March, 2019)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

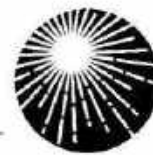
To,
The Members,
Garware Technical Fibres Limited,
(Formerly known as Garware-Wall Ropes Limited),
Plot No. 11, Block D-1, M.I.D.C., Chinchwad, Pune-411019

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Garware Technical Fibres Limited (Formerly known as Garware-Wall Ropes Limited)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2019** according to the provisions of:

- (i) The Companies Act, 2013, as amended from time to time (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(not applicable to the Company during the Audit Period);**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(not applicable to the Company during the Audit Period);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(not applicable to the Company during the Audit Period);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2016 **(not applicable to the Company during the Audit Period);** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(not applicable to the Company during the Audit Period);**

(vi) We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, no other law was applicable specifically to the Company.

We have also examined compliance with the applicable clauses and regulations of the following:

- I. Secretarial Standards issued by 'The Institute of Company Secretaries of India'.
- II. The Listing Agreement entered into by the Company with Stock Exchange(s) pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that, *the Public notice in newspaper for transfer of 7585 shares to the IEPF Authority as required under Rule 6(3)(a) of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 was issued beyond the prescribed time period.*

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has passed special resolution through Postal Ballot for:-

- A. Changing the name of the company from Garware-Wall Ropes Limited to Garware Technical Fibres Limited and consequential amendment to MOA and AOA of the company, the results of which were declared on 12th June, 2018.
- B. Approval for reduction of capital of the Company, the results of which were declared on dated 12th February, 2019.

For SVD & Associates
Company Secretaries

S. V. Deulkar
Partner
FCS No: 1321
C P No: 965

Place: Pune
Date: 28th May, 2019

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.

'ANNEXURE A'

To,
The Members,
Garware Technical Fibres Limited,
(Formerly known as Garware-Wall Ropes Limited),
Plot No. 11, Block D-1, M.I.D.C., Chinchwad, Pune-411019

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For SVD & Associates
Company Secretaries

S. V. Deulkar
Partner

FCS No: 1321
C P No: 965

Place: Pune
Date: 28th May, 2019

ANNEXURE 3 TO DIRECTORS' REPORT 2018-19

The Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2018-19

[Pursuant to the provision of Section 135 & Schedule VII of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy), Rule, 2014, and forming part of the Directors Report for the year ended 31st March, 2019].

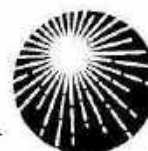
i. Brief Outline:

The Board of Directors of the Company in compliance of the provisions of the Companies Act, 2013, has formulated the CSR Policy and the same has been displayed on the Company's Website: <https://www.garwarefibres.com/investors/csr-policy/>.

The major thrust area of CSR Policy are Promoting Education, Promoting Research and Development in Agriculture / Horticulture / Aquaculture / Fisheries etc., Promoting Health Care, Empowering Women, Undertake Environmental Friendly Measures like Tree Plantation, Rural / Agricultural extension / Development Projects, mainly in and around the geographical areas where Company's plant / businesses are located.

ii. Composition of the CSR Committee of the Board:

Sr. No.	Name of the Member	Designation	Position
1	Mr. R. M. Telang	Chairman	Independent - Non-Executive
2	Mr. S. P. Kulkarni	Member	Independent - Non-Executive
3	Mr. V. R. Garware	Member	Executive
4	Ms. M. V. Garware	Member	Non-Executive



iii. Average net profit of the Company for last three (3) Financial Years: ₹ 11417.63 lakhs.

iv. Prescribed CSR Expenditure: ₹ 228.35 lakhs.

v. Details of CSR spent during the Financial Year 2018-19:

a. Total amount to be spent for the Financial Year 2018-19: ₹ 228.35 lakhs.

b. Amount unspent, if any: ₹ 168.73 lakhs.

c. Manner in which the amount spent during the Financial Year is detailed below:

Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) Specify the State and District where Projects or Programs were undertaken	Amount of outlay (budget) Project or Programs wise (₹ in lakhs)	Amount spent on the Projects or Programs sub-heads: (1) Direct expenditure on Projects or Programs (2) Overheads: (₹ in lakhs)	Cumulative expenditure upto to the reporting period (₹ in lakhs)	Amount spent: Direct or through implementing agency
1.	Support to Schools by way of infrastructure and E-learning facilities.	Education	Local Area, Maharashtra, (Pune, Satara) (Buldhana & Nashik)	32.22	32.22	32.22	Indirect
2.	Support by way of Medical Equipment and Health care facility.	Health Care	Local Area, Maharashtra (Pune, Satara) & Maharashtra (Mumbai)	8.00	8.00	8.00	Indirect
3.	Undertaking Livelihood enhancement project in the field of protected cultivation.	Enhancing Livelihood	Local Area, Maharashtra, (Nashik) & Andhra Pradesh, (Prakasam)	19.40	19.40	19.40	Indirect
Total				59.62	59.62*	59.62	

Note: *Include Overhead Expense upto 5% of the total CSR Spending.

vi. Your Company exercises prudence in selecting the implementation partners on the basis of background, ability to perform and monitoring capabilities etc. During the year under review, an internal committee was given the task of identifying suitable projects, programs, implementation partners / strategies and submitting proposals to CSR Committee. After a lot of efforts, the internal committee submitted various proposals found suitable by it to the CSR Committee with activity plan and estimated time line involved in implementation of the projects.

During the year under review, the Company was able to spend ₹ 59.62 lakhs towards CSR Expenditure. The shortfall in CSR Expenditure aggregating to ₹ 168.73 lakhs was due to difficulties in finalizing the suitable implementation partners and to reach agreement on implementation methodology and terms thereof that meet the requirement of the CSR objectives and Corporate Social Responsibility Policy ("CSR Policy") of the Company, effectively and efficiently.

The Company is working on enhancing its CSR implementation capabilities on sustainable basis.

vii. Responsibility Statement of the CSR Committee:

Pursuant to the provisions of Section 135 & Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy), Rule, 2014, the CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and the Policy of the Company.

V. R. Garware
 Chairman & Managing Director
 DIN: 00092201

R. M. Telang
 Chairman, CSR Committee
 DIN: 00092103

ANNEXURE 4 TO DIRECTORS' REPORT 2018-19

The Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

[Pursuant to the provisions of Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014].

A. CONSERVATION OF ENERGY:

- i) The Company constantly takes effective steps towards energy conservation. Some of the measures taken by the Company during the year are as under:
 - a. Installation of variable frequency drive for rope making and twisting machines.
 - b. Installation of efficient grooved barrel and screw for extrusion machine.
 - c. Replacement of old extrusion machine by energy efficient extrusion machine with gear pump and AC motors and VFD.
 - d. Installation of Harmonic filters for extrusion machine.
 - e. Re-insulation of shrink tunnel used for packing.
 - f. Replacement of existing 250 Watt highbay light fitting by 90 Watt LED fitting
 - g. Installation of LED Lamps for street lights.
 - h. Installation for LED tube lights.
- ii) The steps taken by the Company for utilising alternate sources of energy:
The Company is not consuming any alternate source of energy in its operations.
- iii) The Capital Investment on energy conservation equipments:
The Company has spent ₹ 41.46 lakhs as Capital Investment on energy conservation equipments during the Financial Year 2018-19.

B. TECHNOLOGY ABSORPTION:

i) The efforts made towards technology absorption and benefit derived:

The Company has no active technology transfer or know-how / royalty agreements with local entities. However, the Company makes continuous efforts to gain data, knowledge and expertise from all its suppliers, customers, service providers, channel partners, etc., in their respective areas of operation and apply the same towards continually improving and innovating products and services offerings to its customers. This results in various benefits such as better solutions to satisfy customer needs, higher efficiencies and lower costs of operations, reduced carbon footprint, better utilization of capital, etc.

ii) In case of Imported Technology:

Your Company does not employ any foreign technology, which needs absorption or adaption. Your Company, has developed on its own, various new products.

iii) The Expenditure incurred on Research & Development:

(₹ in lakhs)

a) Capital	658.71
b) Revenue / Recurring	962.51
d) Total (a + b)	<u>1621.22</u>
e) Total of Research & Development as a percentage of Revenue from Operation	1.59%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. Total Foreign Exchange earned and used:	(₹ in lakhs)
A. Total Foreign Exchange earned:	58841.11
Total value of exports	<u>58841.11</u>
B. Total Foreign Exchange used:	
a) Import of raw materials stores & spares, traded goods and capital goods	8633.27
b) Expenditure in foreign currencies for business travel, subscription, professional fees, commission on export sales and overseas branch expenses, etc.	2906.76
	<u>11540.03</u>

On behalf of the Board of Directors

Pune,
30th May, 2019

V. R. GARWARE
Chairman & Managing Director
DIN: 00092201


ANNEXURE 5 TO DIRECTORS' REPORT 2018-19
Extract of Annual Return as on the Financial Year ended on 31st March, 2019 - Form No. MGT-9

[Pursuant to the provisions of Section 134(3)(a) and 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L25209MH1976PLC018939
ii.	Registration Date	01/04/1976
iii.	Name of the Company	Garware Technical Fibres Limited
iv.	Category/Sub-Category of the Company	Company Limited by Shares
v.	Address of the Registered office and contact details	Plot No. 11, Block D-1, M.I.D.C., Chinchwad, Pune - 411 019. Tel. No.: (020) 2799 0000.
vi.	Whether listed company	Yes (Listed on BSE Ltd. & National Stock Exchange of India Ltd.)
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	LINK INTIME INDIA PRIVATE LIMITED Akshay Complex, Block No. 202, 2nd Floor, Off Dhole Patil Road, Near Ganesh Temple, Pune - 411 001. Tel. No.: (020) 2616 1629, 2616 0084.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of Main Products / Services	NIC Code of the Product / Service	% to Total Turnover of the Company
1	Nettings	1394	57.80%
2	Twines, Ropes & Yarns	1394 / 2030	27.11%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	Garware Environmental Services Pvt. Ltd. Plot No. 11, Block D-1, M.I.D.C., Chinchwad, Pune - 411 019.	U74900PN2007PTC130686	Subsidiary	100.00%	2(87) of the Companies Act, 2013
2	Garware Meditech Private Limited Plot No. 11, Block D-1, M.I.D.C., Chinchwad, Pune - 411 019.	U18109PN2011PTC141536	Associate	50.00%	2(6) of the Companies Act, 2013

Expanding Horizons

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i) Category-wise Share Holding:

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Promoter and Promoter Group									
(1)	Indian									
(a)	Individuals/ Hindu Undivided Family	3566162	0	3566162	16.30	3568305	0	3568305	16.31	0.01
(b)	Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	7525629	0	7525629	34.39	7526629	0	7526629	34.40	0.00
(d)	Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A)(1)	11091791	0	11091791	50.69	11094934	0	11094934	50.70	0.01
(2)	Foreign									
(a)	NRIs Individuals	0	0	0	0	0	0	0	0	0
(b)	Other Individuals	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(d)	Banks / FI	0	0	0	0	0	0	0	0	0
(e)	Any Other (specify)	0	0	0	0	0	0	0	0	0
	Sub-Total (A)(2)	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	11091791	0	11091791	50.69	11094934	0	11094934	50.70	0.01
(B)	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds / UTI	505411	0	505411	2.31	398562	0	398562	1.82	(0.49)
(b)	Financial Institutions / Banks	13758	1150	14908	0.07	10257	1150	11407	0.05	(0.02)
(c)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(d)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Insurance Companies	200252	150	200402	0.92	173839	150	173989	0.80	(0.12)
(g)	Foreign Institutional Investors	821649	0	821649	3.75	1078056	0	1078056	4.93	1.17
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(j)	Any Other (specify) - Alternate Investment Fund	192894	0	192894	0.88	225107	0	225107	1.03	0.15
	Sub-Total (B)(1)	1733964	1300	1735264	7.93	1885821	1300	1887121	8.62	0.69
(2)	Non-Institutions									
(a)	Bodies Corporate	1410910	4296	1415206	6.47	1340479	2896	1343375	6.14	(0.33)
(b)	Individuals									
i.	Individual shareholders holding nominal share capital upto ₹ 1 Lakh	4137319	510405	4647724	21.24	4117392	410508	4527900	20.69	(0.55)
ii.	Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	1400296	0	1400296	6.40	1402755	0	1402755	6.41	0.01
(c)	NBFC's registered with RBI	0	0	0	0.00	13125	0	13125	0.06	0.06
(d)	Any Other (specify)									
i.	Investor Education and Protection Fund Authority (IEPF)	54281	0	54281	0.25	61866	0	61866	0.28	0.03
ii.	Trust	6866	0	6866	0.03	6866	0	6866	0.03	0.00
iii.	Foreign Nationals	3220	0	3220	0.01	3220	0	3220	0.01	0.00
iv.	Hindu Undivided Family	328595	0	328595	1.50	303578	0	303578	1.39	(0.11)
v.	Non Resident Indians (Non Repat)	72234	2278	74512	0.34	126317	2278	128595	0.59	0.25
vi.	Non Resident Indians (Repat)	177805	0	178005	0.81	162225	0	162225	0.74	(0.07)
vii.	GWRL Managerial Staff Welfare Trust	546500	400000	946500	4.33	0	946500	946500	4.33	0.00
	Sub-Total (B)(2)	8138026	916979	9055005	41.38	7537823	1362182	8900005	40.67	(0.71)
	Total Public Shareholding (B) = (B)(1)+(B)(2)	9871990	918279	10790269	49.31	9423644	1363482	10787126	49.30	(0.02)
	TOTAL (A)+(B)	20963781	918279	21882060	100.00	20518578	1363482	21882060	100.00	0.00
(C)	Shares held by Custodian for GDRs & ADRs	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Grand Total (A+B+C)	20963781	918279	21882060	100.00	20518578	1363482	21882060	100.00	0.00


ii) Shareholding of Promoters:

Sr. No.	Shareholders Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change in Share holding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / Encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / Encumbered to Total Shares**	
1	Vayu Ramesh Garware***	3566162	16.30	0	3568295	16.31	0	0.01
2	Garware Capital Markets Ltd.	3561567	16.28	0	3562567	16.28	0	0.00
3	Gurukrupa Investments & Trading Co. Pvt. Ltd.	90849	0.42	0	90849	0.42	0	0.00
4	Manmit Investments & Trading Co Pvt Ltd	284185	1.30	0	284185	1.30	0	0.00
5	Moonshine Investments & Trading Co. Pvt. Ltd.	459695	2.10	0	459695	2.10	0	0.00
6	Sanand Investments & Trading Co. Pvt. Ltd.	275032	1.26	0	275032	1.26	0	0.00
7	Starshine Investments & Trading Co. Pvt. Ltd.	201720	0.92	0	201720	0.92	0	0.00
8	Sukukar Holdings & Trading Co. Pvt. Ltd.	256600	1.17	0	256600	1.17	0	0.00
9	Garware Research Institute	2300	0.01	0	2300	0.01	0	0.00
10	Vimlabai Garware Research Institute	590070	2.70	0	590070	2.70	0	0.00
11	VRG Investments Limited	881400	4.03	0	881400	4.03	0	0.00
12	VMIR Investment Limited	922211	4.21	0	922211	4.21	0	0.00
13	Mayuri Vayu Garware	0	0.00	0	10	0.00	0	0.00
	Total	11091791	50.69	0	11094934	50.70	0	0.01

(**) The term "encumbrance" has the same meaning as assigned to it in Regulation 28(3) of the SAST Regulations, 2011.

(***) Out of 35,68,295 (16.31%) equity shares, 21,18,893 (9.68%) equity shares are registered in the name of Mr. Vayu Ramesh Garware as Partner of Partnership Firms. Beneficial interest in the said shares is held by the Partnership firms.

iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sr. No.	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	Garware Capital Markets Limited				
	At the beginning of the year	3561567	16.28	3561567	16.28
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	(on 08-10-2018) (+)1000	0.00	3562567	16.28
	At the end of the year	3562567	16.28		
2	Gurukrupa Investments & Trading Co. Pvt. Ltd.				
	At the beginning of the year	90849	0.42	90849	0.42
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	No Change		90849	0.42
	At the end of the year	90849	0.42		

3	Manmit Investments & Trading Co. Pvt. Ltd.				
	At the beginning of the year	284185	1.30	284185	1.30
	Date wise Increase/ Decrease in Promoters Share Holding during the year specifying the reasons for Increase/ Decrease [Sale (-) / Purchase (+)]	No Change		284185	1.30
	At the end of the year	284185	1.30		
4	Moonshine Investments & Trading Co. Pvt. Ltd.				
	At the beginning of the year	459695	2.10	459695	2.10
	Date wise Increase/ Decrease in Promoters Share Holding during the year specifying the reasons for Increase/ Decrease [Sale (-) / Purchase (+)]	No Change		459695	2.10
	At the end of the year	459695	2.10		
5	Sanand Investments & Trading Co. Pvt. Ltd.				
	At the beginning of the year	275032	1.26	275032	1.26
	Date wise Increase/ Decrease in Promoters Share Holding during the year specifying the reasons for Increase/ Decrease [Sale (-) / Purchase (+)]	No Change		275032	1.26
	At the end of the year	275032	1.26		
6	Starshine Investments & Trading Co. Pvt. Ltd.				
	At the beginning of the year	201720	0.92	201720	0.92
	Date wise Increase/ Decrease in Promoters Share Holding during the year specifying the reasons for Increase/ Decrease [Sale (-) / Purchase (+)]	No Change		201720	0.92
	At the end of the year	201720	0.92		
7	Sukumar Holdings & Trading Co. Pvt. Ltd.				
	At the beginning of the year	256600	1.17	256600	1.17
	Date wise Increase/ Decrease in Promoters Share Holding during the year specifying the reasons for Increase/ Decrease [Sale (-) / Purchase (+)]	No Change		256600	1.17
	At the end of the year	256600	1.17		
8	Garware Research Institute				
	At the beginning of the year	2300	0.01	2300	0.01
	Date wise Increase/ Decrease in Promoters Share Holding during the year specifying the reasons for Increase/ Decrease [Sale (-) / Purchase (+)]	No Change		2300	0.01
	At the end of the year	2300	0.01		
9	Vimlabai Garware Research Institute				
	At the beginning of the year	590070	2.70	590070	2.70
	Date wise Increase/ Decrease in Promoters Share Holding during the year specifying the reasons for Increase/ Decrease [Sale (-) / Purchase (+)]	No Change		590070	2.70
	At the end of the year	590070	2.70		



10	VRG Investments Limited				
	At the beginning of the year	881400	4.03	881400	4.03
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	No Change		881400	4.03
	At the end of the year	881400	4.03		
11	VMIR Investment Limited				
	At the beginning of the year	922211	4.21	922211	4.21
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	No Change		922211	4.21
	At the end of the year	922211	4.21		
12	* Vayu Ramesh Garware				
	At the beginning of the year	3566162	16.30	3566162	16.30
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	(on 25-09-2018)	(+)513	0.00	3566675
		(on 26-09-2018)	(+)1200	0.01	3567875
		(on 01-10-2018)	(+)420	0.00	3568295
	At the end of the year	3568295	16.31		
13	Mayuri Vayu Garware				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	(on 11-10-2018)	(+)10	0.00	10
	At the end of the year	10	0.00		
(*) Out of 35,68,295 (16.31%) equity shares, 21,18,893 (9.68%) equity shares are registered in the name of Mr. Vayu Ramesh Garware as Partner of Partnership Firms. Beneficial interest in the said shares is held by the Partnership firms.					

iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	GWRL Managerial Staff Welfare Trust				
	At the beginning of the year	946500	4.33	946500	4.33
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	No Change		946500	4.33
	At the end of the year (or on the date of separation, if separated during the year)	946500	4.33		
2	Catamaran Advisors LLP				
	At the beginning of the year	471128	2.15	471128	2.15
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	(on 29-09-2018)	(+)4574	0.02	475702
		(on 05-10-2018)	(+)11009	0.05	486711
		(on 23-11-2018)	(+)36311	0.17	523022
		(on 30-11-2018)	(+)6588	0.03	529610
		(on 07-12-2018)	(+)9000	0.04	538610
	At the end of the year (or on the date of separation, if separated during the year)	538610	2.46		

3	Verdipapirfondet Odin Emerging Markets						
	At the beginning of the year		0		0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	(on 11-05-2018)	(+)20039	0.09	20039	0.09	
		(on 18-05-2018)	(+)29961	0.14	50000	0.23	
		(on 01-06-2018)	(+)5408	0.02	55408	0.25	
		(on 08-06-2018)	(+)23592	0.11	79000	0.36	
		(on 15-06-2018)	(+)17000	0.08	96000	0.44	
		(on 22-06-2018)	(+)7000	0.03	103000	0.47	
		(on 30-06-2018)	(+)7102	0.03	110102	0.50	
		(on 03-08-2018)	(+)2600	0.01	112702	0.51	
		(on 10-08-2018)	(+)19129	0.09	131831	0.60	
		(on 17-08-2018)	(+)11259	0.05	143090	0.65	
		(on 24-08-2018)	(+)12022	0.05	155112	0.70	
		(on 31-08-2018)	(+)14990	0.07	170102	0.77	
		(on 07-09-2018)	(+)30000	0.14	200102	0.91	
		(on 14-09-2018)	(+)25053	0.11	225155	1.02	
		(on 21-09-2018)	(+)3275	0.01	228430	1.04	
		(on 29-09-2018)	(+)31672	0.15	260102	1.19	
		(on 05-10-2018)	(+)28062	0.13	288164	1.32	
		(on 26-10-2018)	(+)17926	0.08	306090	1.40	
		(on 02-11-2018)	(+)2400	0.01	308490	1.41	
		(on 09-11-2018)	(+)29058	0.13	337548	1.54	
		(on 07-12-2018)	(+)11505	0.05	349053	1.59	
		(on 14-12-2018)	(+)8653	0.04	357706	1.63	
		(on 11-01-2019)	(+)13791	0.06	371497	1.69	
		(on 18-01-2019)	(+)20718	0.10	392215	1.79	
		(on 25-01-2019)	(+)5682	0.03	397897	1.82	
	At the end of the year (or on the date of separation, if separated during the year)		397897		1.82		
4	SBI Small Cap Fund						
	At the beginning of the year		295043		1.35	295043	1.35
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	(on 30-11-2018)	(-)9000	0.04	286043	1.31	
	At the end of the year (or on the date of separation, if separated during the year)		286043		1.31		
5	Garware Polyester Limited						
	At the beginning of the year		262543		1.20	262543	1.20
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	No Change			262543	1.20	
	At the end of the year (or on the date of separation, if separated during the year)		262543		1.20		



6	Vinodchandra Mansukhlal Parekh					
	At the beginning of the year		256568	1.17	256568	1.17
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	No Change			256568	1.17
	At the end of the year (or on the date of separation, if separated during the year)		256568	1.17		
7	White Oak India Equity Fund					
	At the beginning of the year		192894	0.88	192894	0.88
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	(on 06-04-2018)	(+)1987	0.01	194881	0.89
	At the end of the year (or on the date of separation, if separated during the year)		194881	0.89		
8	General Insurance Corporation of India					
	At the beginning of the year		200252	0.92	200252	0.92
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	(on 11-01-2019)	(-)24462	0.11	175790	0.80
		(on 18-01-2019)	(-)1544	0.01	174246	0.80
		(on 25-01-2019)	(-)407	0.00	173839	0.79
	At the end of the year (or on the date of separation, if separated during the year)		173839	0.79		
9	India Acorn Fund Ltd					
	At the beginning of the year		162628	0.74	162628	0.74
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	No Change			162628	0.74
	At the end of the year (or on the date of separation, if separated during the year)		162628	0.74		
10	Al Mehwar Commercial Investments LLC - (whiting)					
	At the beginning of the year		0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	(on 08-06-2018)	(+)100000	0.46	100000	0.46
		(on 27-07-2018)	(-)22250	0.10	77750	0.36
		(on 26-10-2018)	(+)8900	0.04	86650	0.40
		(on 09-11-2018)	(+)35000	0.16	121650	0.56
	At the end of the year (or on the date of separation, if separated during the year)		121650	0.56		

v) Shareholding of Directors and Key Managerial Personnel (KMP):

Sr. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	Directors				
1	Vayu Ramesh Garware*				
	At the beginning of the year	3566162	16.30	3566162	16.30
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	(on 25-09-2018) (+)513	0.00	3566675	16.30
		(on 26-09-2018) (+)120Q	0.01	3567875	16.31
		(on 01-10-2018) (+)420	0.00	3568295	16.31
	At the end of the year	3568295	16.31		
2	Mayuri Vayu Garware				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	(on 11-10-2018) (+)10	0.00	10	0.00
	At the end of the year	10	0.00		
3	Ramesh Manjnath Telang				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	No Change		0	0.00
	At the end of the year	0	0.00		
4	Shrikant Pandharinath Kulkarni				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	No Change		0	0.00
	At the end of the year	0	0.00		
5	Ashish Goel**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	(on 02-07-2018) (+)106	0.00	106	0.00
		(on 03-07-2018) (+)119	0.00	225	0.00
		(on 03-07-2018) (+)1100	0.01	1325	0.01
		(on 04-07-2018) (+)430	0.00	1755	0.01
		(on 04-07-2018) (+)1570	0.01	3325	0.02
	At the end of the year	3325	0.02		
6	Shridhar Shrikrishna Rajpathak				
	At the beginning of the year	300	0.00	300	0.00
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	No Change		300	0.00
	At the end of the year	300	0.00		



KEY MANAGERIAL PERSONNEL (KMP)					
1	Mukesh Surana ***				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase/ Decrease [Sale (-)/ Purchase (+)].	No Change		0	0.00
	At the end of the year	0	0.00		
2	Sunil Agarwal				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase/ Decrease [Sale (-)/ Purchase (+)].	No Change		0	0.00
	At the end of the year	0	0.00		
(*) Out of 35,68,295 (16.31%) equity shares, 21,18,893 (9.68%) equity shares are registered in the name of Mr. Vayu Ramesh Garware as Partner of Partnership Firms. Beneficial interest in the said shares is held by the Partnership firms.					
(**) 3,325 Equity Shares were registered in the name of Mr. Ashish Goel as Trustee, beneficial interest in which were held by Akanksha Beneficiary Trust.					
(***) Mr. Mukesh Surana was designated as Chief Financial Officer of the Company w.e.f. 14th August, 2018.					

V. Indebtedness:

Indebtedness of the Company including interest outstanding / accrued but not due for payment:

(₹ in lakhs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	13,838.83	-	-	13,838.83
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	13,838.83	-	-	13,838.83
Change in Indebtedness during Financial Year				
Addition	-	-	-	-
Reduction	3,041.56	-	-	3,041.56
Net Change	(3,041.56)	-	-	(3,041.56)
Indebtedness at the end of the Financial Year				
i) Principal Amount	10,797.27	-	-	10,797.27
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	10,797.27	-	-	10,797.27

(Previous year figures have been re-grouped / re-arranged, wherever necessary)

VI. Remuneration of Directors and Key Managerial Personnel (KMP):
A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

(₹ in lakhs)

Sr.No.	Particulars of Remuneration	Name of MD / WTD / Manager
		Mr. V. R. Garware, Chairman & Managing Director
1.	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	194.97
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10.89
	(c) Profits in lieu of Salary under Section 17(3) Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission as % of profit	645.00
5.	Others, please specify	-
	Total	850.86
	Ceiling as per the Act	₹ 1709.45 - Being 10% of the Net Profit of the Company



B. Remuneration to other Directors:

(₹ in lakhs)

Sr.No.	Particulars of Remuneration	Name of Director			Total Amount
1.	Independent Directors	R. M. Telang	S. P. Kulkarni	Ashish Goel	
	• Fee for attending Board / Committee Meetings	2.60	2.60	0.60	5.80
	• Commission	-	-	-	-
	• Others, Please specify	-	-	-	-
	Total (1)	2.60	2.60	0.60	5.80
2.	Other Non-Executive Directors	M. V. Garware	S. S. Rajpathak		
	• Fee for attending Board / Committee Meetings	1.60	1.00		2.60
	• Commission	-	-		-
	• Others, Please specify	-	-		-
	Total (2)	1.60	1.00		2.60
	Total (B)=(1+2)				8.40
	Total Managerial Remuneration				859.26
	Overall Ceiling as per the Act	₹ 1880.40 - Being 11% of the Net Profit of the Company			

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

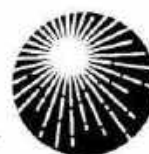
(₹ in lakhs)

Sr.No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1.	Gross Salary:	32.02	46.15*	78.17
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of Salary under Section 17(3) of Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission:	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others, please specify	-	-	-
	Total	32.02	46.15*	78.17

* Mr. Mukesh Surana was designated as Chief Financial Officer of the Company w.e.f. 14th August, 2018.

VII. Penalties / Punishment / Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give Details)
A. Company					
Penalty					
Punishment			None		
Compounding					
B. Directors					
Penalty					
Punishment			None		
Compounding					
C. Other Officers in Default					
Penalty					
Punishment			None		
Compounding					


ANNEXURE 6 TO DIRECTORS' REPORT 2018-19

The information pursuant to the provision of Section 197(12) the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Part A:

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of Section 197 (12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Requirement	Disclosure		
1.	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2018-19.	Name of the Director / KMP	Ratio per *Median Remuneration of the Employees	% Increase in Remuneration
		Mr. V. R. Garware, Chairman & Managing Director	170.51	12.67%
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year 2018-19; (as compared to last year).	Mr. Mukesh Surana, Chief Financial Officer	NA*	NA*
		Mr. Sunil Agarwal, Company Secretary	6.42	9.13%
		* Since, this information is for part of the year, the same is not comparable. For this purpose, Sitting Fees paid to the Directors have not been considered as remuneration.		
3.	The percentage increase in the median remuneration of employees in the Financial Year 2018-19.	7.92%		
4.	The number of permanent employees on the roll of the Company as on 31st March, 2019.	1,214		
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average percentile increase in remuneration of the employee and percentile increase in remuneration of Managerial Personnel is in line with normal pay revisions, which is linked to individual performance and the Company's performance.		
6.	Affirmation that the remuneration is as per the Remuneration Policy of the Company.	The Company affirms that remuneration is as per the Remuneration Policy of the Company.		

PART B

The Statement comprising the names and other particulars of employees as per Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms an integral part of this Report. The Annual Report is being sent to all the Members of the Company excluding the aforesaid statement. In terms of second proviso of Section 136 of the Companies Act, 2013, the said statement is available for inspection by the Members at the Registered Office of the Company, during the working hours of the Company for a period of twenty-one days before date of the ensuing Annual General Meeting of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary at the Registered Office.

ANNEXURE TO DIRECTORS' REPORT 2018-19: CORPORATE GOVERNANCE REPORT

Your Company has already complied with the mandatory requirements on Corporate Governance as per the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as "the SEBI (LODR) Regulations, 2015"]. A detailed Report is set out below.

I. MANDATORY REQUIREMENTS

1) PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company continues to be committed to high standards of Corporate Governance. Your Company's philosophy on Corporate Governance aims at adopting and practicing best corporate practices, while achieving Company's business objectives in a way that serves the interest of all Stakeholders. Towards this, the Company has adopted the practices mandated by the provisions of the SEBI (LODR) Regulations, 2015.

2) BOARD OF DIRECTORS

i. Composition: The Board of Directors of the Company as on 31st March, 2019, consisted of:

Sr. No.	Name of Director	DIN	Designation	Position	Relationship between Directors inter-se
1	Mr. V. R. Garware	00092201	Chairman & Managing Director	Promoter - Executive	Relative of Ms. M. V. Garware
2	Ms. M. V. Garware	06948274	Director	Promoter - Non-Executive	Relative of Mr. V. R. Garware
3	Mr. R. M. Telang	00092103	Director	Independent - Non-Executive	-
4	Mr. S. P. Kulkarni	00006914	Director	Independent - Non-Executive	-
5	Mr. Ashish Goel	00147449	Director	Independent - Non-Executive	-
6	Dr. S. S. Rajpathak	00040387	Director	Non-Independent - Non-Executive	-

ii. Attendance at the meetings of the Board of Directors and last Annual General Meeting and details of memberships of Directors in other Boards / Board Committees and number of Equity Shares held.

- Five (05) meetings of the Board were held during the Financial Year 2018-19 - on 30th May, 2018, 21st June, 2018, 13th August, 2018, 01st November, 2018 and 13th February, 2019.

Name of Director	No. of Board Meetings Attended	Sitting Fees paid (₹)	Whether attended last A.G.M.	Directorships in other Companies and Membership of Committees and Post held in Committees as on 31st March, 2019*			No. of Equity Shares held as on 31st March, 2019
				Other Boards	Other Board Committees**		
					Chairman	Member	
Mr. V. R. Garware	5	N.A.	Yes	3***	---	---	*****35,68,295
Ms. M. V. Garware	5	1,00,000	Yes	---	---	---	10
Mr. R. M. Telang	5	1,00,000	Yes	---	---	---	0
Mr. S. P. Kulkarni	5	1,00,000	Yes	---	---	---	0
Mr. Ashish Goel ^{****}	3	60,000	No	---	---	1	3325
Dr. S. S. Rajpathak	5	1,00,000	Yes	---	---	---	300

* Excludes Directorships in Foreign Companies, Private Limited Companies and companies under Section 8 of the Companies Act, 2013.

** Only Audit Committee and Stakeholder Relationship Committee are reckoned for this purpose.

*** Mr. V. R. Garware was not Independent Director in any of these companies.

**** 3,325 Equity Shares were registered in the name of Mr. Ashish Goel as Trustee, beneficial interest in which were held by Akanksha Beneficiary Trust.

***** Out of 35,68,295 (16.31%) Equity Shares, 21,18,893 (9.68%) Equity Shares are registered in the name of Mr. Vayu Ramesh Garware as Partner of Partnership Firms. Beneficial interest in the said shares is held by the Partnership firms.

- None of the Directors of the Company hold directorship in other Listed Entities.

3) INDEPENDENT DIRECTORS

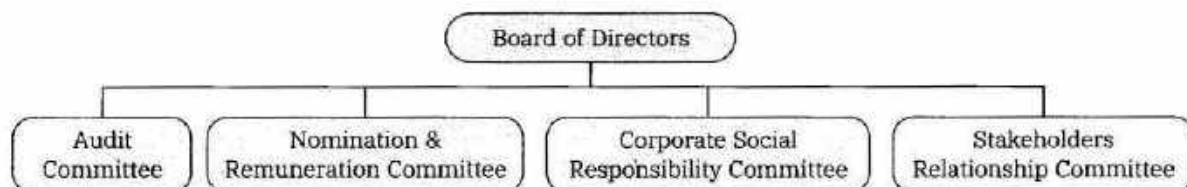
Your Company has appointed Independent Directors, who are having experience in their respective field / profession and meet the criteria of independence according to Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and



Section 2(47) and 149(6) of the Companies Act, 2013 and the Rules made thereunder. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015. The Company has appointed Independent Directors and issued appointment letters to them. The terms and conditions of their appointment are on the Company's website: <https://www.garwarefibres.com/investors/terms-of-appointment-of-independent-directors/>.

4) COMMITTEES OF BOARD OF DIRECTORS

The Board as on 31st March, 2019 has four (04) Committees.



A) AUDIT COMMITTEE

i. Constitution:

Terms of Reference of the Audit Committee have been set out in accordance with the requirements of Section 177 of the Companies Act, 2013 and the Rules made thereunder and Regulation 18 of the SEBI (LODR) Regulations, 2015 and Regulation 19A of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

ii. Composition:

Sr. No.	Name of the Member	Designation	Position
1	Mr. S. P. Kulkarni	Chairman	Independent - Non-Executive Director
2	Mr. R. M. Telang	Member	Independent - Non-Executive Director
3	Mr. V. R. Garware	Member	Executive Director

iii. Meetings and Attendance:

The details of meetings held during the year, and the attendance thereat, are as follows:

- Five (05) meetings of the Audit Committee were held during the Financial Year 2018-19 - on 30th May, 2018, 21st June, 2018, 12th August, 2018, 31st October, 2018 and 12th February, 2019.

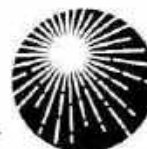
Name of the Member	No. of Meetings attended	Sitting Fees paid (₹)
Mr. S. P. Kulkarni	5	1,00,000
Mr. R. M. Telang	5	1,00,000
Mr. V. R. Garware	5	N.A.

The Statutory Auditors of the Company attended four (04) meetings out of five (05) meetings held during the Financial Year 2018-19. The Company Secretary acted as Secretary to the Audit Committee.

B) NOMINATION & REMUNERATION COMMITTEE

i. Constitution:

Terms of Reference of the Nomination & Remuneration Committee have been set out in accordance with the requirements of Regulation 19 read with Paragraph A of Part D of Schedule II of the SEBI (LODR) Regulations, 2015, and Section 178 of the Companies Act, 2013, and Rules made thereunder. Further, in terms of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the Nomination & Remuneration Committee of the Company is authorized to administer and superintend the General Employee Welfare Scheme - "GWRL Managerial Staff Welfare Trust Scheme", acting as Compensation Committee in terms of the said Regulations.



long-term performance taking into consideration the overall performance of the Company and achievements of Key Result Areas (KRAs) / Balance Score Card Objectives / Targets, as mutually agreed in advance between the concerned Executive and his supervising personnel.

As per the requirements of Section 178(4) of the Companies Act, 2013, details of such a Policy have been displayed on the Company's website: <https://www.garwarefibres.com/remuneration-policy/>.

b) REMUNERATION OF DIRECTORS

i. Non-Executive Directors:

The remuneration of Non-Executive Directors is decided by the Board of Directors on recommendation by Nomination & Remuneration Committee. At present, only Sitting Fees are paid to Non-Executive Directors for attending Board Meetings, Audit Committee Meetings and Nomination & Remuneration Committee Meetings. The payment of Sitting Fees is within the limits prescribed under the Companies Act, 2013 and Rules made thereunder, as amended from time to time.

ii. Executive Director:

Mr. V. R. Garware, was re-appointed as Managing Director of the Company to be designated as Chairman & Managing Director for a period of five (05) years effective from 1st December, 2016 and his appointment and terms thereof including remuneration was approved by the Members at Thirty-Ninth Annual General Meeting of the Company held on Wednesday, 10th August, 2016. Further, the terms of remuneration was revised by the Members, by passing of Special Resolution at Fortieth Annual General Meeting of the Company held on Friday, 4th August, 2017.

Particulars of the present remuneration payable are detailed below:

a. Salary: Basic Salary of ₹ 7,50,000 (Rupees Seven Lakhs Fifty Thousand only) per month.

b. Special Allowance: ₹ 7,00,000 (Rupees Seven Lakhs only) per month.

c. Perquisites and Allowances:

1. The CMD shall be entitled to various perquisites including rent free fully furnished accommodation or house rent allowance in lieu thereof up to sixty (60) percent of his basic salary, medical expenses / allowance, leave travel allowance / concession, travelling and halting allowances, club fees, group health insurance coverage, group accident insurance coverage, such other perquisites and allowances in accordance with the rules of the Company.

These perquisites would be either in the form of reimbursement of actual expenses or payment of allowances.

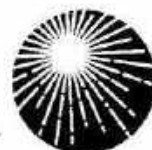
2. The CMD shall be entitled to the Company's contribution to provident fund, employees' pension scheme and superannuation fund as per the rules of the Company.
3. The CMD shall also be entitled to the benefits of gratuity as per the scheme for senior executives and earned leave and encashment of earned leave at the end of the tenure which shall not be included in the computation of the ceiling on remuneration.
4. The CMD shall be entitled to use of Company's maintained car(s) with driver(s) for the use of the Company's business. Further, the telephone and other communication facilities will be provided to the CMD at his residence and other places of his temporary stay for business purposes. These cost / expenses towards such communication facilities will not be considered as perquisites.

Perquisites and allowances shall be evaluated as per Income-Tax Rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

d. Commission:

Besides the salary, perquisites and allowances, the CMD shall also be paid remuneration by way of commission. The amount of commission shall be determined by the Board of Directors every year based on the performance of the Company for the particular year such that total remuneration for any financial year shall not exceed the maximum remuneration as determined as per the provisions of Section 197 and Section 198 of the Companies Act, 2013.

Pursuant to second proviso of Section 197(1) of the Companies Act 2013, the Member of the Company at Fortieth Annual General Meeting of the Company held on Friday, 4th August, 2017 approved the proposal that Mr. V. R. Garware, Chairman & Managing Director of the Company be paid a commission, every year, based on the performance of the Company for that particular year such that total remuneration for any financial year shall not exceed ten (10) percent of the net profits of the Company from the financial year, which has started on 1st April, 2017, till the remainder of term of his appointment i.e., upto



Sr. No.	Name of the Member	Designation	Position
1	Mr. R. M. Telang	Chairman	Independent - Non-Executive Director
2	Mr. S. P. Kulkarni	Member	Independent - Non-Executive Director
3	Mr. V. R. Garware	Member	Executive Director
4	Dr. S. S. Rajpathak	Member	Non-Independent - Non-Executive

ii. Functions, Role and Responsibility:

The Board of Directors at its meeting held on 13th February, 2019, entrusted the following functions, role and responsibility to the "Stakeholder Relationship Committee":-

1. Approving transfer/transmission/transposition of shares/consolidation of folios.
2. Approving issue of duplicate / fresh share certificates on account of requests for duplicate / split / consolidation of shares.
3. Resolving the grievances of the security holders of the company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
4. Review of measures taken for effective exercise of voting rights by shareholders.
5. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
6. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company and
7. Appoint or designate any Company Official as a Secretary of the Committee.

- iii. During the Financial Year 2018-19, twenty-five (25) meetings of the "Stakeholder Relationship Committee" were held.
- iv. During the Financial Year 2018-19, two (02) complaints received, all were resolved to the satisfaction of the Shareholders. Other communications received were also replied / resolved satisfactorily.
- v. There were no unresolved / unattended communications / complaints of Shareholders pending as of 31st March, 2019.
- vi. There were no pending share transfers as of 31st March, 2019.
- vii. The Share Transfer Agents, M/s. Link Intime India Private Limited, has been authorized to authenticate all routine transfers, transmission and transposition of Shares Certificates. Presently, transfers, transmissions etc., are effected within fifteen (15) days.
- viii. Mr. Sunil Agarwal, Company Secretary & Head-Legal, is appointed as a Compliance Officer.

5) GENERAL BODY MEETINGS

- i. Details of location and time of holding the last three (03) Annual General Meetings:

Date	Time	Venue of all three (03) Meetings	Details of Special Resolution Passed
Wednesday, 10th August, 2016	10.30 a.m.	Auto Cluster Auditorium, Auto Cluster Development and Research Institute Limited, H-Block, Plot No. C-181, Off Old Pune-Mumbai Highway, Chinchwad, Pune 411 019.	NA
Friday, 4th August, 2017	10.30 a.m.		Revision in terms of remuneration of Mr. V. R. Garware (DIN 00092201), Chairman & Managing Director of the Company
Tuesday, 11th September, 2018	10.30 a.m.		To continue the appointment of Mr. R. M. Telang (DIN 00092103), as a Non-Executive Independent Director of the Company

ii. Special Resolution passed by Postal Ballot:

- a) On 10th June, 2018, the Shareholders passed the Special Resolution on the following subject matter, by way of Postal Ballot

Details of Special Resolution:

Approval for changing the Name of the Company from "Garware-Wall Ropes Limited" to "Garware Technical Fibres Limited" and consequential amendment to Memorandum of Association and Articles of Association of the Company.

Total number of Shareholders on record date (i.e. 04th May, 2018): 17162

No. of Shareholders to whom Postal Ballots were sent physically: 5059

No. of Shareholders to whom Postal Ballots sent through Email: 12103

Mr. S. V. Deulkar, Partner of M/S. SVD & Associates, who had been appointed as Scrutinizer for conducting the Postal Ballot in a fair and transparent manner, has submitted his report on 12th June, 2018 ("the Report").

In accordance with the Report, the Result of Postal Ballot, as detailed below, was declared by Mr. V. R. Garware, Chairman & Managing Director, on 12th June, 2018.

Particulars	Total (Postal Ballot and E-Voting)	
	No. of Shareholders	No. of Shares
Total No. of Votes Polled	188	12194672
Votes cast in favour of the Resolution	187	12194656
Votes cast against the Resolution	1	16
Shareholders in favour of the resolution as a percentage of votes exercised	92.57%	
Votes in favour of the resolution as a percentage of votes cast	99.99%	

Note: Votes invalid / rejected: 14 Shareholders - 6300 Shares

Postal Ballot was conducted in accordance with the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, ("the Act") read with the Companies (Management and Administration) Rules, 2014 ("the Rules") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Regulation 44 of SEBI (LODR) Regulations, 2015.

- b) On 10th February, 2019, the Shareholders passed the Special Resolution on the following subject matter, by way of Postal Ballot

Details of Special Resolution:

Approval for Reduction of Capital of the Company

Total number of Shareholders on record date (i.e. 31st December, 2018): 17462

No. of Shareholders to whom Postal Ballots were sent physically: 4393

No. of Shareholders to whom Postal Ballots sent through Email: 13069

Mr. S. V. Deulkar, Partner of M/S. SVD & Associates, who had been appointed as Scrutinizer for conducting the Postal Ballot in a fair and transparent manner, has submitted his report on 12th February, 2019 ("the Report").

In accordance with the Report, the Result of Postal Ballot, as detailed below, was declared by Mr. V. R. Garware, Chairman & Managing Director, on 12th February, 2019.

Particulars	Total (Postal Ballot and E-Voting)	
	No. of Shareholders	No. of Shares
Total No. of Votes Polled	213	12065926
Votes cast in favour of the Resolution	206	12064669
Votes cast against the Resolution	7	1257
Shareholders in favour of the resolution as a percentage of votes exercised	96.71%	
Votes in favour of the resolution as a percentage of votes cast	99.99%	

Note: Votes invalid / rejected: 5 Shareholders - 12340 Shares



Postal Ballot was conducted in accordance with the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, ("the Act") read with the Companies (Management and Administration) Rules, 2014 ("the Rules") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Regulation 44 of SEBI (LODR) Regulations, 2015.

iii. As on date, no Special Resolution is proposed to be conducted through Postal Ballot.

6) FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company familiarises its Independent Directors with their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. As per the requirements of Regulation 34 (3) read with Part C of Clause V of the SEBI (LODR) Regulations, 2015 details of such Familiarisation Programmes conducted has been displayed on the Company's website: <https://www.garwarefibres.com/investors/familiarisation-programme-for-independent-directors/>.

7) THE CORE SKILLS / EXPERTISE / COMPETENCE OF THE BOARD OF DIRECTORS, AS REQUIRED IN THE CONTEXT OF BUSINESS(ES) AND SECTOR(S) OF THE COMPANY FOR IT TO FUNCTION EFFECTIVELY

The Board of Directors of the Company has identified the following core skills / expertise / competence of the board of directors, as required in the context of business(es) and sector(s) of the Company for it to function effectively and those actually available with the board of directors:

Sr. No.	Areas of Expertise Required	Availability with the Board
1.	Technical Textile Industry knowledge / experience	
a.	Experience relating to technical textile industry	Yes
b.	Knowledge relating to technical textile and polymer industry	Yes
c.	Understanding of laws, rules, regulation and policy relevant to technical textile industry	Yes
d.	Experience relating to International business, market and competition	Yes
2.	Technical skills / experience possessed by the board members	
a.	Accounting and finance knowledge	Yes
b.	Marketing knowledge	Yes
c.	Information Technology understanding	Yes
d.	Talent Management qualities	Yes
e.	Leadership qualities	Yes
f.	Compliance and risk assessment abilities	Yes
3.	Behavioral Competencies possessed by the board members	
a.	Integrity and ethical standards	Yes
b.	Mentoring abilities	Yes
c.	Interpersonal relations	Yes

8) POLICY ON RELATED PARTY TRANSACTIONS OF THE COMPANY

The Board of Directors of the Company has approved a Policy on Materiality of Related Party Transaction and dealings with Related Party Transactions including a revised Policy as amended and aligned as per the provisions of the Companies Act, 2013, the Companies (Meeting of Board and Its Power) Rules, 2014 and the SEBI (LODR) Regulations, 2015 and the same has been displayed on the Company's website: <https://www.garwarefibres.com/investors/related-party-transactions-policy/>.

The Company management ensures total adherence to the approved Policy on Related Party Transactions without any compromise.

9) DISCLOSURES

- There were no materially significant related-party transactions, which had potential conflict with the interest of the Company at large.
- The Company has complied with the requirements of the Listing Agreements with Stock Exchanges as well as Regulations and Guidelines of SEBI. Consequently, no penalties were imposed or strictures passed against the Company by SEBI or Stock Exchanges or any Statutory Authorities during the last three (03) years on any matter related to Capital Market.

- iii. The Board of Directors have adopted a Vigil Mechanism Policy, which is applicable to all full-time employees and Directors of the Company for reporting their genuine concerns, which covers malpractice, unethical behavior, fraud or suspected fraud, manipulation, misappropriation of monies and violation of the Companies Codes. The said Vigil Mechanism Policy also provides adequate safeguards against victimization of persons who use such mechanism and provisions for direct access to the Chairperson of the Audit Committee, in appropriate and exceptional cases. None of the employees has been denied access to the Audit Committee's Chairman. The salient features of the "Vigil Mechanism" of the Company as approved by the Board of Directors has been displayed on the Company's website: <https://www.garwarefibres.com/investors/vigil-mechanism/>.
- iv. The Board of Directors has adopted a Code of Conduct for all Board Members and Senior Management of the Company, which came into effect from 1st January, 2006. A copy of the same has been displayed on the Company's website: <https://www.garwarefibres.com/investors/code-of-conduct-for-directors/> & <https://www.garwarefibres.com/investors/code-of-conduct-for-managers/>. Certificate on compliance is given separately.
- v. The Board of Directors of the Company has revised "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)", "Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Immediate Relatives of Designated Persons" and formulated a "Policy and Procedure for inquiry in case of leak of Unpublished Price Sensitive Information or suspected leak of Unpublished Price Sensitive Information", in accordance with the amended SEBI (Prohibition of Insider Trading) Regulations, 2015.
- vi. CEO (Chairman and Managing Director), and CFO, have made necessary certification on Financial Statements & Cash Flow Statement for the year to the Board of Directors of the Company.
- vii. The Board of Directors, on quarterly basis, reviews compliance reports of all laws. There were no instances of non-compliance reported.
- viii. The Company has laid down procedures to inform the Board of Directors about the risk assessment and minimization procedures.
- ix. There were no transactions disclosed to Board by Senior Management relating to material financial and commercial nature, involving potential conflict of interest with the Company. A statement in summary form of transactions with related parties is placed periodically before the Audit Committee.
- x. The Company is not having any outstanding Global Depository Receipts or American Depository Receipt or Warrants or any Convertible instruments.
- xi. The Company has complied with all mandatory requirements of the SEBI (LODR) Regulations, 2015.
- xii. The Company is not having any material subsidiary as defined under Regulation 16(c) of the SEBI (LODR) Regulations, 2015.
- xiii. The Company is exposed to commodity price risk and foreign currency exchange risk in the course of its business. The Company did not engage in commodity price risk hedging activities. The Company's foreign currency exchange exposures are monitored on a daily basis under the expert guidance of consultants. A formal foreign exchange policy had been adopted by the Board thereby providing the treasury with a broad operating framework with stress on keeping risks low as far as possible and within a specified limit. The Board also review foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement, if material in its quarterly meet.
- xiv. The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI (LODR) Regulations, 2015.
- xv. The Company has received a certificate dated 28th May, 2019 from Mr. S. V. Deulkar, Partner of M/S. SVD & Associates, a company secretary in practice stating that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.
- xvi. During the Financial Year 2018-19, the Board of Directors of the Company has accepted all the recommendations of Committees of the Board of Directors of the Company which is mandatorily required.
- xvii. Total fees for all services paid by the Company and its subsidiary, on a consolidated basis, to the Statutory Auditor of the Company and all entities in the network firm / network entity of which the Statutory Auditor of the Company is ₹ 25.30 lakhs.



xviii. The details in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, is as below:

- Number of complaints filed during the Financial Year 2018-19: 0
- Number of complaints disposed of during the Financial Year 2018-19: 0
- Number of complaints pending as on end of the Financial Year 2018-19: 0

10) MEANS OF COMMUNICATION

- Apart from publication in leading newspapers, the Quarterly Financial Statements as well as Annual Financial Statements are displayed on the Company's website: <https://www.garwarefibres.com/investors/financial-results/>. Further, Quarterly Shareholding Patterns are displayed on the Company's website: <https://www.garwarefibres.com/investors/shareholding-pattern/>. Presentation on Financial Statements and official news releases are also submitted to Stock Exchange(s) for public dissemination before its release. During the year under review, no presentation was made to institutional investors or to the analysts.
- A Management Discussion and Analysis Report is enclosed separately as part of this Annual Report.

11) GENERAL SHAREHOLDER INFORMATION

i. 42nd Annual General Meeting

- | | |
|----------------------|---|
| - Day, Date and Time | Tuesday, 17th September, 2019, 10:30 a.m. |
| - Venue | Auto Cluster Auditorium,
Auto Cluster Development and Research Institute Limited,
H-Block, Plot No. C-181, Off Old Pune-Mumbai Highway,
Chinchwad, Pune - 411 019. |

ii. Financial Calendar

- | | |
|--|-------------------------|
| Financial reporting for | 1st April to 31st March |
| • Quarter ending 30th June, 2019 | by 14th August, 2019 |
| • Quarter and six months ending 30th September, 2019 | by 14th November, 2019 |
| • Quarter and nine months ending 31st December, 2019 | by 14th February, 2020 |
| • Quarter and year ending 31st March, 2020 | by 30th May, 2020 |

iii. Book closure date

From Wednesday, 11th September, 2019 to
Tuesday, 17th September, 2019 (both days inclusive).

iv. Dividend payment date

Tuesday, 17th September, 2019 onwards.

v. Listing of Equity Shares

The Equity Shares of the Company are listed on:

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. Tel No.: (022) 2272 1233 / 4 Fax No.: (022) 2272 1919	National Stock Exchange of India Limited. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051. Tel No.: (022) 2659 8100 / 8114 Fax No.: (022) 2659 8120
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The Listing Fee has been paid up to date, to BSE Limited and National Stock Exchange of India Limited.

vi. Stock Code / Symbol

- | | |
|--|-------------------|
| BSE Limited | Code No.: 509557 |
| National Stock Exchange of India Limited | Symbol: GARFIBRES |

Expanding Horizons

vii. Stock Market Data

The high and low prices recorded on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) were as under:

Months	Share Price (₹)				BSE		NSE	
	At BSE		At NSE		S & P Sensex		CNX Nifty	
	High	Low	High	Low	High	Low	High	Low
Apr-18	1009.85	912.15	1009.00	910.30	35213.30	32972.56	10759.00	10111.30
May-18	990.00	887.20	994.00	882.50	35993.53	34302.89	10929.20	10417.80
Jun-18	1050.00	925.00	1050.00	928.00	35877.41	34784.68	10893.25	10550.90
Jul-18	1358.60	1025.00	1362.40	1031.35	37644.59	35106.57	11366.00	10604.65
Aug-18	1308.00	1151.05	1310.00	1159.10	38989.65	37128.99	11760.20	11234.95
Sep-18	1358.00	1100.00	1338.00	1102.70	38934.35	35985.63	11751.80	10850.30
Oct-18	1208.00	971.25	1200.00	977.00	36616.64	33291.58	11035.65	10004.55
Nov-18	1216.00	1070.00	1220.05	1060.00	36389.22	34303.38	10922.45	10341.90
Dec-18	1259.00	1123.00	1264.00	1123.00	36554.99	34426.29	10985.15	10333.85
Jan-19	1213.45	1050.65	1210.30	1060.00	36701.03	35375.51	10987.45	10583.65
Feb-19	1125.50	966.70	1142.80	963.60	37172.18	35287.16	11118.10	10585.65
Mar-19	1188.00	1040.00	1162.40	1045.90	38748.54	35926.94	11630.35	10817.00

(Source: from BSE Web Site www.bseindia.com & NSE Web Site www.nseindia.com)



viii. Share Transfer Agent

LINK INTIME INDIA PRIVATE LIMITED

Akshay Complex, Block No. 202, 2nd Floor, Off Dhole Patil Road, Near Ganesh Temple, Pune - 411001.

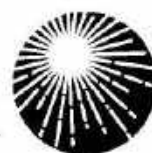
Tel. No.: (020) 2616 1629, 2616, 0084; Fax No.: (020) 2616 3503; Email: pune@linkintime.co.in

ix. Share Transfer System

The power to approve the transfer of securities has been delegated by the Board to the Share Transfer Agents. Share transfer requests are processed within fifteen (15) days from the date of receipt.

x. (i) Distribution of Share holding as on 31st March, 2019

Distribution of Shareholding (Rupees)					Report Type = All (NSDL + CDSL + Physical)			
Sr. No.	Shareholding of Nominal Value of ₹ 10 each			No. of Shareholders	% to Total Shareholders	No. of Shares Held	Nominal Value (in ₹)	% to Total Shares
	From	-	To					
1	1	to	5,000	14514	84.88	1670652	16706520	7.63
2	5,001	to	10,000	1387	8.11	1023490	10234900	4.68
3	10,001	to	20,000	638	3.73	908928	9089280	4.15
4	20,001	to	30,000	224	1.31	541614	5416140	2.48
5	30,001	to	40,000	74	0.43	264276	2642760	1.21
6	40,001	to	50,000	50	0.29	228157	2281570	1.04
7	50,001	to	1,00,000	103	0.60	727970	7279700	3.33
8	1,00,001	and	Above	110	0.64	16516973	165169730	75.48
Total				17100	100.00	21882060	218820600	100.00



(ii) Pattern of Shareholding as on 31st March, 2019.

Category Code	Category of Shareholder	Shareholding details			
		Number of Share holders	Total Number of Shares held	Number of Shares held in Dematerialised Form	As a % of (A+B)
(A)	Shareholding of Promoter and Promoter Group				
(1)	Indian Promoters	15	1,10,94,934	1,10,94,934	50.70
(2)	Foreign Promoters	---	---	---	---
	Sub-Total (A)	15	1,10,94,934	1,10,94,934	50.70
(B)	Public Shareholding				
(1)	Institutions				
(a)	Mutual Fund	3	3,98,562	3,98,562	1.82
(b)	Alternate Investment Funds	3	2,25,107	2,25,107	1.03
(c)	Foreign Portfolio Investor	35	10,78,056	10,78,056	4.93
(d)	Indian Institutions / Banks	6	11,407	10,257	0.05
(e)	Insurance Companies	2	1,73,989	1,73,839	0.80
	Sub-Total (B)(1)	49	18,87,121	18,85,821	8.62
(2)	Non-Institutions				
(a)	Individuals	15181	59,30,655	55,20,147	27.10
(b)	NBFCs registered with RBI	4	13,125	13,125	0.06
(c)	Investor Education and Protection Fund Authority	1	61,866	61,866	0.28
(d)	Trust	2	6,866	6,866	0.03
(e)	Foreign National	3	3,220	3,220	0.01
(f)	Hindu Undivided Family	282	3,03,578	3,03,578	1.39
(g)	Non Resident Indians (Non Repat)	247	1,28,595	1,26,317	0.59
(h)	Non Resident Indians (Repat)	362	1,62,225	1,62,225	0.74
(i)	Clearing Member	51	6,426	6,426	0.03
(j)	Bodies Corporate	337	13,36,949	13,34,053	6.11
	Sub-Total (B)(2)	16470	79,53,505	75,37,823	36.35
	Total Public Shareholding (B) = (B)(1)+(B)(2)	16519	98,40,626	94,23,644	44.97
(C)	Non-Promoter-Non Public Shareholding				
(a)	GWRL Managerial Staff Welfare Trust	1	9,46,500	0	4.33
	Total Non-Promoter-Non Public Shareholding (C)	1	9,46,500	0	4.33
	TOTAL (A)+(B)+(C)	16535	2,18,82,060	2,05,18,578	100.00

Note: No Shares Pledged or otherwise Encumbered by Promoter and Promoter Group.

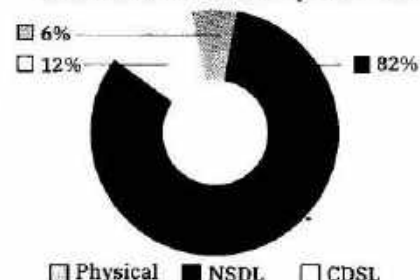
xi. Dematerialisation of Shares and Liquidity

ISIN No. - INE276A01018

The Shares of the Company can be held and traded in electronic form. SEBI has stipulated the Shares of the Company for compulsory delivery in dematerialization form only, by all investors from 8th May, 2000. As of 31st March, 2019, 95.80% shares have already been dematerialized.

The Shares of the Company are actively traded on BSE Limited & National Stock Exchange of India Limited and have good liquidity.

% of Shares in D-mat & Physical Form



xii. Email Addresses:

In order to enable us to further extend our support towards paperless compliance, as a part of Green initiatives in the Corporate Governance, which was introduced by MCA in the year 2011, the Shareholders' who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses.

In respect of shares held in physical form, Shareholders are requested to register their e-mail addresses with the Company / R & T Agent. (With Depository Participant in case of Shares held in dematerialized form.)

xiii. Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity

There were no GDRs / ADRs / Warrants / any other convertible instruments outstanding as on 31st March, 2019.

xiv. Commodity price risk or foreign exchange risk and hedging activities

The Company is exposed to commodity price risk and foreign currency exchange risk in the course of its business. The Company did not engage in commodity price risk hedging activities. The Company's foreign currency exchange exposures are monitored on a daily basis under the expert guidance of consultants. A formal foreign exchange policy had been adopted by the Board thereby providing the treasury with a broad operating framework with stress on keeping risks low as far as possible and within a specified limit. The Board also review foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement, if material in its quarterly meet.

xv. Plant Locations

Plot No. 11, Block D-1,
M.I.D.C., Chinchwad, Pune - 411 019, Maharashtra.
Tel. No.: (020) 2799 0000 / 0306

Plot No. C-1/13, B-226/227/228 & D-1,
M.I.D.C., Wai - 412 803, Dist. Satara, Maharashtra.
Tel. No.: (02167) 308301 / 02 / 06

xvi. Address for Correspondence

The Shareholders may send their communications to the Company at its Registered Office mentioned below or directly to the Share Transfer Agent, M/s. Link Intime India Pvt. Ltd.

Company Secretary
Garware Technical Fibres Limited
Plot No. 11, Block D-1, M.I.D.C.,
Chinchwad, Pune - 411 019, Maharashtra
Tel. No.: (020) 2799 0177
Email: secretarial@garwarefibres.com

Link Intime India Private Limited
Akshay Complex, Block No. 202, 2nd Floor,
Off Dhole Patil Road, Near Ganesh Temple, Pune - 411 001
Tel. No.: (020) 2616 1629 / 0084
Fax No.: (020) 2616 3503
Email: pune@linkintime.co.in

xvii. Credit Rating obtained by the Company along with any revisions thereto during the Financial Year 2018-19

The ICRA Limited has assigned the rating as per below for facilities availed by the Company, as under:

Facilities	Rating	Current rated Amount	Remark
On Long Term Scale	[ICRA] AA (pronounced ICRA AA)	₹ 340.00 Crores	Revised from [ICRA] AA- (pronounced ICRA AA minus)
On Short Term Scale	[ICRA]A1+ (pronounced ICRA A one plus)		Reaffirmed
Commercial Paper	[ICRA]A1+ (pronounced ICRA A one plus)	₹ 15.00 Crores	Reaffirmed

xviii. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015.

II. NON-MANDATORY REQUIREMENTS

Disclose to the extent to which the discretionary requirements as specified in Part E of Schedule II of the SEBI (LODR) Regulations, 2015 have been adopted.

- The Board: As the Chairman of the Company is an Executive Chairman, hence the provision on entitlement of Chairperson's office at the expense of the Company in case of a non-executive chairperson is not applicable.
- Shareholder Rights: Quarterly Financial Statements are published in leading newspapers and uploaded on Company's website: <http://www.garwarefibres.com>.
- Modified opinion(s) in Audit Report: The Auditors have raised no qualification on the Financial Statements.
- Separate posts of Chairperson and CEO: Presently, Mr. V. R. Garware is the Chairman & Managing Director of the Company.
- Reporting of Internal Auditor: The Company has appointed Internal Auditor (employee) for conducting the Internal Audit. Internal Auditors has direct access to the Audit Committee.

III. REPORT OF CORPORATE GOVERNANCE

This Chapter of the Annual Report together with the information given under "Management Discussion and Analysis" constitutes a detailed compliance report on Corporate Governance during Financial Year 2018-19.



DECLARATION BY THE CHIEF EXECUTIVE OFFICER UNDER REGULATION 34(3) READ WITH CLAUSE D OF SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with the provision of Regulation 34(3), read with Clause D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, V. R. Garware, Chairman and Managing Director of the Company hereby declare that all Board Members and Senior Management Personnel of the Company have given the affirmation for the year 2018-2019 on compliance with Code of Conduct of the Company as applicable to them respectively.

Pune,
30th April, 2019

V. R. Garware
Chairman & Managing Director
DIN 00092201

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of **GARWARE TECHNICAL FIBRES LIMITED (Formerly: GARWARE-WALL ROPES LIMITED)** We, Mehta Chokshi & Shah, Chartered Accountants, the Statutory Auditors of **GARWARE TECHNICAL FIBRES LIMITED (Formerly: GARWARE-WALL ROPES LIMITED)** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended 31st March, 2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

Our examination is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and other Assurance and Related Service Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year ended 31st March, 2019.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Mehta Chokshi & Shah
Chartered Accountants
(FRN: 106201W)

Pune,
30th May, 2019

Abhay R. Mehta
(Partner)
M. No. 46088

Management Discussion and Analysis

Overview of Company

Your Company, Garware Technical Fibres Limited, an ISO 14001:2015 certified organization, was established in 1976 and is a leading manufacturer of technical textiles. A global player, your Company provides innovative solutions in the field of fisheries, aquaculture, shipping, sports, agriculture, coated fabrics, and geo-synthetics. Your Company's products are manufactured in state-of-art facilities at Wai and Pune (both in Maharashtra, India) and are marketed in more than 75 countries worldwide.

Business Environment in FY 2018-19

The start of FY 2018-19 was marked by positive momentum in the global economy. But as the year progressed, there were economic and political headwinds which dampened the positive outlook. However, your Company could ride over these challenges and attain excellent growth in its international business. The growth was driven by strong performances in the aquaculture and sports segments.

The Indian economy presented a mixed picture. While inflation was low, growth remained volatile. Due to a deepening liquidity crisis, investments as well as consumption reduced in both rural and urban areas. While these developments had an adverse effect on your Company's throughput, higher margins were attained through a better product mix and operational efficiency.

Your Company continued to improve its financial performance through good execution of its strategy for profitable growth, which is based on three pillars: innovation, geographic expansion, and operational excellence.

Opportunities and Threats

In FY 2019-20, prices of salmon are expected to be stable, and we thus envisage robust demand for our aquaculture solutions in the international market. In the domestic market, with a new 5-year term for the government at the centre, there is likely to be a strong focus on stable policies to foster growth. There is a plan to launch a 'blue revolution', which would invigorate the domestic fisheries industry in time to come. Hence, the overall outlook for your Company is positive. However, sharp increases in polymer prices could have some impact on demand.

Company's Performance in FY 2018-19

Your Company registered total revenue of ₹ 1,038.80 crores for the year ended 31st March, 2019, an increase of 14.99% over the previous year's revenue. Export revenue accounted for 56.64% of the total revenue. Profit after tax in the year under review was ₹ 125.61 crores, registering an increase of 19.50% over the previous year. Profitability was aided by an enhanced product mix and improvement in productivity. Growth in value-added, differentiated products aided growth in margins.

Key Financial Indicators

- The operating profit ratio of the Company is 15.8%.
- The current ratio of the Company is 1.30.
- The earning per share is ₹ 57.40.
- The return on capital employed (ROCE) is 25.4%.
- Debt equity ratio is 0.17 (previous year 0.26).*
- Return on average net worth is 21.2% (previous year 21.4%).**



Risks and Concerns

Your Company's products are heavily dependent on petroleum-based raw material, power, and labour. Cost increases under these heads are generally passed on, and mitigated, by delivering higher value to customers, and improving manufacturing efficiency and productivity. However, as cost pressures are likely to continue, your Company faces the challenge of reducing operational costs and increasing productivity, without compromising on quality. As international sales constitute 56.64% of your Company's revenue, uncertainty in global markets and foreign-exchange volatility would be a matter of concern. The Company's strategy is to push for growth in all geographies and all product segments to limit the impact of any uncertainty.

Internal Control Systems

Your Company implemented suitable controls to ensure that its operational, compliance and reporting objectives are achieved. The Company uses an established ERP system called SAP to record day-to-day transactions seamlessly with the underlying books of accounts. The Company has adequate policies and procedures in place for its current size as well as growing future needs. These policies and procedures play a pivotal role in the deployment of internal controls. They are regularly reviewed to ensure both relevance and comprehensiveness. As far as possible, emphasis is placed on automation of controls within processes to minimise deviations and exceptions. Investment in IT enablement on an ongoing basis is one of the key means used to achieve automation. The Company has also invested in an IT tool to track crucial compliances. Proactive steps are being taken to ensure compliance with several upcoming regulations.

Human Resources Management

Your Company's people are the key for profitable growth, and continuous efforts are being made to enhance employee-engagement levels. In the year under view, your Company was certified by The Great Places to Work Institute as one of India's 'Best Companies to Work for' in the mid-size category. The certification has been achieved for the second year in row, indicating that sustainable improvements are in place.

Cautionary Statement:

Statements in this Management Discussion and Analysis describing your Company's objectives, projections, estimates, and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied.

* Due to good cash releases from operations during the year under review, your Company was able to repay borrowings and achieve a better debt equity ratio compared to the previous year.

** Compared to FY 2017-18, the return on average net worth in FY 2018-19 was lower by 20 points, mainly due to 19.5% growth in profit after tax (PAT) against 20.8% growth in the average net worth.

Expanding Horizons

INDEPENDENT AUDITORS' REPORT

To,

The Members,

GARWARE TECHNICAL FIBRES LIMITED (Formerly: GARWARE-WALL ROPES LIMITED)

1. Opinion

We have audited the accompanying Standalone Financial Statements of **GARWARE TECHNICAL FIBRES LIMITED (Formerly: GARWARE-WALL ROPES LIMITED)** (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, of the state of affairs of the Company as at 31st March, 2019, its profit, including total comprehensive income, its cash flows and change in equity for the year ended on that date.

2. Basis for Opinion

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

Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
<p>Inventory Existence:</p> <p>The inventory's carrying value in the Balance Sheet as at 31st March, 2019 is ₹ 16,820.89 lakhs. The inventory of the Company is held across various locations including its Plants, Sales Depots, Warehouses and Contract Manufacturers' locations.</p> <p>We focussed on this matter because of the:</p> <ul style="list-style-type: none">• Significance of the inventory balance to the overall Financial Statements.• Complexity involved in determining inventory quantities on hand due to the number and diversity of inventory storage locations.	<p>Our procedures included, but were not limited to the following:</p> <p>We attended inventory counts at locations, selected based on financial significance and risk. Where locations were not attended we tested certain controls over inventory existence across the Company.</p> <p>For locations attended we performed the following procedures at each site:</p> <ul style="list-style-type: none">• Selected a sample of inventory items and compared the quantities we counted to the quantities recorded• Observed a sample of management's inventory count procedures to assess compliance with the Company policy• Made enquiries regarding obsolete inventory items and looked at the condition of items counted <p>There were no significant exceptions noted from these procedures. We tested a sample of inventory items to assess whether they were recorded at a value higher than that for which they could be sold. We did not identify any exceptions.</p>



4. Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Director is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company is also responsible for overseeing the financial reporting process of the Company.

6. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. We are also responsible for expressing our opinion on whether the Company has adequate internal financial controls systems in place and the operating effectiveness of such control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

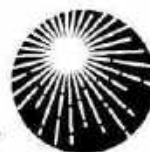
7. Report on Other Legal and Regulatory Requirements

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 purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the 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 Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended;
 - e. On the basis of written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g. With respect to other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position - Refer Note No. 42 to the Standalone Financial Statement.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2019.

For **Mehta Chokshi & Shah**
Chartered Accountants
Firm Registration Number: 106201W

ABHAY MEHTA
Partner
M. No.: 046088

Place: Pune
Date: 30th May, 2019


ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 7 (1) of our report of even date]

1) Clause (i)

- a) As per information and explanations given to us and on the basis of examination of records of the Company, the Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) All the assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of the examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

2) Clause (ii)

In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year. No material discrepancies were noticed on the aforesaid verification.

3) Clause (iii)

The Company has not granted unsecured loans to parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly the provisions of clause 3(iii)(a),(b)&(c) of the order are not applicable to the Company and hence not commented upon.

4) Clause (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 186 of the Act, with respect to the loans and investments made.

5) Clause (v)

According to the information and explanations given to us, the Company has not accepted any deposits. Hence, paragraph 3(v) of the order is not applicable and hence not commented upon.

6) Clause (vi)

We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7) Clause (vii)

- a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, GST, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable;
- b) According to the information and explanation given to us, the dues outstanding of income tax, sales tax, service tax, duty of customs, GST, duty of excise, value added tax on account of any dispute, are as follows

Name of the Statute	Nature of Dues	Forum where Dispute is Pending	Period to which Amount relates	Amount (₹ in lakhs) not deposited
Sales Tax Laws	State and Central Sales Tax	Deputy Commissioner of Sales Tax (Appeals) - Delhi	1999-2000	0.78
			2000-01	3.43
			2001-02	1.65
			2002-03	1.29
		Deputy Commissioner of Commercial Tax (Appeals) - Chennai	2006-07	2.00
Income Tax Laws	Income Tax	Supreme Court	2003-04	114.00
Total				123.15



8) Clause (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. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

9) Clause (ix)

Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10) Clause (x)

Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

11) Clause (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;

12) Clause (xii)

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable and hence not commented upon.

13) Clause (xiii)

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Notes to Financial Statements as required by the applicable accounting standards.

14) Clause (xiv)

According to the information and explanations given to us and based on our examination of the records, during the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, paragraph 3(xiv) of the order is not applicable and hence not commented upon.

15) Clause (xv)

According to the information and explanations given to us and based on our examination of the records, during the year the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable and hence not commented upon.

16) Clause (xvi)

According to the information and explanations given to us and based on our examination of the records, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **Mehta Chokshi & Shah**
Chartered Accountants
Firm Registration Number: 106201W

ABHAY MEHTA
Partner
M. No.: 046088

Place: Pune
Date: 30th May, 2019

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 7 (2) (f) of our report of even date]

Report on the Internal Financial Controls Over Financials Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") of Garware Technical Fibres Limited (Formerly: Garware-Wall Ropes Limited)

We have audited the internal financial controls over financial reporting of **Garware Technical Fibres Limited (Formerly: Garware-Wall Ropes Limited)** ("the Company") as of 31st March, 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended and as at on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note'). 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 and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. The Guidance Note and those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisation of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, 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 31st March, 2019, 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.

For Mehta Chokshi & Shah
Chartered Accountants
Firm Registration Number: 106201W

ABHAY MEHTA
Partner
M. No.: 046088

Place: Pune
Date: 30th May, 2019

Expanding Horizons

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2019

			(₹ in lakhs)
		As at	As at
	Note No.	31st March, 2019	31st March, 2018
A ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	22,056.86	21,392.67
(b) Intangible Assets	4	612.03	729.98
(c) Financial Assets			
(i) Investments in Subsidiary and Associate	5	55.50	55.50
(ii) Other Investments	6	33,045.67	24,410.67
(iii) Trade Receivables	7	547.82	1,039.47
(iv) Loans	8	558.01	812.17
(v) Other Financial Assets	9	394.18	464.06
(d) Other non-current Assets	10	755.81	578.57
Total Non-Current Assets		58,025.88	49,483.09
(2) Current Assets			
(a) Inventories	11	16,820.89	16,417.98
(b) Financial Assets			
(i) Investments	12	-	3.16
(ii) Trade Receivables	13	24,289.71	21,906.02
(iii) Cash and Cash Equivalents	14	758.85	816.60
(iv) Bank Balances other than (iii) above	14	355.92	1,375.59
(v) Loans	15	590.69	583.57
(vi) Other Financial Assets	16	1,109.68	21.79
(c) Other Current Assets	17	5,741.67	7,789.68
Total Current Assets		49,667.41	48,914.39
TOTAL - ASSETS		1,07,693.29	98,397.48
B EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	18	2,188.21	2,188.21
(b) Other Equity	19	62,761.78	51,410.91
Total Equity		64,949.99	53,599.12
(2) Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	20	91.62	-
(ii) Other Financial Liabilities	21	4.40	6.26
(b) Provisions	22	485.13	427.25
(c) Deferred Tax Liabilities (Net)	23	3,880.56	3,472.16
Total Non-Current Liabilities		4,461.71	3,905.67
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	10,797.27	13,838.83
(ii) Trade Payables	25	20,429.28	20,444.06
(iii) Other Current Financial Liabilities	26	697.63	503.25
(b) Other Current Liabilities	27	5,481.35	5,489.11
(c) Provisions	28	355.91	272.58
(d) Current Tax Liabilities (Net)	29	520.15	344.86
Total Current Liabilities		38,281.59	40,892.69
TOTAL - EQUITY AND LIABILITIES		1,07,693.29	98,397.48

C NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS 1-46

As per our Report of even date

For MEHTA CHOKSHI & SHAH
Chartered Accountants,

(ABHAY MEHTA)
Partner
M. No. 046088
F. R. No.106201W
Pune,
30th May, 2019

MUKESH SURANA
Chief Financial Officer

SUNIL AGARWAL
Company Secretary
M. No. FCS 6407

V. R. GARWARE
Chairman & Managing Director
DIN. 00092201

R. M. TELANG
Director
DIN. 00092103

ASHISH GOEL
Director
DIN: 00147449

M. V. GARWARE
Director
DIN. 06948274

S. P. KULKARNI
Director
DIN. 00006914

S. S. RAJPATHAK
Director
DIN: 00040387



STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2019

			(₹ in lakhs)
	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
1 INCOME			
Revenue from Operations	30	1,01,782.19	88,549.56
Other Income	31	2,097.65	1,785.03
Total Income		<u>1,03,879.84</u>	<u>90,334.59</u>
2 EXPENSES			
Cost of Materials Consumed	32	29,245.17	27,086.85
Purchases of Stock-in-Trade		3,913.71	3,141.15
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	33	(167.16)	(1,166.05)
Excise Duty on Sale of Goods		-	88.56
Employee Benefit Expenses	34	12,995.14	11,687.91
Finance Cost	35	1,372.29	997.69
Depreciation and Amortisation Expenses	3,4	1,724.04	1,534.76
Other Expenses	36	36,596.61	31,662.57
Total Expenses		<u>85,679.80</u>	<u>75,033.44</u>
Profit Before Tax		18,200.04	15,301.15
Tax Expenses	37		
1. Current Tax		5,366.29	4,338.00
2. Deferred Tax		397.92	451.39
3. Prior period Taxation		(125.42)	-
TOTAL TAX EXPENSE		<u>5,638.79</u>	<u>4,789.39</u>
Profit for the year		<u>12,561.25</u>	<u>10,511.76</u>
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of Investment in Equity Instruments		64.86	73.49
Remeasurement of Defined Benefit Obligation		(87.79)	(220.94)
(ii) Income tax related to items that will not be reclassified to profit or loss		(1.23)	(6.64)
Total Other Comprehensive Income for the year		<u>(24.16)</u>	<u>(154.09)</u>
Total Comprehensive Income for the year		<u>12,537.09</u>	<u>10,357.67</u>
EARNINGS PER EQUITY SHARE (Nominal value per share ₹ 10/- each)			
Basic (₹) and Diluted (₹)	41	57.40	48.04

3 NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS 1-46

As per our Report of even date.

For MEHTA CHOKSHI & SHAH
 Chartered Accountants,

V. R. GARWARE
 Chairman & Managing Director
 DIN. 00092201

M. V. GARWARE
 Director
 DIN. 06948274

(ABHAY MEHTA)
 Partner
 M. No. 046088
 F. R. No.106201W

MUKESH SURANA
 Chief Financial Officer

R. M. TELANG
 Director
 DIN. 00092103

S. P. KULKARNI
 Director
 DIN. 00006914

 Pune,
 30th May, 2019

SUNIL AGARWAL
 Company Secretary
 M. No. FCS 6407

ASHISH GOEL
 Director
 DIN: 00147449

S. S. RAJPATHAK
 Director
 DIN: 00040387



Expanding Horizons

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2019

	(₹ in lakhs)
	As at
	31st March, 2019
(a) Equity share capital	As at
Equity Shares of ₹ 10/- each issued, subscribed & fully paid	31st March, 2018
No of Shares	21,882,060
₹ in Lakhs	2,188.21

(b) Other Equity

For the year ended 31st March, 2019

	(₹ in lakhs)
	As at
	31st March, 2019
(b) Other Equity	As at
For the year ended 31st March, 2019	31st March, 2018
No of Shares	21,882,060
₹ in Lakhs	2,188.21

Particulars	Reserves and Surplus					Other Comprehensive Income			Other Equity
	Capital Reserve	Capital Redemption Reserve	Share Premium	General Reserve	Retained earnings	Revaluation Reserve	Net gain / (loss) on fair value of defined benefit plans	Equity instruments through other comprehensive income	
Balance as at 1st April, 2017	24.75	182.63	7,700.11	3,869.84	29,977.07	3.81	239.44	373.46	42,371.11
Profit for the year	-	-	-	-	10,511.76	(1.04)	-	-	10,510.72
Other comprehensive income	-	-	-	-	-	-	(220.94)	66.85	(154.09)
Total Comprehensive Income for the year	-	-	-	-	10,511.76	(1.04)	(220.94)	66.85	10,356.63
Dividends paid	-	-	-	-	(1,094.10)	-	-	-	(1,094.10)
Dividends distribution tax paid	-	-	-	-	(222.73)	-	-	-	(222.73)
Balance as at 31st March, 2018	24.75	182.63	7,700.11	3,869.84	39,172.00	2.77	18.50	440.31	51,410.91
Balance as at 1st April, 2018	24.75	182.63	7,700.11	3,869.84	39,172.00	2.77	18.50	440.31	51,410.91
Profit for the year	-	-	-	-	12,561.25	(1.04)	-	-	12,560.21
Other comprehensive income	-	-	-	-	-	-	(87.79)	63.63	(24.16)
Total Comprehensive Income for the year	-	-	-	-	12,561.25	(1.04)	(87.79)	63.63	12,536.05
Dividends paid	-	-	-	-	(984.71)	-	-	-	(984.71)
Dividends distribution tax paid	-	-	-	-	(200.47)	-	-	-	(200.47)
Balance as at 31st March, 2019	24.75	182.63	7,700.11	3,869.84	50,548.08	1.73	(69.29)	503.94	62,761.78

As per our Report of even date

For MEHTA CHOKSHI & SHAH
Chartered Accountants,

V. R. GARWARE
Chairman & Managing Director
DIN. 00092201

M. V. GARWARE
Director
DIN. 06948274

(ABHAY MEHTA)
Partner
M. No. 046088
F. R. No.106201W

MUKESH SURANA
Chief Financial Officer

R. M. TELANG
Director
DIN. 00092103

S. P. KULKARNI
Director
DIN. 00006914

Pune,
30th May, 2019

SUNIL AGARWAL
Company Secretary
M. No. FCS 6407

ASHISH GOEL
Director
DIN: 00147449

S. S. RAJPATHAK
Director
DIN: 00040387



STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

(₹ in lakhs)

I. CASH FLOW FROM OPERATING ACTIVITIES

**For the year ended
31st March, 2019**

**For the year ended
31st March, 2018**

Net Profit Before Tax	18,200.04	15,301.15
Adjustments for reconcile Profit Before Tax to Net Cash Flows:		
Depreciation and Amortisation Expenses	1,724.04	1,534.76
Unrealised Exchange Difference	363.81	(730.82)
Finance Cost	1,372.29	997.69
Interest and Dividend Income Received	(58.28)	(571.77)
Fair Value Gain at Financial Instruments at FVTPL	(1,076.99)	(725.97)
Gain on sale/redemption of investments	(962.38)	(487.29)
(Profit) / Loss on sale of Fixed Assets	(2.34)	14.73
Bad Debts	93.83	35.78
Provision for Doubtful Debts	71.12	53.07
Operating Profit before Working Capital Changes	19,725.14	15,421.33
Working Capital Adjustments		
(Increase) / Decrease in Trade & Other Receivable and Other Assets	(1,321.00)	(5,396.43)
(Increase) / Decrease in Inventories	(402.91)	(2,322.05)
Increase / (Decrease) in Trade and Other Payables	357.87	(782.88)
Cash generated from Operations	18,359.09	6,919.97
Direct Taxes paid	(5,035.35)	(4,121.23)
Net cash provided by Operating Activities	13,323.74	2,798.74
II. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment and Intangible Assets	(2,267.94)	(3,338.49)
(Increase)/ Decrease of Investments	(8,631.84)	(13,347.12)
(Increase)/ Decrease of Other Investments	1,019.67	9,593.03
Interest and Dividend Income Received	2,097.65	1,785.03
Net cash provided by / (used in) Investing Activities	(7,782.46)	(5,307.55)
III. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short-term / Long-term Borrowings	(3,041.56)	5,230.13
Finance Cost	(1,372.29)	(997.69)
Dividend paid including Dividend Distribution Tax	(1,185.18)	(1,316.83)
Net cash from Financing Activities	(5,599.03)	2,915.61
Net Increase/ (Decrease) in Cash & Cash Equivalents (I+II+III)	(57.75)	406.80
Cash & Cash Equivalents at the beginning of the year	816.60	409.80
Cash & Cash Equivalents at year end	758.85	816.60

Reconciliation of cash flow in liabilities arising from financing activities

(₹ in lakhs)

Particulars	Amount
As at 1st April, 2017	8,608.70
Cash movements	5,230.13
As at 31st March, 2018	13,838.83
Cash movements	(3,041.56)
As at 31st March, 2019	10,797.27

IV. NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS 1-46

As per our Report of even date

For MEHTA CHOKSHI & SHAH
Chartered Accountants,

V. R. GARWARE
Chairman & Managing Director
DIN. 00092201

M. V. GARWARE
Director
DIN. 06948274

(ABHAY MEHTA)
Partner
M. No. 046088
F. R. No.106201W

MUKESH SURANA
Chief Financial Officer

R. M. TELANG
Director
DIN. 00092103

S. P. KULKARNI
Director
DIN. 00006914

Pune,
30th May, 2019

SUNIL AGARWAL
Company Secretary
M. No. FCS 6407

ASHISH GOEL
Director
DIN: 00147449

S. S. RAJPATHAK
Director
DIN: 00040387

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

1 COMPANY INFORMATION

Garware Technical Fibres Limited (formerly known as Garware-Wall Ropes Limited) (the "Company") is incorporated under the Provision of Companies Act, 1956 (As amended by Companies Act 2013) and domiciled in India. Company is listed with BSE & NSE. The Company has its the Registered Office and principal place of business at Plot No.11, Block D-1, MIDC, Pune - 411019, Maharashtra. The Company is engaged in manufacturing and selling various products such as Ropes, Twine, Yarn, Fishnet, Other Nets and Technical Textiles. The Company is providing solution to the infrastructure industries which include coastal protection, land filling etc. The company caters to both domestic and international markets.

The Company's financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 30th May, 2019 in accordance with the provisions of the Companies Act, 2013 and are subject to the approval of the shareholders at the Annual General Meeting.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency.

2 Significant Accounting Policies Accounting Judgements, Estimates and Assumptions:

(A) Significant Accounting Policies:

2.1 Basis of preparation of Ind-AS Financial Statements:

The Ind-AS financial statements of the company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, the Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies (Indian Accounting Standards) Amendment Rules, 2017 and the Guidance Notes and other authoritative pronouncements issued by the Institute of Chartered Accountants of India (ICAI).

The Ind-AS financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities measured at fair value (refer accounting Policy No. 2.10 regarding financial instruments). 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2.2 Current and Non-Current Classification of Assets and Liabilities and Operating Cycle:

An asset is considered as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or


NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is considered as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Operating Cycle is the time between the acquisition of assets for business purposes and their realisation into cash and cash equivalents.

2.3 Property, Plant and Equipment:

Property, Plant and Equipment are recorded at their cost of acquisition, net of refundable taxes or levies, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as on 1st April, 2016 (date of transition) measured as per previous GAAP as its deemed cost on the date of transition.

2.4 Depreciation:

Depreciation on property, plant and equipment is provided on different class of assets on the following basis:

Type of Asset	Method	Useful Life
Freehold Buildings	Written down value	60 years
Factory Buildings	Written down value	30 years
Plant and Machinery	Straight-Line	25 years
Electrical Installations	Straight-Line	10 years
Furniture & Fixtures	Straight-Line	10 years
Office Equipments	Straight-Line	3 / 5 years
Vehicles	Straight-Line	8 years
Helicopter	Straight-Line	20 years

Depreciation on additions to Property, Plant and Equipment is provided on pro-rata basis from the date of acquisition or installation, and in case of new project from the date of commencement of commercial production.

Depreciation on Assets sold, discarded, demolished or scrapped, is provided upto the date on which the said Asset is sold, discarded, demolished or scrapped.

Cost of Leasehold Land and Improvement is written off over the period of Lease.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.5 Capital Work in Progress and Capital Advances:

Expenses incurred for acquisition of capital assets outstanding at each balance sheet date are disclosed under capital work-in-progress. Advances given towards the acquisition of fixed assets are shown separately as capital advances under the head Other Non-Current Assets.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

2.6 Intangible Assets and Amortisation thereof:

2.6.1 Internally generated Intangible Assets (Research and Development):

- i) Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when the Company can demonstrate all the following:
- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
 - Its intention to complete the asset.
 - Its ability to use or sell the asset.
 - How the asset will generate future economic benefits.
 - The availability of adequate resources to complete the development and to use or sell the asset.
 - The ability to measure reliably the expenditure attributable to the intangible asset during development.

2.6.2 Other Intangible Assets:

An intangible asset is recognised if:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

An item of Intangible Asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

The residual values, useful lives and methods of amortisation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.6.3 Amortisation of Intangible Assets:

Amortization of the asset begins on a straight line basis over the period of expected future benefit from the related project, i.e., the estimated useful life of ten years. Amortization is recognised in the Statement of Profit and Loss. During the period of development, the asset is tested for impairment annually.

The residual values, useful lives and methods of amortisation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its Intangible Assets recognised as on 1st April, 2016 (date of transition) measured as per previous GAAP as its deemed cost on the date of transition.

Intangible Assets with finite useful lives are amortised on a straight line basis over the following period:

Type of asset	Useful Life
Technical Know How	10 Years
Product Development	10 Years
Computer Software	10 Years
Patent	5 Years

2.7 Impairment of Property Plant & Equipment and Intangible Assets:

Carrying amount of tangible and intangible assets are reviewed at each Balance Sheet date. These are treated as impaired when the carrying cost thereof exceeds its recoverable value. Recoverable value is higher of the asset's net selling price or value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount receivable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.8 Inventories:

Inventories are stated at lower of cost or net realisable value. The costs of various categories of inventories are arrived at as follows:

- Stores, spares, fuel & packing materials and raw materials - at costs determined on moving weighted average method.
- Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business.

2.9 Revenue Recognition:

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

Effective 1st April, 2018, the Company adopted Ind-AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of 1st April, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant.

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue from sale of products and services are recognised at a time on which the performance obligation is satisfied except Revenue from Project Contracts where in revenue is recognised over the time from the financial year in which the Contract is commenced for execution. The period over which revenue is recognised is based on Company's right to payment for performance completed. In determining whether the Company has right to payment, the Company considers whether it would have an enforceable right to demand or retain payment for performance completed to date if the contract were to be terminated before completion for reasons other than Company's failure to perform as per the terms of the contract.

Revenue in excess of invoicing are classified as contract asset while invoicing in excess of revenues are classified as contract liabilities.

Interest Income:

For all financial instruments measured at amortised cost, interest income is measured using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash flows through the contracted or expected life of the financial instrument, as appropriate, to the net carrying amount of the financial asset.

Dividend Income:

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.10 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets:

Initial Recognition and Measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in three categories:



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

- Financial assets at Amortised Cost
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Investments measured at fair value through Profit & Loss (FVTPL)

Financial Assets at Amortised Cost:

A financial asset is measured at the Amortised Cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised Cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Equity Instruments at FVTOCI:

For equity instruments not held for trading, an irrevocable choice is made on initial recognition to measure it at FVTOCI. All fair value changes on such investments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale or disposal of the investment. However, on sale or disposal the company may transfer the cumulative gain or loss within equity.

Financial Assets at FVTPL:

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. All other financial assets are measured at fair value through profit or loss.

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either:
 - The Company has transferred substantially all the risks and rewards of the asset, or
 - The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposures:

- Financial assets at amortised cost.
- Trade Receivables

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under this approach the company does not track changes in credit risk but recognises impairment loss allowance based on lifetime ECLs at each reporting date. For this purpose the Company uses a provision matrix to determine the impairment loss allowance on the portfolio of trade receivables. The said matrix is based on historically observed default rates over the expected life of the trade receivables duly adjusted for forward looking estimates.

For recognition of impairment loss on other financial assets and risk exposures, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the company reverts to recognising impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.


NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. The ECL impairment loss allowance (or reversal) recognized during the period in the statement of profit and loss and the cumulative loss is reduced from the carrying amount of the asset until it meets the write off criteria, which is generally when no cash flows are expected to be realised from the asset.

ii) Financial Liabilities:
Initial Recognition and Measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent Measurement:

This is dependent upon the classification thereof as under:

Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iii) Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously.

(iv) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognised at the amount of the proceeds received, net of direct issue costs.

2.11 Employee Benefits:
i) Defined Contribution Plan:

The Company's contribution paid / payable during the year to Provident Fund, ESIC, Superannuation Fund etc., are recognised as expenses in the Statement of Profit and Loss. These are approved / recognised schemes of the Company.

ii) Defined Benefit Plan:

The Company's annual liability towards Gratuity is funded on the basis of actuarial valuation furnished by the Life Insurance Corporation of India under Group Gratuity Scheme.

iii) The undiscounted amount of short-term employee benefit expected to be paid in exchange for the service rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave and performance incentives and are determined using the Projected Unit Credit Method. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the Balance Sheet with a corresponding effect in the Statement of Other Comprehensive Income. Past service cost is recognised immediately in the Statement of Profit or Loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

2.12 Borrowing Costs:

Borrowing costs comprising of interest and other costs that are incurred in connection with the borrowing of funds, that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to Statement of Profit & Loss in the year in which they are incurred.

2.13 Leases:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a Lease

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term, unless the payments are structured to increase in line with the expected general inflation to compensate the lessor.

2.14 Foreign Currency Transactions:

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured 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 the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.15 Taxes on Income:

Current Income Taxes:

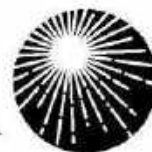
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in other comprehensive income / equity and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, when the deferred tax liability arises from an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss


NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except, when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

Minimum Alternate Tax (MAT):

MAT paid in accordance with the tax laws in India, which give rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the specified years. Accordingly, MAT is recognised as an asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefits associated with it will flow to the Company.

2.16 Provisions and Contingent Liabilities:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

When the Company expects some or all of a provision to be reimbursed, the same is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognised but are disclosed in the notes.

2.17 Government Grants and Subsidy:

Grants and Subsidies from the government are recognised when there is a reasonable assurance that

- (i) the Company will comply with the conditions attached to them, and
- (ii) the grant / subsidy will be received.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' funds.

2.18 Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

2.19 Cash and Cash Equivalent:

Cash and cash equivalent for the purpose of Cash Flow Statement comprise cash at bank and in hand and short term highly liquid investments which are subject to insignificant risk of changes in value.

2.20 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.21 Commitments:

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows:

- (a) The estimated amount of contracts remaining to be executed on capital accounts and not provided for; and
- (b) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

2.22 Segment Reporting:

(A) Operating Segments:

- i) Synthetic Cordage
- ii) Fibre and Industrial Products and Projects

Identification of Segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the Management.

The Management monitor the operating result of its business units separately for the purpose of making decision about resource allocation and performance assessment. For management purposes, operating segments have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. The company's financing and Income Taxes are not allocated to operating segments.

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company.

Segments Revenue and Results:

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / costs which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under Unallocated income / costs. Interest income and expense are not allocated to respective segments.

Segments Assets and Liabilities:

Segment Assets / Liabilities include all operating assets / liabilities used by the operating segments. Common assets and liabilities which cannot be allocated to any of the business segment are shown as unallocable assets / liabilities.

Inter Segment Transfer:

Inter segment revenues are recognised at sale price. The same is based on market price and business risks. Profit or loss on Inter Segment transfer are eliminated at the Company level.

(B) Significant Accounting Judgements, Estimates and Assumptions:

The preparation of Financial Statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgements for estimates and assumptions that affect the amounts of assets, liabilities and the disclosure of contingent liabilities on the reporting date and the amounts of revenues and expenses during the reporting period and the disclosure of contingent liabilities. Differences between actual results and estimates are recognised in the period in which the results are known / materialize.

2.23 Estimates Assumptions and Judgements:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.


NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Estimation of Current Tax Expense and Deferred Tax:

The calculation of the Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits / losses and / or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

b) Recognition of Deferred Tax Assets / Liabilities:

The recognition of deferred tax assets / liabilities is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts.

c) Estimation of Provisions & Contingent Liabilities:

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision.

d) Estimated useful life of Property, Plant and Equipment:

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life, its expected usage pattern and the expected residual value at the end of its life. The useful lives, usage pattern and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology etc.

e) Estimation of Provision for Inventory:

The Company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

f) Estimation of Defined Benefit Obligation:

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

g) The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability.
h) Estimated fair value of Financial Instruments:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

2.24 Standards issued but not yet effective:

Ind AS 116 Leases: On 30th March, 2019, Ministry of Corporate Affairs has notified Ind AS 116 Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

The effective date for adoption of Ind-AS 116 is annual periods beginning on or after 1st April, 2019. The Standard permits two possible methods of transition:

- Full retrospective: Retrospectively to each prior period presented applying Ind-AS 8, Accounting Policies, Changes in Accounting Estimates and Errors; or
- Modified retrospective: Retrospectively, with the cumulative effect of initially applying the Standard recognised at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognised under Ind-AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind-AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (1st April, 2019). Accordingly, comparatives for the year ended 31st March, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition. The Company is currently evaluating the effect of this amendment on the Standalone Financial Statements.

Ind-AS 12 Appendix C, Uncertainty over Income Tax Treatments : On 30th March, 2019, Ministry of Corporate Affairs has notified Ind-AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind-AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition -

- Full retrospective approach under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind-AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- Retrospectively with cumulative effect of initially applying Appendix C recognised by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind-AS 12 Appendix C is annual periods beginning on or after 1st April, 2019. The Company will adopt the standard on 1st April, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. 1st April, 2019 without adjusting comparatives.

The effect on adoption of Ind-AS 12 Appendix C would be insignificant in the standalone financial statements.

Amendment to Ind-AS 12 Income taxes : On 30th March, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind-AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after 1st April, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind-AS 19 plan amendment, curtailment or settlement- On 30th March, 2019, Ministry of Corporate Affairs issued amendments to Ind-AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1st April, 2019. The Company is currently evaluating the effect of this amendment on the Standalone Financial Statements.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

3 PROPERTY, PLANT & EQUIPMENT

(₹ in lakhs)

Particulars	Leasehold Land	Buildings	Plant and Machinery	R&D Equipments	Electrical Installations	Furniture and Fixtures	Office Equipments	Vehicles	Helicopter	Total	Capital Work-in-progress
Gross Block (at cost or deemed cost)											
As at 1st April 2017	511.71	2,818.39	13,593.05	2,106.72	359.17	203.38	273.48	670.21	160.77	20,696.88	30.59
Additions	0.30	687.51	1,433.91	655.07	124.59	66.22	104.84	190.93	0.01	3,263.38	-
Disposals	-	-	(96.16)	-	-	-	(0.28)	(10.49)	(48.00)	(154.93)	(30.59)
As at 31st March 2018	512.01	3,505.90	14,930.80	2,761.79	483.76	269.60	378.04	850.65	112.78	23,805.33	-
Additions	-	444.95	667.03	658.71	156.34	38.74	156.43	61.85	-	2,184.05	-
Disposals	-	-	(0.14)	(0.41)	-	-	-	(45.77)	-	(46.32)	-
As at 31st March 2019	512.01	3,950.85	15,597.69	3,420.09	640.10	308.34	534.47	866.73	112.78	25,943.06	-
Depreciation and Impairment											
At at 1st April 2017	3.14	239.13	626.87	75.88	55.84	29.05	80.69	36.94	8.43	1,155.97	-
Charge for the year	5.68	235.93	702.47	105.40	47.16	31.38	83.81	132.75	8.43	1,353.01	-
Disposals	-	-	(42.84)	-	(0.10)	(0.04)	(0.27)	(5.07)	(48.00)	(96.32)	-
As at 31st March 2018	8.82	475.06	1,286.50	181.28	102.90	60.39	164.23	164.62	(31.14)	2,412.66	-
Charge for the year	5.68	263.50	768.76	139.96	52.23	33.29	90.37	131.21	31.14	1,516.14	-
Disposals	-	-	(0.02)	(0.01)	-	-	-	(42.57)	-	(42.60)	-
As at 31st March 2019	14.50	738.56	2,055.24	321.23	155.13	93.68	254.60	253.26	-	3,886.20	-
Net Block											
As at 31st March 2019	497.51	3,212.29	13,542.45	3,098.86	484.97	214.66	279.87	613.47	112.78	22,056.86	-
As at 31st March 2018	503.19	3,030.84	13,644.30	2,580.51	380.86	209.21	213.81	686.03	143.92	21,392.67	-

Notes:

1. All the leases are 95 years whereas all the items of PPE are expected to be depreciated within that period of time and hence in current lot of PPE, no provision for restoration cost is required.
2. During the year ₹ 1.04 lakhs (previous year ₹ 1.04 lakhs) has been withdrawn from Revaluation Reserve on account of depreciation on revalued portion.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

4 INTANGIBLE ASSETS

(₹ in lakhs)

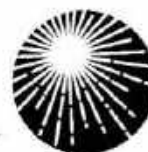
Particulars	Product Development	Computer Software	Patent	Total
Gross Block (at cost or deemed cost)				
As at 1st April 2017	445.28	487.08	-	932.36
Additions	-	150.63	-	150.63
Disposals	-	-	-	-
As at 31st March 2018	445.28	637.71	-	1,082.99
Additions	-	67.63	23.36	90.99
Disposals	-	-	-	-
As at 31st March 2019	445.28	705.34	23.36	1,173.98
Amortisation and Impairment				
At at 1st April 2017	108.23	61.99	-	170.22
Charge for the year	89.14	93.65	-	182.79
Disposals	-	-	-	-
As at 31st March 2018	197.37	155.64	-	353.01
Charge for the year	89.56	117.52	1.86	208.94
Disposals	-	-	-	-
As at 31st March 2019	286.93	273.16	1.86	561.95
Net Block				
As at 31st March 2019	158.35	432.18	21.50	612.03
As at 31st March 2018	247.91	482.07	-	729.98

5 FINANCIAL ASSETS

(₹ in lakhs)

INVESTMENTS IN SUBSIDIARY AND ASSOCIATE

	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares/units	Amount	No. of Shares/units	Amount
a) In Subsidiary Company at cost:				
Shares in Garware Environmental Services Pvt. Limited of ₹ 10/- each	1,000,000	55.00	1,000,000	55.00
b) In Associate Company at cost :				
Shares in Garware Meditech Pvt. Limited of ₹ 10/- each	5,000	0.50	5,000	0.50
Total investment in Subsidiary & Associate		55.50		55.50



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

6 OTHER INVESTMENTS

(₹ in lakhs)

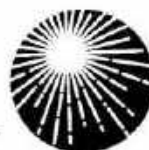
	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares/units	Amount	No. of Shares/units	Amount
A. INVESTMENTS IN EQUITY INSTRUMENTS at FVTOCI				
In Equity instruments:				
Quoted				
Shares in Garware Marine Industries Limited of ₹ 10/- each	50,000	1.45	50,000	2.13
Shares in Garware Polyester Limited of ₹ 10/- each	146,350	318.60	146,350	224.50
Sub-total		<u>320.05</u>		<u>226.63</u>
Unquoted				
Shares in Intermedia Interactive Solutions Pvt. Limited of ₹ 10/- each	890,680	294.90	890,680	314.23
Shares of Gujarat Filament Corporation Limited of ₹ 10/- each	50	0.01	50	0.01
Sub-total		<u>294.91</u>		<u>314.24</u>
Total Equity Investment		<u>614.96</u>		<u>540.87</u>
B. INVESTMENTS at FVTPL				
a. Non Convertible Debentures				
Citicorp Finance India Limited	3,500	3,615.86	4,005	4,138.87
IIFLWF-GWFEC825-8.25%-2019-579 Days	-	-	394	524.52
India Info line Housing Finance Ltd	-	-	197	454.66
Aditya Birla Finance Limited	200	2,087.17	-	-
Bajaj Housing Finance Limited	200	2,036.16	-	-
HDB Financial Services Limited	178	2,032.97	-	-
Sub-total (a)		<u>9,772.16</u>		<u>5,118.05</u>
b. Other Debt Instruments				
7 Year National Savings Certificates deposited with Sales Tax Authorities		0.16		0.16
Sardar Sarovar Narmada Nigam Limited FDR		17.50		17.50
Sub-total (b)		<u>17.66</u>		<u>17.66</u>
c. Investments in Mutual Funds				
(i) ARBITRAGE MUTUAL FUND				
KOTAK Equity Arbitrage Scheme (Growth)	-	-	2,102,466	522.75
(ii) DEBT MUTUAL FUND				
Aditya Birla Sun Life Short-term Opportunity Fund (Growth)	-	-	1,838,715	530.57
Aditya Birla Sun Life Short-term Fund (Growth)	-	-	927,652	616.40
DSPBR Banking & PSU Debt Fund Growth)	-	-	8,488,723	1,246.15
ICICI Prudential Banking & PSU Debt	-	-	2,691,182	537.64
Reliance Banking & PSU Debt Funds (Growth)	-	-	4,276,282	536.13
Reliance Money Manager Fund (Growth)	-	-	22,497	538.70
Axis Treasury Advantage Fund (Growth)	-	-	55,020	1,065.48
IDFC Corp Bond Fund-Reg (Growth)	-	-	11,387,129	1,353.72
HDFC FRIF Short Term Plan (Growth)	4,481,829	1,456.73	4,481,829	1,355.47
ICICI Prudential Flexible Income Plan (Growth)	153,450	550.47	153,450	511.48
HDFC Medium Term Opportunity Fund (Growth)	-	-	5,257,901	1,015.35
(iii) DEBT MUTUAL FUND (FMP)				
HDFC Bank FMP 1127D	5,000,000	631.16	5,000,000	589.59
IDFC FMP SERIES - 154 (1098 DAYS(Growth)	5,001,010	538.23	-	-
DSPBR FMP 204-37M-Reg(G) [4023100/2	5,000,000	575.52	5,000,000	535.84
UTI Fix Term Inc Fund SerXXVIII	2,000,000	218.78	2,000,000	205.25

Expanding Horizons

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares/units	Amount	No. of Shares/units	Amount
HDFC Bank FMP 1143 DAYS	5,000,000	540.31	5,000,000	503.41
HDFC FMP 1381D Direct Plan (Growth)	20,000,000	2,148.20	-	-
SBI Debt Fund Ser C-12 1122 DAYS	5,000,000	537.59	5,000,000	502.65
SBI Debt Fund Ser C-18 R Plan 1100 DAYS (Growth)	5,000,965	538.49	-	-
DSPBR FMP SERIES 220 Growth	10,000,000	1,087.72	10,000,000	1,011.72
Aditya Birla Sun Life Fixed Term Plan Series PE(1159)	15,000,000	1,627.22	15,000,000	1,505.65
Aditya Birla Sun Life Fixed Term Plan Series RC(1295)	20,000,000	2,127.72	-	-
Kotak FMP Series-217-1240 Days	10,000,000	1,089.63	10,000,000	1,012.15
Kotak FMP Series 230 (Growth)	5,001,038	540.11	-	-
Kotak FMP Series 233 (Growth)	5,001,010	537.42	-	-
Kotak FMP Series 261 (Growth)	10,000,000	1,023.94	-	-
ICICI Series 82-1199Days	10,008,937	1,091.05	10,008,937	1,012.20
ICICI FMP - Plan Series 85 - 1127 Days Q	15,000,000	1,500.68	-	-
SBI Debt Fund Series C-10 1150 Days	10,008,824	1,083.00	10,008,824	1,011.47
L&T FMP Series XVIII - D plan (Growth)	5,000,000	510.14	-	-
L&T FMP Series XVIII - R plan (Growth)	5,000,000	510.04	-	-
ICICI Prudential FMP Series 82-Plan 1199 Days	10,000,000	1,090.90	10,000,000	1,014.32
ICICI Prudential FMP - Series 83 - 1108 Days	10,000,000	1,085.84	-	-
Sub-total (c)		22,640.89		18,734.09
Total Investments measured at FVTPL		22,430.71		23,869.80
Total other Investments		33,045.67		24,410.67

	As at 31st March, 2019	As at 31st March, 2018
7 TRADE RECEIVABLE		
Non-Current		
Unsecured, considered good (measured at amortised cost)		
Trade Receivable (Includes retention money)	547.82	1,039.47
Total	547.82	1,039.47
8 LOANS - NON CURRENT		
Unsecured, considered good		
At Amortised Cost		
(i) Security Deposits	289.99	199.22
(ii) Other Loans	268.02	612.95
Total	558.01	812.17
Other Loans includes:		
Loan to employees	235.02	302.70
9 OTHER NON-CURRENT FINANCIAL ASSETS		
Other Deposit Current Assets (measured at amortised cost)	216.68	266.86
Recoverable from related party	-	12.00
Bank Deposits with maturity of more than 12 months	177.50	185.20
(Above bank deposits are pledged as margin money)		
Total	394.18	464.06
10 OTHER NON-CURRENT ASSETS		
Taxes Receivable (other than Income Tax)	616.63	450.05
Capital Advances	45.67	70.68
Other Non-Current Assets*	93.51	57.84
Total	755.81	578.57
Other Non-Current Assets includes:		
*Advance to a Partnership Firm i.e. Sopan D. Patil & GWRL	40.70	40.70



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

	As at 31st March, 2019		As at 31st March, 2018	
				(₹ in lakhs)
11 INVENTORIES - CURRENT ASSET				
Raw Materials	5,257.84		5,296.81	
Work-in-Progress	3,410.20		3,330.57	
Finished Goods (Including Goods-in-Transit ₹ 428.96 lakhs. As at 31st March, 2018 ₹ 883.82 lakhs)	5,849.90		5,896.26	
Traded Goods	599.73		465.84	
Stores, Spares, Fuel and Packing Materials	1,703.22		1,428.50	
Total	16,820.89		16,417.98	
Note: For details of inventories pledged refer Note 24 and refer Note 2.8 for basis of valuation.				
				(₹ in lakhs)
	As at 31st March, 2019		As at 31st March, 2018	
12 INVESTMENTS - CURRENT	No. of		No. of	
	Shares/units	Amount	Shares/units	Amount
Unquoted Fair Value Through Profit & Loss Shares of Cosmos Co-operative Bank Limited of ₹ 20/- each	-	-	15,805	3.16
Total investment in Current Asset		-		3.16
				(₹ in lakhs)
13 TRADE RECEIVABLES				
Measured at Amortised Cost				
Unsecured, Considered Good	24,289.71		21,906.02	
Unsecured, Considered Doubtful	127.23		112.36	
	24,416.94		22,018.38	
Less: Allowance for Doubtful Debts	(127.23)		(112.36)	
Total	24,289.71		21,906.02	
Before accepting any new customer, the company has appropriate levels of control procedures which ensures the potential customer's credit quality and the same are periodically reviewed by the management.				
Movement in allowance for doubtful debts				
Balance at the beginning of the year	112.36		74.70	
Allowance for doubtful debts during the year	71.02		37.66	
Reversal of allowance for doubtful debts during the year	(56.15)		-	
Balance at the end of the year	127.23		112.36	
14 (A) CASH AND BANK BALANCES				
Cash on hand	5.56		74.86	
Balances with banks				
a) In Current Accounts	753.29		624.59	
b) In Deposit Accounts with maturity less than 3 months				
In Liquid Fund				
Birla Sunlife Cash Plus Fund (Growth)	-		117.15	
(As at 31st March, 2019 Nil, As at 31st March, 2018 no of Units 38,112)				
Total (A)	758.85		816.60	
(B) BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS				
Unpaid dividend accounts	56.09		47.59	
Bank deposits above 3 months	299.83		1,328.00	
Total (B)	355.92		1,375.59	
Total (A+B)	1,114.77		2,192.19	
15 LOANS				
Measured at amortised cost				
Unsecured, considered good				
Staff Loan	386.55		137.00	
Deposit	204.14		446.57	
Total	590.69		583.57	

Expanding Horizons

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

(₹ in lakhs)

	As at 31st March, 2019	As at 31st March, 2018
16 OTHER FINANCIAL ASSET		
Measured at Amortised Cost		
Unsecured, considered good		
Other Financial Assets	1,088.29	10.26
Interest Accrued On Deposit Others	21.39	11.53
Total	1,109.68	21.79
17 OTHER CURRENT ASSET		
Balance with Government authorities	4,967.48	6,119.29
Trade Advances	544.43	1,358.37
Prepayments	154.15	104.87
Advance to Employees	75.61	77.34
Others	-	129.81
Total	5,741.67	7,789.68

	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
18 EQUITY SHARE CAPITAL				
Authorised Share Capital				
i) Equity Shares of ₹ 10/- each	5,00,00,000	5,000.00	5,00,00,000	5,000.00
ii) Unclassified Shares of ₹ 10/- each	1,00,00,000	1,000.00	1,00,00,000	1,000.00
		6,000.00		6,000.00
Issued, Subscribed and Fully Paid up				
Equity Shares of ₹ 10/- each	2,18,82,060	2,188.21	2,18,82,060	2,188.21
		2,188.21		2,188.21
a) Reconciliation of Number of Shares				
Equity Shares				
Opening Balance	2,18,82,060	2,188.21	2,18,82,060	2,188.21
Changes during the year				
Closing Balance	2,18,82,060	2,188.21	2,18,82,060	2,188.21

b) Rights, Preferences and restrictions attached to Equity Shares:

The Company has only one class of Equity Shares having a par value of ₹ 10/- per Share. Each Shareholder of Equity Shares is entitled for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the Shareholders of equity shares are eligible to receive remaining assets of the Company, in proportion of their shareholding, after distribution of all preferential amounts, if any.

c) Details of Shareholders holding more than 5% Shares in the Company

(₹ in lakhs)

Equity Shares	As at 31st March, 2019	As at 31st March, 2018
Mr. V. R. Garware*	3,568,295	3,566,162
	16.31%	16.30%
Garware Capital Markets Limited	3,562,567	3,561,567
	16.28%	16.28%

The above Shareholding represents the legal ownership of shares

* Out of 35,68,295 (16.31%) Equity Shares, 21,18,893 (9.68%) Equity Shares are registered in the name of Mr. V. R. Garware as partner of Partnership Firms. Beneficial interest in the said share is held by the Partnership Firms.

d) Shares allotted as fully paid up by way of Bonus Shares (during 5 years preceding 31st March, 2019): Nil



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

		(₹ in lakhs)
	As at 31st March, 2019	As at 31st March, 2018
19 OTHER EQUITY		
RETAINED EARNINGS	50,982.73	39,630.81
OTHER RESERVES		
a) Capital Reserve	24.75	24.75
b) Capital Redemption Reserve	182.63	182.63
c) Share Premium		
Share Premium Account	7,597.37	7,597.37
Share Premium Related To Forfeited Shares	102.74	102.74
d) Revaluation Reserve	1.73	2.77
e) General Reserve	3,869.84	3,869.84
Total	11,779.06	11,780.10
Grand Total	62,761.78	51,410.91
NON-CURRENT LIABILITIES		
FINANCIAL LIABILITIES		
20 NON-CURRENT TRADE PAYABLE		
Measured at Amortised Cost	91.62	-
Retention money payable	91.62	-
21 NON-CURRENT FINANCIAL LIABILITY		
Measured at Amortised Cost	4.40	6.26
Security Deposit from Contractor	4.40	6.26
22 NON CURRENT PROVISIONS		
Provision for Employee Benefits *	485.13	427.25
Total	485.13	427.25
* Provision for employee benefits includes provision for Leave encashment, Super annuation and Gratuity (refer Note No. 38)		
23 DEFERRED TAX (ASSET) / LIABILITIES		
Deferred Tax relates to the following		
Depreciation and Amortisation	3,914.79	3,670.90
Employee Benefit Obligation	(205.63)	(185.15)
Provision for Doubtful Debts	(6.36)	(42.99)
Financial Asset / Liabilities measured at FVTPL	174.75	151.39
Financial Asset / Liabilities measured at FVOCI	88.03	28.51
Financial Asset / Liabilities measured at Amortised Cost	(85.02)	(53.22)
Others	-	(97.28)
Deferred Tax Liability (Net)	3,880.56	3,472.16

Expanding Horizons

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

(₹ in lakhs)

FINANCIAL LIABILITIES

24 BORROWINGW-CURRENTS

As at 31st March, 2019

As at 31st March, 2018

Secured (at amortised cost)

- From banks

Working Capital Facilities

Total

10,797.27

13,838.83

10,797.27

13,838.83

Note:

1. Loans availed from Bank of India Consortium are secured by a first charge, pari passu, by way of hypothecation of the Company's current assets, viz. raw materials, stock-in-process, semi-finished goods, finished goods, stores & spares not relating to Plant & Machinery, bills receivable, and book debts. Secured loan including post shipment credit carries an interest rate ranging from 5.5% to 6.5% p.a. for repayments on various dates ranging up to 180 days.

25 TRADE PAYABLE-CURRENT

As at 31st March, 2019

As at 31st March, 2018

Measured at Amortised Cost

Outstanding dues of Micro Enterprises & Small Enterprises

45.02

37.96

Outstanding dues of creditors other than Micro Enterprises & Small Enterprises

20,384.26

20,406.10

Total

20,429.28

20,444.06

Note:

Trade payable are not interest bearing and are normally settled as terms of agreement. Refer Note 46 for discussion on company's credit risk management policies and procedures.

Details of dues to Micro and Small Enterprises are defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

The principle amount due the supplier under MSMED Act, 2006 at the year end.

45.50

37.96

Interest Accrued and due to supplier under MSMED Act, 2006 on the above amount, unpaid at the year end.

1.41

1.31

Payment made to supplier (other than interest) beyond the appointed date during the year.

224.45

210.10

Interest paid to supplier under MSMED Act, 2006 (Section 16) during the year.

-

-

Interest due and payable to supplier under MSMED Act, 2006 for payments already made.

1.39

0.96

Interest Accrued and not paid to supplier under MSMED Act, 2006 up to the year end.

1.39

0.96

The above information has been disclosed in respect of parties which have been identified on the basis of the information available.

26 OTHER CURRENT FINANCIAL LIABILITIES

Payable to Employees

397.37

243.86

Unpaid Dividend (refer note below)

56.09

47.59

Security deposit from Customer

138.02

133.96

Other Payables

106.15

77.84

Total

697.63

503.25

Note: In respect of unclaimed dividend, the actual amount is transferred to investor protection fund on the determined due date.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

		(₹ in lakhs)
	As at 31st March, 2019	As at 31st March, 2018
27 OTHER CURRENT LIABILITY		
Unearned revenue	4,025.78	4,285.43
Advance received from Customers	1,346.26	1,145.16
Statutory dues and other liabilities	109.31	58.52
Total	5,481.35	5,489.11
28 CURRENT PROVISIONS		
Provision for Employee Benefits*	355.91	272.58
Total	355.91	272.58
* Provision for employee benefits includes provision for Leave Encashment, Super Annuation and Gratuity (refer Note No. 38)		
29 CURRENT TAX LIABILITY (NET)		
Taxation	520.15	344.86
Total	520.15	344.86
		(₹ in lakhs)
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
30 REVENUE		
Sale of Products and Services		
Manufactured Goods	91,791.09	80,445.74
Traded Goods	6,203.40	4,125.18
Contracts for Supply & Installation	3,373.21	3,781.36
Other operating Revenue		
Sale of Scrap	280.11	153.65
Miscellaneous Receipts	134.38	43.63
	414.49	197.28
Total	1,01,782.19	88,549.56
Disaggregation of revenue		
Revenue based on Geography		
Domestic	42,941.08	
Export	58,841.11	
Revenue from operations	1,01,782.19	
Revenue based on Business Segment		
Synthetic Cordage	85,514.62	
Fibre and Industrial Products & Projects	16,267.57	
Total Revenue from operation	1,01,782.19	
Reconciliation of Revenue from operations with contract price		
Contract Price	1,03,282.67	
Less: - Discounts and Incentives	(1,500.48)	
Total Revenue from operation	1,01,782.19	
31 OTHER INCOME		
Interest income from financial asset carried at amortise cost		
Bank deposits	41.06	528.41
From other financial assets	10.81	40.87
Dividend income from equity investments designated at FVTOCI	4.07	2.49
Fair Value Gain at financial instruments at FVTPL	1,076.99	725.97
Gain on sale/redemption of investments	962.38	487.29
Profit on sale of Fixed Asset	2.34	-
Total	2,097.65	1,785.03

Expanding Horizons

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

		(₹ in lakhs)
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
32 COST OF MATERIAL CONSUMED		
Opening Stock at the beginning of the year	5,296.81	4,156.15
Add : Purchases	29,206.20	28,227.51
Less : Closing Stock at the end of the year	(5,257.84)	(5,296.81)
Total	29,245.17	27,086.85
33 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS		
(a) Opening Stock at the beginning of the year		
Work-in-Progress	3,330.57	2,988.30
Finished Goods	5,896.26	5,139.33
Traded Goods	465.84	398.99
	9,692.67	8,526.62
(b) Closing Stock at the end of the year		
Work-in-Progress	3,410.20	3,330.57
Finished Goods	5,849.90	5,896.26
Traded Goods	599.73	465.84
	9,859.83	9,692.67
Net Total (Increase) / Decrease	(167.16)	(1,166.05)
34 EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	11,615.74	10,508.36
Contribution to Provident and other Funds (Note No. 38)	551.06	389.97
Staff Welfare	828.34	789.58
Total	12,995.14	11,687.91
35 FINANCE COST		
Interest expenses on borrowings *	1,005.52	751.52
Bank charges	366.77	246.17
Total	1,372.29	997.69
* Interest expenses includes ₹ 419.05 lakhs (Previous year ₹ 362.24 lakhs) on account of interest on Borrowings from related parties.		
36 OTHER EXPENSES		
Stores and Spares consumed	6,993.11	5,611.92
Packing materials consumed	1,540.00	1,453.00
Power, Fuel and Water Charges	3,515.95	3,506.96
Processing and Testing Charges	8,235.91	7,704.31
Installation Contract related expenses	2,204.84	1,256.47
Administrative, Selling and General Expenses		
Advertisement & Sales Promotion expenses	668.62	542.73
Rent	451.76	475.70
Rates, Taxes and Octroi	112.18	147.03
Insurance	236.43	250.78
Transport and Forwarding Charges	5,285.02	4,705.43



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

	(₹ in lakhs)	
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Repairs and Maintenance		
Buildings	74.20	75.44
Plant and Machinery	1,984.77	1,816.62
Others	429.17	352.69
Travelling Expenses	1,168.47	1,258.70
Discount and Commission on sales	1,162.01	939.14
Bad Debts	93.83	35.78
Provision for Doubtful Debts	71.12	53.07
Legal and Professional Charges	1,650.57	1,276.84
Auditors' Remuneration		
Audit Fees	12.50	12.50
Fees for other Services	12.80	4.50
Out of pocket expenses	2.16	1.46
Establishment and other miscellaneous expenses *	1,604.15	1,681.91
Exchange (Gain) / Loss (net)	(921.36)	(1,520.12)
Directors' Fees	8.40	5.00
(Profit) / Loss on Fixed Assets Discarded	-	14.73
Total	36,596.61	31,662.57
Detail of CSR Expenditure;		
Amount required to spent during the year	273.51	159.16
Amount spent during the year	59.62	61.19
Research and development cost		

The company has incurred expenses on research and development at research and development facilities (Chinchwad and Wai Plant) approved and recognised by the Ministry of Science and Technology, Government of India (DSIR).

Revenue expenditure charged to Statement of Profit and Loss	962.51	798.20
Capital expenditure	658.71	655.07

37 Income taxes

The major components of income tax expenses for the year ended 31st March, 2018 & 31st March, 2019.

Statement of Profit and Loss:

Current Income Tax Charges		
Current Income Tax	5,366.29	4,338.00
Prior period Taxation	(125.42)	-
Deferred Tax		
Relating to origination and reversal of temporary differences	397.92	451.39
Income tax expenses reported in the Statement of Profit and Loss	5,638.79	4,789.39

Other Comprehensive Income:

Deferred Tax related to items recognised in other comprehensive income during the year	64.86	73.49
Net gain or loss on remeasurements of defined benefit plans	(87.79)	(220.94)
Income tax related to items that will not be reclassified to profit or loss	(1.23)	(6.64)
Deferred tax charged / (Credited) in Other Comprehensive Income	(24.16)	(154.09)

Expanding Horizons

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

Reconciliation of tax expenses and accounting profit multiplied by India's domestic tax rate for the year ended 31st March, 2018 & 31st March, 2019.

(₹ in lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Accounting profit before tax (before exceptional items)	18,200.04	15,301.15
At India's statutory income tax rate of 34.944% (For the year ended 31st March, 2018 : 34.608%)	6,359.82	5,346.83
Dividend income	(126.85)	(168.08)
Fair value gain of FVTOCI investment Dividend income	(409.88)	(276.54)
Weighted deduction on research and development capital and revenue expenses	(511.25)	(478.11)
Difference in book and IT depreciation	(28.07)	(130.59)
Others	54.83	(11.54)
Tax @11.536% on Capital gain income	27.69	56.03
Income Tax expenses reported in the Statement of Profit and Loss (A)	5,366.29	4,338.00
Tax Expenses recognised in Statement of Profit and Loss		
Incremental Deferred Tax Liability on account of Property, Plant and Equipment and Intangible Assets	243.89	362.78
Incremental Deferred Tax Liability / (Asset) on account of Financial Assets and Other items	154.03	88.61
Deferred Tax Provision (B)	397.92	451.39
Adjustment recognised in the current year in relation to the prior years (C)	(125.42)	-
Total Expenses recognised in Statement of Profit and Loss (A+B+C)	5,638.79	4,789.39

Deferred Tax : Please refer to Note No. 23

During the year, the Company has paid dividends to its shareholders. This has resulted in payment of Dividend Distribution Tax (DDT) to the taxation authorities. The Company believes that DDT represents additional payment to taxation authorities on behalf of the shareholders. Hence DDT paid is charged to equity.

38 Gratuity

The Company operates a defined benefit plan viz. gratuity for its employees. Under the gratuity plan, every employee who has completed at least specified years of service gets a gratuity on departure @ 15 days (minimum) of the last drawn salary for each completed year of service. The scheme is funded with an insurance Company in the form of qualifying insurance policy. The fund has formed a trust and it is governed by the Board of Trustees.

The fund is subject to risks such as asset volatility, changes in bond yields and asset liability mismatch risk. In managing the plan assets, Board of Trustees reviews and manages these risks associated with the funded plan. Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes asset-liability matching strategy and investment risk management policy (which includes contributing to plans that invest in risk-averse markets). The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

1 Changes in the net benefit obligation and fair value of plan assets are as follows :

(₹ in lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1st April, 2017	1,498.69	(1,361.04)	137.65
Current service cost	97.07	-	97.07
Interest expense/(income)	110.75	(100.58)	10.17
Total amount recognised in Profit or Loss	207.82	(100.58)	107.24
Experience adjustments	(50.93)	-	(50.93)
Actuarial loss from change in financial assumptions	-	-	-
Return on plan assets (income)	254.13	17.75	271.87
Total amount recognised in Other Comprehensive Income	203.20	17.75	220.94
Employer contributions	-	(344.30)	(344.30)
Benefits paid	(54.35)	54.35	-
31st March, 2018	1,855.36	(1,733.82)	121.55



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

(₹ in lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
Current service cost	113.28	-	113.28
Interest expense/(income)	143.42	(134.02)	9.40
Total amount recognised in Profit or Loss	256.70	(134.02)	122.67
Experience adjustments	86.70	-	86.70
Actuarial loss from change in financial assumptions	(4.73)	-	(4.73)
Return on plan assets (income)	-	5.82	5.82
Total amount recognised in Other Comprehensive Income	81.97	5.82	87.79
Employer contributions	-	(107.00)	(107.00)
Benefits paid	(154.72)	154.72	-
31st March, 2019	2,039.31	(1,814.31)	225.00

II The net liability disclosed above relates to funded plans are as follows :

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018	31st March, 2017
Present value of funded obligation	2,039.31	1,855.36	1,498.69
Fair value of plan assets	(1,814.31)	(1,733.82)	(1,361.04)
Surplus of funded plan	225.00	121.55	137.65

III Significant estimates

The principal actuarial assumptions were as follows :

Particulars	31st March, 2019	31st March, 2018	31st March, 2017
Discount rate	7.76%	7.73%	7.39%
Salary growth rate	5.00%	5.00%	5.00%
Normal retirement age	58/60 years	58/60 years	58/60 years
Mortality table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Employee turnover	2%	2%	2%

IV Sensitivity analysis

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation	
	31st March, 2019	31st March, 2018
Discount rate		
1.00% increase	Decrease by 147.31	Decrease by 136.61
1.00% decrease	Increase by 168.57	Increase by 157.09
Future salary increase		
1.00% increase	Increase by 171.57	Increase by 159.84
1.00% decrease	Decrease by 152.28	Decrease by 141.16
Attrition Rate		
1.00% increase	Increase by 34.58	Increase by 32.87
1.00% decrease	Decrease by 38.37	Decrease by 36.61

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous periods.

The following are the expected cash flows to the defined benefit plan in future years: (₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018
Within next 12 months	277.29	287.26
Between 1-10 years	1328.35	1160.08
11 years & above	2723.25	2576.13

V The major categories of plan assets are as follows:

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018
Investments with Insurer (LIC of India)	0.01%	3.38%
HDFC Standard Life Insurance	99.99%	96.62%

39 Segment Reporting

- The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. These business segments are : 1. Synthetic Cordage 2. Fibre and Industrial Products & Projects. Segments based on the location of the customers are identified as secondary segments.
- Segment Accounting Policies are the same as those used in the preparation of the Financial Statements. The company generally accounts for inter-segment sales and transfers at cost plus appropriate margins.
- The segment revenues and segment expenses are directly attributable to the segments, except certain expenses which are not allocated to any segments by using appropriate basis. All other expenses which are not attributable or allocable to the segments have been disclosed as unallocable expenses.
- The segment assets and liabilities are directly attributable to the segments, except certain assets and liabilities which are allocated to the segments using appropriate basis. All other assets and liabilities are disclosed as unallocable.

i) Primary Segment Report

Year 2018-2019

Year 2017-2018

Particulars	Synthetic Cordage	Fibre and Industrial Products & Projects	Unallocated	Total	Synthetic Cordage	Fibre and Industrial Products & Projects	Unallocated	Total
i) Segment Revenue	86,031.16	17,340.73	-	1,03,371.89	75,399.07	14,737.70	-	90,136.77
Inter-segment revenue	(516.54)	(1,073.16)	-	(1,589.70)	(352.07)	(1,235.14)	-	(1,587.21)
Sales/Income From operations	85,514.62	16,267.57	-	1,01,782.19	75,047.00	13,502.56	-	88,549.56
ii) Depreciation and amortization	1,362.77	212.61	148.66	1,724.04	1,060.58	203.29	270.89	1,534.76
iii) Segment Result	18,176.14	2,750.53	-	20,926.67	15,237.39	1,970.29	-	17,207.68
Less -								
i) Interest				(1,372.29)				(997.69)
ii) Other Unallocable expenditure net of unallocable (income)				(1,354.34)				(908.84)
Total profit before tax				18,200.04				15,301.15
iv) Segment Assets	59,599.76	8,805.60	39,287.93	1,07,693.29	55,102.36	10,186.49	33,108.63	98,397.48
v) Segment Liabilities	23,279.12	3,531.38	15,932.80	42,743.30	26,226.49	3,941.22	14,630.65	44,798.36


NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019
Reconciliation of Profit

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018
Segment Profit	20,926.67	17,207.68
Other Income	2,097.65	1,785.03
Finance Cost	(1,372.29)	(997.69)
Other Corporate Costs	(3,451.99)	(2,693.87)
Profit Before Tax and discontinued operations	18,200.04	15,301.15

Reconciliation of Assets

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018
Segment operating assets	68,405.36	65,288.85
Investments	33,101.17	24,466.17
Cash and bank balances	1,114.77	2,192.19
Balances with government authorities	4,967.48	6,119.29
Other unallocable assets	104.52	330.98
Total assets	1,07,693.30	98,397.48

Reconciliation of liabilities

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018
Segment operating liabilities	26,810.50	30,167.71
Borrowings	10,797.27	13,838.83
Income tax liabilities (Net)	4,400.71	344.86
Other unallocable liabilities	734.82	446.96
Total liabilities	42,743.30	44,798.36

ii) Information about geographic segment
Revenue from external customers

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018
India	42,941.08	43,557.27
Outside India	58,841.11	44,992.29
Total	1,01,782.19	88,549.56

iii) Notes:

The business segments viz. 'Synthetic Cordage' and 'Fibre and Industrial Products and Projects' are considered as the primary segments. Synthetic Cordage comprises of Ropes, Twines and Nettings made of Twine. Fibre and Industrial Products & Projects segment comprises of Fibre, Synthetic Fabric, Yarn, Woven and Non-Woven Textiles, Secugrids, Coated steel gabions, Machinery and project. Inter-segment sales are accounted for at market value.

The Geographical Segments on the basis of location of customers are considered as secondary segments. Sales are recognised as sales to customers in India and sales to customers outside India. As the Company has integrated manufacturing facilities, it is not possible to directly attribute or allocate on a reasonable basis, the expenses, assets and liabilities to the Geographical Segment.

Expanding Horizons

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

40 TRANSACTIONS WITH RELATED PARTIES

(i) List of Related Parties & Relationship :

A. Subsidiary / Joint Venture Company

1. Garware Environmental Services Pvt. Ltd.

B. Associate Company

1. Garware Meditech Pvt. Ltd.

C. Executive Directors - Key Managerial Personnel

1. Mr. V. R. Garware

D. Non Executive Directors

1. Mrs. M. V. Garware
2. Mr. R. M. Telang - Independent Director
3. Mr. S. P. Kulkarni - Independent Director
4. Mr. Ashish Goel - Independent Director
5. Dr. S. S. Rajpathak

E. Enterprises over which control is exercised by the individual listed at 'C' above

1. Manmit Investment & Trading Company Pvt. Ltd.
2. Garware Capital Markets Ltd.
3. Gurukrupa Investments & Trading Company Pvt. Ltd.
4. Sanand Investments & Trading Company Pvt. Ltd.
5. Moonshine Investments & Trading Company Pvt. Ltd.
6. Starshine Investments & Trading Company Pvt. Ltd.
7. Sukkar Holdings & Trading Company Pvt. Ltd.
8. VMIR Investment Ltd.
9. VRG Investments Ltd.
10. Garware Infrastructure Pvt. Ltd.
11. Ramesh Trading Company
12. Sunita Trading Company
13. Garware Research Institute
14. Vimlabai Garware Research Institute
15. Consolidated Agricultural & Dairy Farming Co. Pvt. Ltd.

(ii) Following are the transactions with the related parties mentioned in A, B, C, D & E above:

(₹ in lakhs)

Sr. No.	Particulars	Subsidiaries/ Joint Venture Companies	Associate Companies	Enterprises Owned or significantly Influenced by Key Management Personnel or Their Relatives	Executive Directors - Key Management Personnel	Non-Executive Directors	Total
	Transactions with Related Parties						
1	Deposit Received						
	2018-19	-	-	2,314.00	2,476.00	-	4,790.00
	2017-18	-	-	2,542.70	2,211.00	-	4,753.70
2	Deposit Refund						
	2018-19	-	-	2,314.00	2,476.00	-	4,790.00
	2017-18	-	-	4,255.43	2,211.00	-	6,466.43
3	Interest paid on Deposits						
	2018-19	-	-	224.80	194.25	-	419.05
	2017-18	-	-	229.98	132.26	-	362.24
4	Director Remuneration *						
	2018-19	-	-	-	873.37	-	873.37
	2017-18	-	-	-	777.67	-	777.67
5	Directors Sitting Fees						
	2018-19	-	-	-	-	8.40	8.40
	2017-18	-	-	-	-	5.00	5.00
6	Dividend paid						
	2018-19	-	-	338.66	160.48	0.01	499.15
	2017-18	-	-	372.95	506.67	0.10	879.72
7	Sale of Goods/Services						
	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	Balance due from related parties						
8	Balance (Payable) / Receivable						
	31st March, 2019	-	-	-	645.00	-	645.00
	31st March, 2018	-	-	0.24	(549.00)	-	(548.76)

Note : For Investment in related parties as at 31st March, 2019 refer Note No. 5.

The above figures do not include provision for leave encashment and gratuity fund, as separate figures are not available for the Executive Director - Key Management Personnel.

* Includes commission paid / payable to Executive Director-Key Management Personnel ₹ 645 lakhs (Previous year ₹ 549 lakhs)


NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

		(₹ in lakhs)
41 EARNINGS PER SHARE (EPS)		
BASIC AND DILUTED EPS	31st March, 2019	31st March, 2018
Net Profit attributable to Equity Shareholders of the Company	12,561.25	10,511.76
Weighted Average No. of Equity Shares of ₹ 10/- each (No. in lakhs)	218.82	218.82
Basic And Diluted Earning Per Share (₹)	57.40	48.04

42 CONTINGENT LIABILITIES :

Claims against the company not acknowledged as debts:

In respect of matters under dispute

-Sales Tax	9.15	9.15
-Income Tax	114.00	208.00
-Octroi	21.64	21.64

43 Estimated amount of contracts remaining to be executed on Capital Account and not provided for net of Advances ₹ 808.59 lakhs (As at 31st March, 2018 ₹ 935.02 lakhs).

44 INTEREST IN FIRM / JOINT VENTURE :

The Company has entered into a partnership agreement (Sopan D. Patil & GWRL J.V.) in which the company holds 40% share in profit / loss to execute Geo-Synthetics Work - Contract value worth ₹ 577.31 lakhs. During the year ended 31.03.2019, the said partnership has incurred a loss of ₹ Nil lakhs (As at 31st March, 2018 ₹ (0.50) lakhs).

		(₹ in lakhs)
	31st March, 2019	31st March, 2018
Current assets	16.72	16.72
Non-current assets	18.96	18.96
Current liabilities	-	(0.47)
Non-current liabilities	(40.54)	(40.07)
Reserve & Surplus	4.86	4.86
Revenue	-	4.48
Cost of material consumed	-	(4.24)
Employee benefit expenses	-	-
Other expenses	-	(0.74)
Profit / (loss) before tax	-	(0.50)
Income-tax expenses	-	-
Profit / (loss) after tax	-	(0.50)

45 DISCLOSURES ON FINANCIAL INSTRUMENTS
a. Financial Instruments by category

The following table presents the carrying amounts of each category of financial assets and liabilities as at 31st March, 2019.

Particulars	Measured at FVTOCI	Measured at FVTPL	Amortised Cost	Total Carrying Amount
Financial Assets				
Investments in subsidiaries, associates and joint ventures	-	-	55.50	55.50
Other Investments-Non Current	614.96	32,430.71	-	33,045.67
Trade Receivables-Non Current	-	-	547.82	547.82
Loans-Non Current	-	-	558.01	558.01
Other Financial Assets-Non Current	-	-	394.18	394.18
Other Investments-Current	-	-	-	-
Trade Receivables-Current	-	-	24,289.71	24,289.71
Loans-Current	-	-	590.69	590.69
Other Financial Assets-Current	-	-	1,109.68	1,109.68
Total	614.96	32,430.71	27,545.59	60,591.26
Financial Liabilities				
Trade Payable-Non Current	-	-	91.62	91.62
Other Financial Liabilities-Non Current	-	-	4.40	4.40
Borrowings-Current	-	-	10,797.27	10,797.27
Trade Payable-Current	-	-	20,429.28	20,429.28
Other Financial Liabilities-Current	-	-	697.63	697.63
Total	-	-	32,020.20	32,020.20

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

The following table presents the carrying amounts of each category of financial assets and liabilities as at 31st March, 2018.

(₹ in lakhs)

Particulars	Measured at FVTOCI	Measured at FVTPL	Amortised Cost	Total Carrying Amount
Financial Assets				
Investments in subsidiaries, associates and joint ventures	-	-	55.50	55.50
Other Investments-Non Current	540.87	23,869.80	-	24,410.67
Trade Receivables-Non Current	-	-	1,039.47	1,039.47
Loans-Non Current	-	-	812.17	812.17
Other Financial Assets-Non Current	-	-	464.06	464.06
Other Investments-Current	-	3.16	-	3.16
Trade Receivables-Current	-	-	21,906.02	21,906.02
Loans-Current	-	-	583.57	583.57
Other Financial Assets-Current	-	-	21.79	21.79
Total	540.87	23,872.96	24,882.58	49,296.41
Financial Liabilities				
Trade Payable-Non Current	-	-	-	-
Other Financial Liabilities-Non Current	-	-	6.26	6.26
Borrowings-Current	-	-	13,838.83	13,838.83
Trade Payable-Current	-	-	20,444.06	20,444.06
Other Financial Liabilities-Current	-	-	503.25	503.25
Total	-	-	34,792.40	34,792.40

b. Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities that are measured at fair value or where fair value disclosure is required:

As at 31st March, 2019

Fair Value Measurement Using

(₹ in lakhs)

Particulars	Quoted Price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value				
FVTOCI financial investments				-
Quoted equity instruments	320.05	-	-	320.05
Unquoted equity instruments	-	-	294.91	294.91
FVTPL financial investments				
Other Debt Instrument	17.66	22,640.89	-	22,658.55
Unquoted debt instruments	-	9,772.16	-	9,772.16
Unquoted equity instruments	-	-	-	-


NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019
As at 31st March, 2018
Fair Value Measurement Using

(₹ in lakhs)

Particulars	Quoted Price in active markets (Level 1)	Significant observable input (Level 2)	Significant unobservable input (Level 3)	Total
Assets measured at fair value				
FVTOCI financial investments				
Quoted equity instruments	226.63	-	-	226.63
Unquoted equity instruments	-	-	314.24	314.24
FVTPL financial investments				
Foreign Currency Forward Contract	-	-	-	-
Other Debt Instrument	17.66	18,734.09	-	18,751.75
Unquoted debt instruments	-	5,118.05	-	5,118.05
Unquoted equity instruments	-	-	3.16	3.16

c. Valuation technique to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments.

- The management assesses that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. The investments measured at fair value and falling under fair value hierarchy Level 3 are valued on the basis of valuation reports provided by external valuers with the exception of certain investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range. The carrying value of those investments are individually immaterial.

d Financial risk management objectives

The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance. The Company's senior management which is supported by a Treasury Management Group ('TMG') manages these risks.

All hedging activities are carried out by specialist teams that have the appropriate skills, experience and supervision.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises of risks relating to interest rate risk and other price risks such as equity price risk and commodity price risk. Financial instruments affected by market risks mainly include borrowings, deposits and investments.

Foreign currency risk management

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set policy wherein exposure is identified, benchmark is set and monitored closely, and accordingly suitable hedges are undertaken.

The Company's foreign currency exposure arises mainly from foreign exchange imports, exports and other income/expenses in foreign currency, primarily with respect to USD.

As at the end of the reporting period, the carrying amounts of the company's foreign currency denominated monetary assets and liabilities in respect of the primary foreign currency i.e. USD and derivative to hedge the exposure, are as follows:



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

Particulars of unhedged foreign currency exposure and Derivatives (Outstanding) as at Balance Sheet date:

(₹ in lakhs)

Particulars	Currency	As at 31st March, 2019	As at 31st March, 2018
Trade Receivable	USD	13,902.39	7,850.47
Trade Payable	USD	(1,981.11)	(365.87)
Net		11,921.28	7,484.60
Forward Contracts to Sell (Hedge of Receivables)	USD	(10,801.69)	(5,145.03)
Net Exposure		1,119.59	2,339.57

The Company's exposure to foreign currency changes for all other currencies is not material.

Foreign currency sensitivity analysis

The following table demonstrate the sensitivity to a reasonable possible change in USD exchange rate, with all other variables held constant.

(₹ in lakhs)

	Currency	As at 31st March, 2019	As at 31st March, 2018
Impact on profit before tax			
INR/USD - Increase by 1%	USD	264.43	166.44
INR/USD - Decrease by 1%	USD	(264.43)	(166.44)

Interest rate risk management

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. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations and investments in debt instruments including debt mutual fund.

Interest rate sensitivity

The below table demonstrate the sensitivity of the company's profit before tax to a reasonable possible change in interest rate with all other variables being constant.

(₹ in lakhs)

Particulars		Change in interest rate	2018-19	2017-18
Interest expense	Increase	100 basis point	(106.63)	(70.78)
	Decrease	100 basis point	106.63	70.78
Interest income/Fair Value gain	Increase	100 basis point	213.00	200.52
	Decrease	100 basis point	(213.00)	(200.52)

Credit Risk

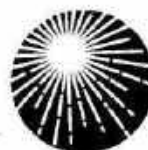
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Trade Receivable

Customer credit risk is managed by SCM team subject to the company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and followed up.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counter parties and within credit limits assigned to each counter party. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.


NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019
Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of bank deposits and cash credit facilities. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(₹ in lakhs)

Particulars	Year	Total	More than 1 year	Less than 1 year
Financial Liabilities				
Trade Payables	31st March, 2019	20,520.90	91.62	20,429.28
	31st March, 2018	20,444.06	-	20,444.06
Borrowings	31st March, 2019	10,797.27	-	10,797.27
	31st March, 2018	13,838.83	-	13,838.83
Other Financial Liabilities	31st March, 2019	702.03	4.40	697.63
	31st March, 2018	509.51	6.26	503.25

Excessive risk concentration

Concentrations arise when a number of counter parties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. Company believes that there is no such excessive risk concentration.

46 Capital Management

The Company's objective when managing capital is to ensure the going concern operation and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and meet shareholders expectations. The policy of the company is to borrow through banks supported by committed borrowing facility to meet anticipated funding requirements.

The capital structure is governed by policies approved by the Board of Directors.

The following table summarises the capital of the Company.

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Short Term Debt (including current maturities of long term loan)	10,797.27	13,838.83
Long Term Debt	-	-
Trade Payables	20,429.28	20,444.06
Less: Cash and cash equivalents	(1,114.77)	(2,192.19)
Net Debt	30,111.78	32,090.70
Equity	64,949.99	53,599.12
Capital and net debt	95,061.77	85,689.82
Net Debt to Capital Ratio (Debt/Equity plus debt)	0.32	0.37


INDEPENDENT AUDITORS' REPORT

To,

The Members of,

GARWARE TECHNICAL FIBRES LIMITED (Formerly: GARWARE-WALL ROPES LIMITED)
INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS
1. Opinion

We have audited the accompanying Consolidated Financial Statements of **Garware Technical Fibres Limited (Formerly: Garware-Wall Ropes Limited)** ('the Holding Company') and its Subsidiary (Collectively referred to as 'the Group') and Associate, which comprise the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) and the Consolidated Cash Flow Statement for the year then ended, and a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as 'the Consolidated Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor on separate Consolidated Financial Statements and on the other financial information of the subsidiary and associate, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at 31st March, 2019, their Consolidated profit (Consolidated financial performance including Other Comprehensive Income), their Consolidated changes in equity and their Consolidated cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Inventory Existence: The inventory's carrying value in the Balance Sheet as at 31st March, 2019 is ₹ 16,820.89 lakhs. The inventory of the Group is held across various locations including its Plants, Sales Depots, Warehouses and Contract Manufacturers' locations. We focussed on this matter because of the: <ul style="list-style-type: none"> • Significance of the inventory balance to the overall Financial Statements. • Complexity involved in determining inventory quantities on hand due to the number and diversity of inventory storage locations. 	Our procedures included, but were not limited to the following: We attended inventory counts at locations, selected based on financial significance and risk. Where locations were not attended we tested certain controls over inventory existence across the Group. For locations attended we performed the following procedures at each site: <ul style="list-style-type: none"> • Selected a sample of inventory items and compared the quantities we counted to the quantities recorded • Observed a sample of management's inventory count procedures to assess compliance with the Group policy • Made enquiries regarding obsolete inventory items and looked at the condition of items counted There were no significant exceptions noted from these procedures. We tested a sample of inventory items to assess whether they were recorded at a value higher than that for which they could be sold. We did not identify any exceptions.



up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Other Matters

We did not audit the Consolidated Financial Statements of 1 Subsidiary included in the statement, whose Consolidated Financial Statements reflects total assets of ₹ 144.06 lakhs, total revenue of ₹ 10.28 lakhs & total profit after tax of ₹ 6.69 lakhs for the year ended on that date. The Consolidated Financial Statement also include Group's share of net loss (including other comprehensive income) of ₹ 0.20 lakhs for the year ended 31st March 2019, as considered in the Consolidated Financial Statements, in respect of 1 associate, whose Consolidated Financial statements have not been audited by us. These Consolidated Financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and associate, is based solely on the reports of the other auditors.

8. Report on Other Legal and Regulatory Requirements

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 purpose of our audit;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Group so far as it appears from our examination of those books;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder;
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and associate company, none of the directors of the Group companies and its associate company is disqualified as on 31st March, 2019 from being appointed as a director in terms of section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and its associate and the operative effectiveness of such controls in terms of section 143(3)(i) of the Act, refer to our separate report in "Annexure".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Consolidated Financial Statements has disclosed the impact of pending litigations on its consolidation financials position of the group and associate - Refer Note No. 42 to the Consolidated Financial Statements;

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- (ii) The Group and its associate has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31st March, 2019.

For **Mehta Chokshi & Shah**
Chartered Accountants
Firm Registration Number: 106201W

ABHAY MEHTA
Partner
M. No.: 046088

Place: Pune
Date: 30th May, 2019

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 7 (2) (f) of our report of even date]

Report on the Internal Financial Controls Over Financials Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") of Garware Technical Fibres Limited (Formerly: Garware-Wall Ropes Limited)

We have audited the internal financial controls over financial reporting of Garware Technical Fibres Limited (Formerly: Garware-Wall Ropes Limited) ("the Company") as of 31st March, 2019 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended and as at on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note'). 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 and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. The Guidance Note and those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (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 Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization 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 Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, 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 31st March, 2019, 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.

For Mehta Chokshi & Shah

Chartered Accountants

Firm Registration Number: 106201W

ABHAY MEHTA

Partner

M. No.: 046088

Place: Pune

Date: 30th May, 2019

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CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2019

			(₹ in lakhs)
		As at	As at
A ASSETS	Note No.	31st March, 2019	31st March, 2018
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	22,056.92	21,392.72
(b) Intangible Assets	4	612.03	729.98
(c) Financial Assets			
(i) Investments in Subsidiaries, Associates	5	-	-
(ii) Other Investments	6	33,045.66	24,410.67
(iii) Trade Receivable	7	547.82	1,039.47
(iv) Loans	8	558.01	812.17
(v) Other Financial Assets	9	425.79	464.06
(d) Other non-current Assets	10	755.81	578.57
Total Non-Current Assets		58,002.04	49,427.64
(2) Current Assets			
(a) Inventories	11	16,820.89	16,417.98
(b) Financial Assets			
(i) Investments	12	-	3.16
(ii) Trade Receivables	13	24,289.71	21,906.02
(iii) Cash and Cash Equivalents	14	759.97	817.99
(iv) Bank Balances other than (iii) above	14	465.91	1,507.98
(v) Loans	15	590.69	583.57
(vi) Other Financial Assets	16	1,109.68	21.79
(c) Other Current Assets	17	5,741.67	7,789.68
Total Current Assets		49,778.52	49,048.17
TOTAL - ASSETS		1,07,780.56	98,475.81
B EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	18	2,188.21	2,188.21
(b) Other Equity	19	62,848.11	51,490.53
Total Equity		65,036.32	53,678.74
(2) Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payable	20	91.62	-
(ii) Other Financial Liabilities	21	4.40	6.26
(b) Provisions	22	485.13	427.25
(c) Deferred Tax Liabilities (Net)	23	3,880.56	3,472.17
Total Non-Current Liabilities		4,461.71	3,905.68
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	10,797.27	13,838.82
(ii) Trade Payables	25	20,429.28	20,444.07
(iii) Other Current Financial Liabilities	26	699.88	503.91
(b) Other Current Liabilities	27	5,481.35	5,489.11
(c) Provisions	28	355.91	272.58
(d) Current Tax Liabilities (Net)	29	518.84	342.90
Total Current Liabilities		38,282.53	40,891.39
TOTAL - EQUITY AND LIABILITIES		1,07,780.56	98,475.81

C NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS 1-46

As per our Report of even date

For MEHTA CHOKSHI & SHAH
Chartered Accountants,

(ABHAY MEHTA)
Partner
M. No. 046088
F. R. No.106201W

Pune,
30th May, 2019

MUKESH SURANA
Chief Financial Officer

SUNIL AGARWAL
Company Secretary
M. No. FCS 6407

V. R. GARWARE
Chairman & Managing Director
DIN. 00092201

R. M. TELANG
Director
DIN. 00092103

ASHISH GOEL
Director
DIN: 00147449

M. V. GARWARE
Director
DIN. 06948274

S. P. KULKARNI
Director
DIN. 00006914

S. S. RAJPATHAK
Director
DIN: 00040387


CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2019

(₹ in lakhs)

	Note No.	For the year ended 31st March, 2019	For the year ended 31st March, 2018
1 INCOME			
Revenue from Operations	30	1,01,782.19	88,549.56
Other Income	31	2,107.93	1,792.98
Total Income		<u>1,03,890.12</u>	<u>90,342.54</u>
2 EXPENSES			
Cost of Materials Consumed	32	29,245.17	27,086.85
Purchases of stock-in-trade		3,913.71	3,141.15
Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	(167.16)	(1,166.05)
Excise Duty on Sale of Goods		-	88.56
Employee Benefit Expenses	34	12,995.14	11,687.91
Finance Cost	35	1,372.29	997.69
Depreciation and Amortisation Expenses	34	1,724.04	1,534.77
Other expenses	36	36,597.49	31,663.06
Total Expenses		<u>85,680.68</u>	<u>75,033.94</u>
Profit Before Tax		<u>18,209.43</u>	<u>15,308.60</u>
Tax Expenses	37		
1. Current Tax		5,368.99	4,339.92
2. Deferred Tax		397.92	451.39
3. Prior period Taxation		(125.42)	-
TOTAL TAX EXPENSE		<u>5,641.49</u>	<u>4,791.31</u>
Profit after tax		<u>12,567.94</u>	<u>10,517.29</u>
Share of (profit)/loss from Investment in Associate & Join Venture		(0.10)	(0.10)
Profit for the year		<u>12,567.84</u>	<u>10,517.19</u>
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of Investment in Equity Instruments		64.86	73.49
Remeasurement of Defined Benefit Obligation		(87.79)	(220.94)
(ii) Income tax related to items that will not be reclassified to profit or loss		(1.23)	(6.64)
Total Other Comprehensive Income for the year		<u>(24.16)</u>	<u>(154.09)</u>
Total Comprehensive Income for the year		<u>12,543.68</u>	<u>10,363.10</u>
EARNINGS PER EQUITY SHARE (Nominal value per share ₹ 10 each)			
Basic (₹) and Diluted (₹)	41	57.43	48.06
Profit for the year			
Attributable to:			
Equity holder of parent		12,567.94	10,517.29
Non-controlling interest		(0.10)	(0.10)
Other Comprehensive income for the year			
Attributable to:			
Equity holder of parent		(24.16)	(154.09)
Non-controlling interest		-	-
Total comprehensive income for the year			
Attributable to:			
Equity holder of parent		12,543.78	10,363.20
Non-controlling interest		(0.10)	(0.10)

3 NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS 1-46

As per our Report of even date

For MEHTA CHOKSHI & SHAH
 Chartered Accountants,

(ABHAY MEHTA)
 Partner
 M. No. 046088
 F. R. No.106201W

 Pune,
 30th May, 2019

MUKESH SURANA
 Chief Financial Officer

SUNIL AGARWAL
 Company Secretary
 M. No. FCS 6407

V. R. GARWARE
 Chairman & Managing Director
 DIN. 00092201

R. M. TELANG
 Director
 DIN. 00092103

ASHISH GOEL
 Director
 DIN. 00147449

M. V. GARWARE
 Director
 DIN. 06948274

S. P. KULKARNI
 Director
 DIN. 00006914

S. S. RAJPATHAK
 Director
 DIN. 00040387

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2019

	As at 31st March, 2019	As at 31st March, 2018
(a) Equity share capital		
Equity Shares of ₹ 10/- each issued, subscribed & fully paid		
No of Shares	21,882,060	21,882,060
₹ in Lakhs	2,188.21	2,188.21

(b) Other Equity

For the year ended 31st March, 2019

(₹ in lakhs)

Particulars	Reserves and Surplus					Other Comprehensive Income			Other Equity
	Capital Reserve	Capital Redemption Reserve	Share Premium	General Reserve	Retained earnings	Revaluation Reserve	Net gain / (loss) on fair value of defined benefit plans	Equity instruments through other comprehensive income	
Balance as at 1st April, 2017	72.23	182.63	7,700.11	3,869.84	30,003.70	3.81	239.44	373.46	42,445.22
Profit for the year	-	-	-	-	10,517.29	(1.04)	-	-	10,516.25
Other comprehensive income	-	-	-	-	-	-	(220.94)	66.85	(154.09)
Total Comprehensive income for the year	-	-	-	-	10,517.29	(1.04)	(220.94)	66.85	10,362.16
Dividends paid	-	-	-	-	(1,094.11)	-	-	-	(1,094.11)
Dividends distribution tax paid	-	-	-	-	(222.74)	-	-	-	(222.74)
Balance as at 31st March, 2018	72.23	182.63	7,700.11	3,869.84	39,204.14	2.77	18.50	440.31	51,490.53
Balance as at 1st April, 2018	72.23	182.63	7,700.11	3,869.84	39,204.14	2.77	18.50	440.31	51,490.53
Profit for the year	-	-	-	-	12,567.95	(1.04)	-	-	12,566.91
Other comprehensive income	-	-	-	-	-	-	(87.79)	63.64	(24.15)
Total Comprehensive income for the year	-	-	-	-	12,567.94	(1.04)	(87.79)	63.64	12,542.76
Dividends paid	-	-	-	-	(984.71)	-	-	-	(984.71)
Dividends distribution tax paid	-	-	-	-	(200.47)	-	-	-	(200.47)
Balance as at 31st March, 2019	72.23	182.63	7,700.11	3,869.84	50,586.91	1.73	(69.29)	503.95	62,848.11

As per our Report of even date

For MEHTA CHOKSHI & SHAH
Chartered Accountants,

V. R. GARWARE
Chairman & Managing Director
DIN. 00092201

M. V. GARWARE
Director
DIN. 06948274

(ABHAY MEHTA)
Partner
M. No. 046088
F. R. No.106201W

MUKESH SURANA
Chief Financial Officer

R. M. TELANG
Director
DIN. 00092103

S. P. KULKARNI
Director
DIN. 00006914

Pune,
30th May, 2019

SUNIL AGARWAL
Company Secretary
M. No. FCS 6407

ASHISH GOEL
Director
DIN: 00147449

S. S. RAJPATHAK
Director
DIN: 00040387


CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

(₹ in lakhs)

I. CASH FLOW FROM OPERATING ACTIVITIES
**For the year ended
31st March, 2019**
**For the year ended
31st March, 2018**

Net Profit Before Tax	18,209.43	15,308.60
Adjustments for reconcile Profit Before Tax to Net Cash Flows:		
Depreciation and Amortisation Expenses	1,724.04	1,534.77
Unrealised Exchange Difference	363.81	(730.82)
Finance Cost	1,372.29	997.69
Interest and Dividend Income Received	(68.56)	(579.72)
Fair Value Gain at Financial Instruments at FVTPL	(1,076.99)	(725.97)
Gain on sale/redemption of investments	(962.38)	(487.29)
(Profit) / Loss on sale of Fixed Assets	-	14.73
Bad Debts	93.83	35.78
Provision for Doubtful Debts	71.12	53.07
Operating Profit before Working Capital Changes	19,726.60	15,420.84
Working Capital Adjustments		
(Increase) / Decrease in Trade & Other Receivable and Other Assets	(1,352.61)	(5,396.40)
(Increase) / Decrease in inventories	(402.91)	(2,322.05)
Increase / (Decrease) in Trade and Other Payables	357.39	(786.47)
Cash generated from Operations	18,328.47	6,916.92
Direct Taxes paid	(5,035.35)	(4,121.22)
Net cash provided by Operating Activities	13,293.12	2,795.70
II. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment and Intangible Assets	(2,270.29)	(3,338.49)
(Increase)/ Decrease of Investments	(8,631.83)	(13,347.12)
(Increase)/ Decrease of Other Investments	1,042.07	9,588.15
Interest and Dividend Income Received	2,107.93	1,792.98
Net cash provided by / (used in) Investing Activities	(7,752.12)	(5,304.48)
III. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short-term / Long-term Borrowings	(3,041.55)	5,230.12
Finance Cost	(1,372.29)	(997.69)
Dividend paid including Dividend Distribution Tax	(1,185.18)	(1,316.85)
Net cash from Financing Activities	(5,599.02)	2,915.58
Net Increase/ (Decrease) in Cash & Cash Equivalents (I+II+III)	(58.02)	406.80
Cash & Cash Equivalents at the beginning of the year	817.99	411.19
Cash & Cash Equivalents at year end	759.97	817.99

Reconciliation of cash flow in liabilities arising from financing activities

(₹ in lakhs)

Particulars	Amount
As at 1st April, 2017	8,608.70
Cash movements	5,230.12
As at 31st March, 2018	13,838.82
Cash movements	(3,041.55)
As at 31st March, 2019	10,797.27

IV. NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS 1-46

As per our Report of even date

For MEHTA CHOKSHI & SHAH
 Chartered Accountants,

V. R. GARWARE
 Chairman & Managing Director
 DIN. 00092201

M. V. GARWARE
 Director
 DIN. 06948274

(ABHAY MEHTA)
 Partner
 M. No. 046088
 F. R. No.106201W

MUKESH SURANA
 Chief Financial Officer

R. M. TELANG
 Director
 DIN. 00092103

S. P. KULKARNI
 Director
 DIN. 00006914

 Pune,
 30th May, 2019

SUNIL AGARWAL
 Company Secretary
 M. No. FCS 6407

ASHISH GOEL
 Director
 DIN: 00147449

S. S. RAJPATHAK
 Director
 DIN: 00040387

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

1 COMPANY INFORMATION

Garware Technical Fibres Limited (formerly known as Garware-Wall Ropes Limited) (the "Company") is incorporated under the Provision of Companies Act, 1956 (As amended by Companies Act 2013) and domiciled in India. Company is listed with BSE & NSE. The Company has its the Registered Office and principal place of business at Plot No.11, Block D-1, MIDC, Pune - 411019, Maharashtra. The Company is engaged in manufacturing and selling various products such as Ropes, Twine, Yarn, Fishnet, Other Nets and Technical Textiles. The Company is providing solution to the infrastructure industries which include coastal protection, land filling etc. The company caters to both domestic and international markets.

The Company's financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 30th May, 2019 in accordance with the provisions of the Companies Act, 2013 and are subject to the approval of the shareholders at the Annual General Meeting.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency.

2 Significant Accounting Policies Accounting Judgements, Estimates and Assumptions:

(A) Significant Accounting Policies:

2.1 Basis of preparation of Consolidated Ind-AS Financial Statements (Ind-AS financial statements):

The Ind-AS financial statements of the company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies (Indian Accounting Standards) Amendment Rules, 2017 and the Guidance Notes and other authoritative pronouncements issued by the Institute of Chartered Accountants of India (ICAI).

The Ind-AS financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities measured at fair value (refer accounting policy no. 2.10 regarding financial instruments). 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2.2 Current and Non-Current Classification of Assets and Liabilities and Operating Cycle:

An asset is considered as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,


NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is considered as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Operating Cycle is the time between the acquisition of assets for business purposes and their realisation into cash and cash equivalents.

2.3 Property, Plant and Equipment:

Property, Plant and Equipment are recorded at their cost of acquisition, net of refundable taxes or levies, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as on 1st April, 2016 (date of transition) measured as per previous GAAP as its deemed cost on the date of transition.

2.4 Depreciation:

Depreciation on property, plant and equipment is provided on different class of assets on the following basis:

Type of Asset	Method	Useful Life
Freehold Buildings	Written down value	60 years
Factory Buildings	Written down value	30 years
Plant and Machinery	Straight-Line	25 years
Electrical Installations	Straight-Line	10 years
Furniture & Fixtures	Straight-Line	10 years
Office Equipments	Straight-Line	3 / 5 years
Vehicles	Straight-Line	8 years
Helicopter	Straight-Line	20 years

Depreciation on additions to Property Plant and Equipment is provided on pro-rata basis from the date of acquisition or installation, and in case of new project from the date of commencement of commercial production.

Depreciation on Assets sold, discarded, demolished or scrapped, is provided upto the date on which the said Asset is sold, discarded, demolished or scrapped.

Cost of Leasehold Land and Improvement is written off over the period of Lease.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

2.5 Capital Work in Progress and Capital Advances:

Expenses incurred for acquisition of capital assets outstanding at each balance sheet date are disclosed under capital work-in-progress. Advances given towards the acquisition of fixed assets are shown separately as capital advances under the head Other Non-Current Assets.

2.6 Intangible Assets and amortisation thereof:

2.6.1 Internally generated Intangible Assets (Research and Development):

- i) Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when the Company can demonstrate all the following:
 - a) The technical feasibility of completing the Intangible Asset so that it will be available for use or sale.
 - b) Its intention to complete the asset.
 - c) Its ability to use or sell the asset.
 - d) How the asset will generate future economic benefits.
 - e) The availability of adequate resources to complete the development and to use or sell the asset.
 - f) The ability to measure reliably the expenditure attributable to the intangible asset during development.

2.6.2 Other Intangible Assets:

An Intangible Asset is recognised if:

- a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- b) the cost of the asset can be measured reliably.

An item of Intangible Asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

The residual values, useful lives and methods of amortisation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.6.3 Amortisation of Intangible Assets:

Amortization of the asset begins on a straight line basis over the period of expected future benefit from the related project, i.e., the estimated useful life of ten years. Amortisation is recognised in the Statement of Profit and Loss. During the period of development, the asset is tested for impairment annually.

The residual values, useful lives and methods of amortisation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

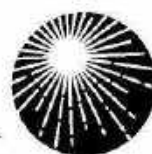
For transition to Ind AS, the Company has elected to continue with the carrying value of all its Intangible Assets recognised as on 1st April, 2016 (date of transition) measured as per previous GAAP as its deemed cost on the date of transition.

Intangible Assets with finite useful lives are amortised on a straight line basis over the following period:

Type of asset	Useful Life
Technical Know How	10 Years
Product Development	10 Years
Computer Software	10 Years
Patent	5 Years

2.7 Impairment of Property Plant & Equipment and Intangible Assets

Carrying amount of Tangible and Intangible assets are reviewed at each Balance Sheet date. These are treated as impaired when the carrying cost thereof exceeds its recoverable value. Recoverable value is higher of the asset's net selling price or value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount receivable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

2.8 Inventories

Inventories are stated at lower of cost or net realisable value. The costs of various categories of inventories are arrived at as follows:

- a) Stores, spares, fuel & packing materials and raw materials - at costs determined on moving weighted average method.
- b) Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business.

2.9 Revenue Recognition

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

Effective 1st April, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of 1st April, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
- or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue from sale of products and services are recognised at a time on which the performance obligation is satisfied except Revenue from Project Contracts where in revenue is recognised over the time from the financial year in which the Contract is commenced for execution. The period over which revenue is recognised is based on Company's right to payment for performance completed. In determining whether the Company has right to payment, the Company considers whether it would have an enforceable right to demand or retain payment for performance completed to date if the contract were to be terminated before completion for reasons other than Company's failure to perform as per the terms of the contract.

Revenue in excess of invoicing are classified as contract asset while invoicing in excess of revenues are classified as contract liabilities.

Interest Income:

For all financial instruments measured at amortised cost, interest income is measured using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash flows through the contracted or expected life of the financial instrument, as appropriate, to the net carrying amount of the financial asset.

Dividend Income:

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.10 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

(i) Financial Assets:

Initial Recognition and Measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Investments measured at fair value through Profit & Loss (FVTPL)

Financial Assets at Amortised Cost:

A financial asset is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Equity Instruments at FVTOCI:

For equity instruments not held for trading, an irrevocable choice is made on initial recognition to measure it at FVTOCI. All fair value changes on such investments, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale or disposal of the investment. However, on sale or disposal the Company may transfer the cumulative gain or loss within equity.

Financial Assets at FVTPL:

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. All other financial assets are measured at fair value through profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either:
 - a. The Company has transferred substantially all the risks and rewards of the asset, or
 - b. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposures:

- Financial assets at amortised cost.
- Trade Receivables

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under this approach the company does not track changes in credit risk but recognises impairment loss allowance based on lifetime ECLs at each reporting date. For this purpose the Company uses a provision matrix to determine the impairment loss allowance on the portfolio of trade receivables. The said matrix is based on historically observed default rates over the expected life of the trade receivables duly adjusted for forward looking estimates.

For recognition of impairment loss on other financial assets and risk exposures, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly,


NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the company reverts to recognising impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. The ECL impairment loss allowance (or reversal) recognized during the period in the statement of profit and loss and the cumulative loss is reduced from the carrying amount of the asset until it meets the write off criteria, which is generally when no cash flows are expected to be realised from the asset.

ii) Financial Liabilities:

Initial Recognition and Measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent Measurement:

This is dependent upon the classification thereof as under:

Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iii) Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously.

(iv) Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognised at the amount of the proceeds received, net of direct issue costs.

2.11 Employee Benefits
i) Defined Contribution Plan:

The Company's contribution paid / payable during the year to Provident Fund, ESIC, Superannuation Fund etc., are recognised as expenses in the Statement of Profit and Loss. These are approved / recognised schemes of the Company.

ii) Defined Benefit Plan:

The Company's annual liability towards Gratuity is funded on the basis of actuarial valuation furnished by the Life Insurance Corporation of India under Group Gratuity Scheme.

iii) The undiscounted amount of short-term employee benefit expected to be paid in exchange for the service rendered by employees is recognised during the period when the employee renders the service. These benefits

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

include compensated absences such as paid annual leave and performance incentives and are determined using the Projected Unit Credit Method. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the Balance Sheet with a corresponding effect in the Statement of Other Comprehensive Income. Past service cost is recognised immediately in the Statement of Profit or Loss.

2.12 Borrowing Costs

Borrowing costs comprising of interest and other costs that are incurred in connection with the borrowing of funds, that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to Statement of Profit & Loss in the year in which they are incurred.

2.13 Leases:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a Lease

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term, unless the payments are structured to increase in line with the expected general inflation to compensate the lessor.

2.14 Foreign Currency Transactions:

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

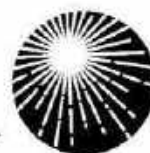
Differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured 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 the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.15 Taxes on Income:**Current Income Taxes:**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in other comprehensive income / equity and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.


NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019
Deferred Taxes:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, when the deferred tax liability arises from an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except, when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

Minimum Alternate Tax (MAT):

MAT paid in accordance with the tax laws in India, which give rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the specified years. Accordingly, MAT is recognised as an asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefits associated with it will flow to the Company.

2.16 Provisions and Contingent Liabilities:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

When the Company expects some or all of a provision to be reimbursed, the same is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognised but are disclosed in the notes.

2.17 Government Grants and Subsidy

Grants and Subsidies from the government are recognised when there is a reasonable assurance that

- (i) the Company will comply with the conditions attached to them, and
- (ii) the grant / subsidy will be received.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' funds.

2.18 Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

equity shares outstanding during the year are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.19 Cash and Cash Equivalent:

Cash and cash equivalent for the purpose of Cash Flow Statement comprise cash at bank and in hand and short term highly liquid investments which are subject to insignificant risk of changes in value.

2.20 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.21 Commitments

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows:

- The estimated amount of contracts remaining to be executed on capital accounts and not provided for; and
- Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

2.22 Segment Reporting

(A) Operating Segments

- Synthetic Cordage
- Fibre and Industrial Products and Projects

Identification of Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Management.

The Management monitor the operating result of its business units separately for the purpose of making decision about resource allocation and performance assessment. For management purposes, operating segments have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. The company's financing and Income Taxes are not allocated to operating segments.

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company.

Segments Revenue and Results

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / Costs which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under Unallocated income/costs. Interest income and expense are not allocated to respective segments.

Segments Assets and Liabilities

Segment Assets / Liabilities include all operating assets / liabilities used by the operating segments. Common assets and liabilities which cannot be allocated to any of the business segment are shown as unallocable assets / liabilities.

Inter Segment Transfer

Inter segment revenues are recognised at sale price. The same is based on market price and business risks. Profit or loss on Inter Segment transfer are eliminated at the Company level.

(B) Significant Accounting Judgements, Estimates and Assumptions:

The preparation of Financial Statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgements for estimates and assumptions that affect the amounts of assets, liabilities and the disclosure of contingent liabilities on the reporting date and the amounts of revenues and expenses during the reporting period and the disclosure of contingent liabilities. Differences between actual results and estimates are recognised in the period in which the results are known / materialize.

2.23 Estimates Assumptions and Judgements:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the


NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Estimation of Current Tax Expense and Deferred Tax:

The calculation of the Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits / losses and / or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

b) Recognition of Deferred Tax Assets / Liabilities:

The recognition of deferred tax assets / liabilities is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts.

c) Estimation of Provisions & Contingent Liabilities:

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision

d) Estimated useful life of Property, Plant and Equipment:

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life, its expected usage pattern and the expected residual value at the end of its life. The useful lives, usage pattern and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology etc.

e) Estimation of Provision for Inventory:

The Company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

f) Estimation of Defined Benefit Obligation:

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

g) The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability.

h) Estimated fair value of Financial Instruments:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

2.24 Standards issued but not yet effective

Ind AS 116 Leases: On 30th March, 2019, Ministry of Corporate Affairs has notified Ind-AS 116 Leases. Ind-AS 116 will replace the existing leases Standard, Ind-AS 17 Leases and related Interpretations. The Standard sets out the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind-AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind-AS 116 substantially carries forward the lessor accounting requirements in Ind-AS 17.

The effective date for adoption of Ind-AS 116 is annual periods beginning on or after 1st April, 2019. The Standard permits two possible methods of transition:

- Full retrospective: Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors; or
- Modified retrospective: Retrospectively, with the cumulative effect of initially applying the Standard recognised at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind-AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS-116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind-AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended 31st March, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

The Company is currently evaluating the effect of this amendment on the Standalone Financial Statements.

Ind-AS 12 Appendix C, Uncertainty over Income Tax Treatments: On 30th March, 2019, Ministry of Corporate Affairs has notified Ind-AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind-AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition -

- Full retrospective approach under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind-AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

Amendment to Ind-AS 12 Income taxes: On 30th March, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind-AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The effect on adoption of Ind-AS 12 Appendix C would be insignificant in the standalone financial statements.

Amendment to Ind-AS 12 Income taxes: On 30th March, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind-AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

Amendment to Ind-AS 19 plan amendment, curtailment or settlement- On 30th March, 2019, Ministry of Corporate Affairs issued amendments to Ind-AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

Effective date for application of this amendment is annual period beginning on or after 1st April, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Amendment to Ind-AS 19 plan amendment, curtailment or settlement- On 30th March, 2019, Ministry of Corporate Affairs issued amendments to Ind-AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

3 PROPERTY, PLANT & EQUIPMENT

(₹ in Lakhs)

Particulars	Leasehold Land	Buildings	Plant and Machinery	R&D Equipments	Electrical Installations	Furniture and Fixtures	Office Equipments	Vehicles	Helicopter	Total	Capital Work-in-progress
Gross Block (at cost or deemed cost)											
As at 1st April 2017	511.71	2,818.39	13,593.05	2,106.72	359.17	203.38	273.54	670.21	160.77	20,696.94	30.59
Additions	0.30	687.51	1,433.91	655.07	124.59	66.22	104.84	190.93	0.01	3,263.38	-
Disposals	-	-	(96.16)	-	-	-	(0.28)	(10.49)	(48.00)	(154.93)	(30.59)
As at 31st March 2018	512.01	3,505.90	14,930.80	2,761.79	483.76	269.60	378.10	850.65	112.78	23,805.39	-
Additions	-	444.95	667.03	658.71	156.34	38.74	156.44	61.85	-	2,184.06	-
Disposals	-	-	(0.14)	(0.41)	-	-	-	(45.77)	-	(46.32)	-
As at 31st March 2019	512.01	3,950.85	15,597.69	3,420.09	640.10	308.34	534.54	866.73	112.78	25,943.13	-
Depreciation and Impairment											
At at 1st April 2017	3.14	239.13	626.87	75.88	55.84	29.05	80.70	36.94	8.43	1,155.98	-
Charge for the year	5.68	235.93	702.47	105.40	47.16	31.38	83.82	132.75	8.43	1,353.02	-
Disposals	-	-	(42.84)	-	(0.10)	(0.04)	(0.28)	(5.07)	(48.00)	(96.33)	-
As at 31st March 2018	8.82	475.06	1,286.50	181.28	102.90	60.39	164.24	164.62	(31.14)	2,412.67	-
Charge for the year	5.68	263.50	768.76	139.96	52.23	33.29	90.37	131.21	31.14	1,516.14	-
Disposals	-	-	(0.02)	(0.01)	-	-	-	(42.57)	-	(42.60)	-
As at 31st March 2019	14.50	738.56	2,055.24	321.23	155.13	93.68	254.61	253.26	-	3,886.21	-
Net Block											
As at 31st March 2019	497.51	3,212.29	13,542.45	3,098.86	484.97	214.66	279.93	613.47	112.78	22,056.92	-
As at 31st March 2018	503.19	3,030.84	13,644.30	2,580.51	380.86	209.21	213.86	686.03	143.92	21,392.72	-

Notes:

- All the leases are 95 years whereas all the items of PPE are expected to be depreciated within that period of time and hence in current lot of PPE, no provision for restoration cost is required.
- During the year ₹ 1.04 lakhs (previous year ₹ 1.04 lakhs) has been withdrawn from Revaluation Reserve on account of depreciation on revalued portion.

Expanding Horizons

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

4 INTANGIBLE ASSETS

(₹ in lakhs)

Particulars	Product Development	Computer Software	Patent	Total
Gross Block (at cost or deemed cost)				
As at 1st April 2017	445.28	487.08	-	932.36
Additions	-	150.63	-	150.63
Disposals	-	-	-	-
As at 1st April 2018	445.28	637.71	-	1,082.99
Additions	-	67.63	23.36	90.99
Disposals	-	-	-	-
As at 31st March 2019	445.28	705.34	23.36	1,173.98
Amortisation and Impairment				
At at 1st April 2017	108.23	61.99	-	170.22
Charge for the year	89.14	93.65	-	182.79
Disposals	-	-	-	-
As at 1st April 2018	197.37	155.64	-	353.01
Charge for the year	89.56	117.52	1.86	208.94
Disposals	-	-	-	-
As at 31st March 2019	286.93	273.16	1.86	561.95
Net Block				
As at 31st March 2019	158.35	432.18	21.50	612.03
As at 31st March 2018	247.91	482.07	-	729.98

5 FINANCIAL ASSETS

(₹ in lakhs)

INVESTMENTS IN SUBSIDIARY AND ASSOCIATE

	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares/units	Ind AS	No. of Shares/units	Ind AS
a) In Subsidiary Company at cost:				
Shares in Garware Environmental Services Pvt. Limited of ₹ 10/- each	1,000,000	-	1,000,000	-
b) In Associate Company at cost :				
Shares in Garware Meditech Pvt. Limited of ₹ 10/- each	5,000	-	5,000	-
Total investment in Subsidiary & Associate		<u>-</u>		<u>-</u>



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

6 OTHER INVESTMENTS

(₹ in lakhs)

A. INVESTMENTS IN EQUITY INSTRUMENTS at FVTOCI

In Equity instruments:

Quoted

Shares in Garware Marine Industries Limited
of ₹ 10/- eachShares in Garware Polyester Limited of
₹ 10/- each

Sub-total

Unquoted

Shares in Intermedia Interactive Solutions
Pvt. Limited of ₹ 10/- eachShares of Gujarat Filament Corporation
Limited of ₹ 10/- each

Sub-total

Total Equity Investment

As at 31st March, 2019

As at 31st March, 2018

	No. of Shares/units	Amount	No. of Shares/units	Amount
Shares in Garware Marine Industries Limited of ₹ 10/- each	50,000	1.45	50,000	2.13
Shares in Garware Polyester Limited of ₹ 10/- each	146,350	318.60	146,350	224.50
Sub-total		<u>320.05</u>		<u>226.63</u>
Shares in Intermedia Interactive Solutions Pvt. Limited of ₹ 10/- each	890,680	294.90	890,680	314.23
Shares of Gujarat Filament Corporation Limited of ₹ 10/- each	50	0.01	50	0.01
Sub-total		<u>294.91</u>		<u>314.24</u>
Total Equity Investment		<u>614.96</u>		<u>540.87</u>

B. INVESTMENTS at FVTPL

a. Non Convertible Debentures

Citicorp Finance India Limited

HFLWF-GWFE825-8.25%-2019-579 Days

India Info line Housing Finance Ltd

Aditya Birla Finance Limited

Bajaj Housing Finance Limited

HDB Financial Services Limited

Sub-total (a)

b. Other Debt Instruments

7 Year National Savings Certificates
deposited with Sales Tax Authorities

Sardar Sarovar Narmada Nigam Limited FDR

Sub-total (b)

c. Investments in Mutual Funds

(i) ARBITRAGE MUTUAL FUND

KOTAK Equity Arbitrage Scheme (Growth)

(ii) DEBT MUTUAL FUND

Aditya Birla Sun Life Short-term Opportunity Fund
(Growth)

Aditya Birla Sun Life Short-term Fund (Growth)

DSPBR Banking & PSU Debt Fund Growth)

ICICI Prudential Banking & PSU Debt

Reliance Banking & PSU Debt Funds (Growth)

Reliance Money Manager Fund (Growth)

Axis Treasury Advantage Fund (Growth)

IDFC Corp Bond Fund-Reg (Growth)

HDFC FRIF Short Term Plan (Growth)

ICICI Prudential Flexible Income Plan (Growth)

HDFC Medium Term Opportunity Fund (Growth)

(iii) DEBT MUTUAL FUND (FMP)

HDFC Bank FMP 1127D

IDFC FMP SERIES - 154 (1098 DAYS (Growth)

DSPBR FMP 204-37M-Reg(G) [4023100/2

UTI Fix Term Inc Fund SerXXVIII

3,500	3,615.86	4,005	4,138.87
-	-	394	524.52
-	-	197	454.66
200	2,087.17	-	-
200	2,036.16	-	-
178	2,032.97	-	-
	<u>9,772.16</u>		<u>5,118.05</u>
	0.16		0.16
	17.50		17.50
	<u>17.66</u>		<u>17.66</u>
-	-	2,102,466	522.75
-	-	1,838,715	530.57
-	-	927,652	616.40
-	-	8,488,723	1,246.15
-	-	2,691,182	537.64
-	-	4,276,282	536.13
-	-	22,497	538.70
-	-	55,020	1,065.48
-	-	11,387,129	1,353.72
4,481,829	1,456.73	4,481,829	1,355.47
153,450	550.47	153,450	511.48
-	-	5,257,901	1,015.35
5,000,000	631.16	5,000,000	589.59
5,001,010	538.23	-	-
5,000,000	575.52	5,000,000	535.84
2,000,000	218.78	2,000,000	205.25

Expanding Horizons

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares/units	Amount	No. of Shares/units	Amount
HDFC Bank FMP 1143 DAYS	5,000,000	540.31	5,000,000	503.41
HDFC FMP 1381D Direct Plan (Growth)	20,000,000	2,148.20	-	-
SBI Debt Fund Ser C-12 1122 DAYS	5,000,000	537.59	5,000,000	502.65
SBI Debt Fund Ser C-18 R Plan 1100 DAYS (Growth)	5,000,965	538.49	-	-
DSPBR FMP SERIES 220 Growth	10,000,000	1,087.72	10,000,000	1,011.72
Aditya Birla Sun Life Fixed Term Plan Series PE(1159)	15,000,000	1,627.22	15,000,000	1,505.65
Aditya Birla Sun Life Fixed Term Plan Series RC(1295)	20,000,000	2,127.72	-	-
Kotak FMP Series-217-1240 Days	10,000,000	1,089.63	10,000,000	1,012.15
Kotak FMP Series 230 (Growth)	5,001,038	540.11	-	-
Kotak FMP Series 233 (Growth)	5,001,010	537.42	-	-
Kotak FMP Series 261 (Growth)	10,000,000	1,023.94	-	-
ICICI Series 82-1199 Days	10,008,937	1,091.05	10,008,937	1,012.20
ICICI FMP - Plan Series 85 - 1127 Days Q	15,000,000	1,500.68	-	-
SBI Debt Fund Series C-10 1150 DAYS	10,008,824	1,083.00	10,008,824	1,011.47
L&T FMP Series XVIII - D plan (Growth)	5,000,000	510.14	-	-
L&T FMP Series XVIII - R plan (Growth)	5,000,000	510.04	-	-
ICICI Prudential FMP Series 82 - Plan 1199 Days	10,000,000	1,090.90	10,000,000	1,014.32
ICICI Prudential FMP - Series 83 - 1108 Days	10,000,000	1,085.84	-	-
Sub-total (c)		22,640.88		18,734.09
Total Investments measured at FVTPL		32,430.70		23,869.80
Total other Investments		33,045.66		24,410.67

	As at 31st March, 2019	As at 31st March, 2018
7 TRADE RECEIVABLE		
Non-Current		
Unsecured, considered good (measured at amortised cost)		
Trade Receivable (Includes retention money)	547.82	1,039.47
Total	547.82	1,039.47
8 LOANS - NON CURRENT		
Unsecured, considered good		
At Amortised Cost		
(i) Security Deposits	289.99	199.22
(ii) Other Loans	268.02	612.95
Total	558.01	812.17
Other Loans includes :		
Loan to employees	235.02	302.70
9 OTHER NON-CURRENT FINANCIAL ASSETS		
Other Deposit Current Assets (measured at amortised cost)	216.68	266.86
Recoverable from related party	-	12.00
Bank Deposits with maturity of more than 12 months	209.11	185.20
(Above bank deposits are pledged as margin money)		
Total	425.79	464.06
10 OTHER NON-CURRENT ASSETS		
Taxes Receivable (other than Income Tax)	616.63	450.05
Capital Advances	45.67	70.68
Other Non-Current Assets*	93.51	57.84
Total	755.81	578.57
Other Non-Current Assets includes;		
*Advance to a Partnership Firm i.e. Sopan D. Patil & GWRL	40.70	40.70



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

	(₹ in lakhs)	
	As at 31st March, 2019	As at 31st March, 2018
11 INVENTORIES - CURRENT ASSET		
Raw Materials	5,257.84	5,296.81
Work-in-Progress	3,410.20	3,330.57
Finished Goods (Including Goods-in-Transit ₹ 428.96 lakhs, As at 31st March 2018 ₹ 883.82 lakhs)	5,849.90	5,896.26
Traded Goods	599.73	465.84
Stores, Spares, Fuel and Packing Materials	1,703.22	1,428.50
Total	16,820.89	16,417.98
Note: For details of inventories pledged refer Note 24 and refer Note 2.8 for basis of valuation.		
	(₹ in lakhs)	
	As at 31st March, 2019	As at 31st March, 2018
12 INVESTMENTS - CURRENT		
Unquoted Fair Value Through Profit & Loss		
Shares of Cosmos Co-operative Bank Limited of ₹ 20/- each	No. of Shares/units	No. of Shares/units
	Amount	Amount
	-	15,805
Total investment in Current Asset		3.16
		3.16
13 TRADE RECEIVABLES		
Measured at Amortised Cost		
Unsecured, Considered Good	24,289.71	21,906.02
Unsecured, Considered Doubtful	127.23	112.36
	24,416.94	22,018.38
Less: Allowance for Doubtful Debts	(127.23)	(112.36)
Total	24,289.71	21,906.02
Before accepting any new customer, the company has appropriate levels of control procedures which ensures the potential customer's credit quality and the same are periodically reviewed by the management.		
Movement in allowance for doubtful debts		
Balance at the beginning of the year	112.36	74.70
Allowance for doubtful debts during the year	71.02	37.66
Reversal of allowance for doubtful debts during the year	(56.15)	-
Balance at the end of the year	127.23	112.36
14 (A) CASH AND BANK BALANCES		
Cash on hand	6.68	76.25
Balances with banks		
a) In Current Accounts	753.29	624.59
b) In Deposit Accounts with maturity less than 3 months		
In Liquid Fund		
Birla Sunlife Cash Plus Fund (Growth)	-	117.15
(As at 31st March, 2019 Nil, As at 31st March, 2018 no of Units 38,112)		
Total (A)	759.97	817.99
(B) BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		
Unpaid dividend accounts	56.09	47.59
Bank deposits above 3 months	409.82	1,460.39
Total (B)	465.91	1,507.98
Total (A+B)	1,225.88	2,325.97
15 LOANS		
Measured at amortised cost		
Unsecured, considered good		
Staff Loan	386.55	137.00
Deposit	204.14	446.57
Total	590.69	583.57

Expanding Horizons

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

	As at 31st March, 2019	As at 31st March, 2018
(₹ in lakhs)		
16 OTHER FINANCIAL ASSET		
Measured at Amortised Cost		
Unsecured, considered good		
Other Financial Assets	1,088.29	10.26
Interest Accrued On Deposit Others	21.39	11.53
Total	1,109.68	21.79

17 OTHER CURRENT ASSET		
Balance with Government authorities	4,967.48	6,119.29
Trade Advances	544.43	1,358.37
Prepayments	154.15	104.87
Advance to Employees	75.61	77.34
Others	-	129.81
Total	5,741.67	7,789.68

	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
18 EQUITY SHARE CAPITAL				
Authorised Share Capital				
i) Equity Shares of ₹ 10/- each	5,00,00,000	5,000.00	5,00,00,000	5,000.00
ii) Unclassified Shares of ₹ 10/- each	1,00,00,000	1,000.00	1,00,00,000	1,000.00
		<u>6,000.00</u>		<u>6,000.00</u>
Issued, Subscribed and Fully Paid up				
Equity Shares of ₹ 10/- each	2,18,82,060	2,188.21	2,18,82,060	2,188.21
		<u>2,188.21</u>		<u>2,188.21</u>
a) Reconciliation of Number of Shares				
Equity Shares				
Opening Balance	2,18,82,060	2,188.21	2,18,82,060	2,188.21
Changes during the year				
Closing Balance	<u>2,18,82,060</u>	<u>2,188.21</u>	<u>2,18,82,060</u>	<u>2,188.21</u>

b) Rights, Preferences and restrictions attached to Equity Shares:

The Company has only one class of Equity Shares having a par value of ₹ 10/- per Share. Each Shareholder of Equity Shares is entitled for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the Shareholders of equity shares are eligible to receive remaining assets of the Company, in proportion of their shareholding, after distribution of all preferential amounts, if any.

c) Details of Shareholders holding more than 5% Shares in the Company

(₹ in lakhs)

Equity Shares	As at 31st March, 2019	As at 31st March, 2018
Mr. V. R. Garware*	3,568,295	3,566,162
	16.31%	16.30%
Garware Capital Markets Limited	3,562,567	3,561,567
	16.28%	16.28%

The above Shareholding represents the legal ownership of shares

* Out of 35,68,295 (16.31%) Equity Shares, 21,18,893 (9.68%) Equity Shares are registered in the name of Mr. V. R. Garware as partner of Partnership Firms. Beneficial interest in the said share is held by the Partnership Firms.

d) Shares allotted as fully paid up by way of Bonus Shares (during 5 years preceding 31st March, 2019): Nil



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

	As at 31st March, 2019	As at 31st March, 2018
		(₹ in lakhs)
19 OTHER EQUITY		
RETAINED EARNINGS	51,021.57	39,662.95
OTHER RESERVES		
a) Capital Reserve	72.23	72.23
b) Capital Redemption Reserve	182.63	182.63
c) Share Premium		
Share Premium Account	7,597.37	7,597.37
Share Premium Related To Forfeited Shares	102.74	102.74
d) Revaluation Reserve	1.73	2.77
e) General Reserve	3,869.84	3,869.84
Total	11,826.54	11,827.58
Grand Total	62,848.11	51,490.53
NON-CURRENT LIABILITIES		
FINANCIAL LIABILITIES		
20 NON-CURRENT TRADE PAYABLE		
Measured at Amortised Cost		
Retention money payable	91.62	-
	<u>91.62</u>	<u>-</u>
21 NON-CURRENT FINANCIAL LIABILITY		
Measured at Amortised Cost		
Security Deposit from Contractor	4.40	6.26
	<u>4.40</u>	<u>6.26</u>
22 NON CURRENT PROVISIONS		
Provision for Employee Benefits *	485.13	427.25
Total	485.13	427.25
* Provision for employee benefits includes provision for Leave encashment, Super annuation and Gratuity (refer Note No. 38)		
23 DEFERRED TAX (ASSET) / LIABILITIES		
Deferred Tax relates to the following		
Depreciation and Amortisation	3,914.79	3,670.90
Employee Benefit Obligation	(205.63)	(185.14)
Provision for Doubtful Debts	(6.36)	(42.99)
Financial Asset / Liabilities measured at FVTPL	174.75	151.39
Financial Asset / Liabilities measured at FVOCI	88.03	28.51
Financial Asset / Liabilities measured at Amortised Cost	(85.02)	(53.22)
Others	-	(97.28)
Deferred Tax Liability (Net)	3,880.56	* 3,472.17

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

(₹ in lakhs)

FINANCIAL LIABILITIES	As at 31st March, 2019	As at 31st March, 2018
24 BORROWINGW-CURRENTS		
Secured (at amortised cost)		
- From banks		
Working Capital Facilities	10,797.27	13,838.82
Total	10,797.27	13,838.82

Note:

1. Loans availed from Bank of India Consortium are secured by a first charge, pari passu, by way of hypothecation of the Company's current assets, viz. raw materials, stock-in-process, semi-finished goods, finished goods, stores & spares not relating to Plant & Machinery, bills receivable, and book debts. Secured loan including post shipment credit carries an interest rate ranging from 5.5% to 6.5% p.a. for repayments on various dates ranging up to 180 days.

25 TRADE PAYABLE-CURRENT	As at 31st March, 2019	As at 31st March, 2018
Measured at Amortised Cost		
Outstanding dues of Micro Enterprises & Small Enterprises	45.02	37.96
Outstanding dues of creditors other than Micro Enterprises & Small Enterprises	20,384.26	20,406.11
Total	20,429.28	20,444.07

Note:

Trade payable are not interest bearing and are normally settled as terms of agreement. Refer Note 46 for discussion on company's credit risk management policies and procedures.

Details of dues to Micro and Small Enterprises are defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

The principle amount due the supplier under MSMED Act, 2006 at the year end.	45.50	37.96
Interest Accrued and due to supplier under MSMED Act, 2006 on the above amount, unpaid at the year end.	1.41	1.31
Payment made to supplier (other than interest) beyond the appointed date during the year.	224.45	210.10
Interest paid to supplier under MSMED Act, 2006 (Section 16) during the year.	-	-
Interest due and payable to supplier under MSMED Act, 2006 for payments already made.	1.39	0.96
Interest Accrued and not paid to supplier under MSMED Act, 2006 up to the year end.	1.39	0.96

The above information has been disclosed in respect of parties which have been identified on the basis of the information available.

26 OTHER CURRENT FINANCIAL LIABILITIES		-
Payable to Employees	397.37	243.86
Unpaid Dividend (refer note below)	56.09	47.59
Security deposit from Customer	138.02	133.96
Other Payables	108.40	78.50
Total	699.88	503.91

Note: In respect of unclaimed dividend, the actual amount is transferred to investor protection fund on the determined due date.



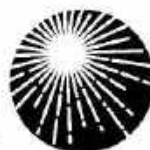
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

		(₹ in lakhs)
	As at 31st March, 2019	As at 31st March, 2018
27 OTHER CURRENT LIABILITY		
Unearned revenue	4,025.78	4,285.43
Advance received from Customers	1,346.26	1,145.16
Statutory dues and other liabilities	109.31	58.52
Total	<u>5,481.35</u>	<u>5,489.11</u>
28 CURRENT PROVISIONS		
Provision for Employee Benefits*	355.91	272.58
Total	<u>355.91</u>	<u>272.58</u>
* Provision for employee benefits includes provision for Leave Encashment, Super Annuation and Gratuity (refer Note No. 38)		
29 CURRENT TAX LIABILITY (NET)		
Taxation	518.84	342.90
Total	<u>518.84</u>	<u>342.90</u>
		(₹ in lakhs)
30 REVENUE	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Sale of Products and Services		
Manufactured Goods	91,791.09	80,445.74
Traded Goods	6,203.40	4,125.18
Contracts for Supply & Installation	3,373.21	3,781.36
Other operating Revenue		
Sale of Scrap	280.11	153.65
Miscellaneous Receipts	134.38	43.63
	<u>414.49</u>	<u>197.28</u>
Total	<u>1,01,782.19</u>	<u>88,549.56</u>
Disaggregation of revenue		
Revenue based on Geography		
Domestic		
Export	42,941.08	
Revenue from operations	<u>58,841.11</u>	
Revenue based on Business Segment	<u>1,01,782.19</u>	
Synthetic Cordage		
Fibre and Industrial Products & Projects	85,514.62	
Total Revenue from operation	<u>16,267.57</u>	
Reconciliation of Revenue from operations with contract price	<u>1,01,782.19</u>	
Contract Price	1,03,282.67	
Less:- Discounts and Incentives	(1,500.48)	
Total Revenue from operation	<u>1,01,782.19</u>	
31 OTHER INCOME		
Interest income from financial asset carried at amortise cost		
Bank deposits	51.34	536.36
From other financial assets	10.81	40.87
Dividend income from equity investments designated at FVTOCI	4.07	2.49
Fair Value Gain at financial instruments at FVTPL	1,076.99	725.97
Gain on sale/redemption of investments	962.38	487.29
Profit on sale of Fixed Asset	2.34	-
Total	<u>2,107.93</u>	<u>1,792.98</u>

Expanding Horizons

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

		(₹ in lakhs)
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
32 COST OF MATERIAL CONSUMED		
Opening Stock at the beginning of the year	5,296.81	4,156.15
Add : Purchases	29,206.20	28,227.51
Less : Closing Stock at the end of the year	(5,257.84)	(5,296.81)
Total	29,245.17	27,086.85
33 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS		
(a) Opening Stock at the beginning of the year		
Work-in-Progress	3,330.57	2,988.30
Finished Goods	5,896.26	5,139.33
Traded Goods	465.84	398.99
	9,692.67	8,526.62
(b) Closing Stock at the end of the year		
Work-in-Progress	3,410.20	3,330.57
Finished Goods	5,849.90	5,896.26
Traded Goods	599.73	465.84
	9,859.83	9,692.67
Net Total (Increase) / Decrease	(167.16)	(1,166.05)
34 EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	11,615.74	10,508.36
Contribution to Provident and other Funds (Note No. 38)	551.06	389.97
Staff Welfare	828.34	789.58
Total	12,995.14	11,687.91
35 FINANCE COST		
Interest expenses on borrowings *	1,005.52	751.52
Bank charges	366.77	246.17
Total	1,372.29	997.69
* Interest expenses includes ₹ 419.05 lakhs (Previous year ₹ 362.24 lakhs) on account of interest on borrowings from related parties.		
36 OTHER EXPENSES		
Stores and Spares consumed	6,993.11	5,611.92
Packing materials consumed	1,540.00	1,453.00
Power, Fuel and Water Charges	3,515.95	3,506.96
Processing and Testing Charges	8,235.91	7,704.31
Installation Contract related expenses	2,204.84	1,256.47
Administrative, Selling and General Expenses		
Advertisement & Sales Promotion expenses	668.62	542.73
Rent	451.76	475.70
Rates, Taxes and Octroi	112.18	147.03
Insurance	236.43	250.78
Transport and Forwarding Charges	5,285.02	4,705.43


NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

		(₹ in lakhs)
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Repairs and Maintenance		
Buildings	74.20	75.44
Plant and Machinery	1,984.77	1,816.62
Others	429.17	352.69
Travelling Expenses	1,168.47	1,258.70
Discount and Commission on Sales	1,162.01	939.13
Bad Debts	93.83	35.78
Provision for Doubtful Debts	71.12	53.07
Legal and Professional Charges	1,651.25	1,277.22
Auditors' Remuneration		
Audit Fees	12.70	12.62
Fees for other Services	12.80	4.50
Out of Pocket Expenses	2.16	1.46
Establishment and other miscellaneous expenses *	1,604.15	1,681.91
Exchange (Gain) / Loss (net)	(921.36)	(1,520.12)
Directors' Fees	8.40	5.00
(Profit) / Loss on Fixed Assets Discarded	-	14.73
Total	36,597.49	31,663.06
Detail of CSR Expenditure:		
Amount required to spent during the year	273.51	159.16
Amount spent during the year	59.62	61.19
Research and development cost		

The company has incurred expenses on research and development at research and development facilities (Chinchwad and Wai Plant) approved and recognised by the Ministry of Science and Technology, Government of India (DSIR).

Revenue expenditure charged to statement of profit and loss	962.51	798.20
Capital expenditure	658.71	655.07

37 Income taxes

The major components of income tax expenses for the year ended 31st March, 2018 & 31st March, 2019.

Statement of Profit and Loss:

Current Income Tax Charges		
Current Income Tax	5,368.99	4,339.92
Prior period Taxation	(125.42)	-
Deferred Tax		
Relating to origination and reversal of temporary differences	397.92	451.39
Income tax expenses reported in the Statement of Profit and Loss	5,641.49	4,791.31

Other Comprehensive Income:

Deferred Tax related to items recognised in other comprehensive income during the year	64.86	73.49
Net gain or loss on remeasurements of defined benefit plans	(87.79)	(220.94)
Income tax related to items that will not be reclassified to profit or loss	(1.23)	(6.64)
Deferred tax charged / (Credited) in Other Comprehensive Income	(24.16)	(154.09)

Expanding Horizons

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

Reconciliation of tax expenses and accounting profit multiplied by India's domestic tax rate for the year ended 31st March, 2019 & 31st March, 2018.

(₹ in lakhs)

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Accounting profit before tax (before exceptional items)	18,209.43	15,308.60
At India's statutory income tax rate of 34.944% (For the year ended 31st March, 2018 : 34.608%)	6,363.10	5,349.44
Dividend income	(126.85)	(168.08)
Fair value gain of FVTOCI investment Dividend income	(409.88)	(276.54)
Weighted deduction on research and development capital and revenue expenses	(511.25)	(478.11)
Difference in book and IT depreciation	(28.07)	(130.59)
Others	77.64	39.87
Tax @11.536% on Capital gain income	4.29	3.93
Income Tax expenses reported in the Statement of Profit and Loss (A)	5,368.99	4,339.92
Tax Expenses recognised in Statement of Profit and Loss		
Incremental Deferred Tax Liability on account of Property, Plant and Equipment and Intangible Assets	243.89	362.78
Incremental Deferred Tax Liability / (Asset) on account of Financial Assets and Other items	154.03	88.61
Deferred Tax Provision (B)	397.92	451.39
Adjustment recognised in the current year in relation to the current year of prior years (C)	(125.42)	-
Total Expenses recognised in Statement of Profit and Loss (A+B+C)	5,641.49	4,791.31

Deferred Tax : Please refer to Note No. 23

During the year, the Company has paid dividends to its shareholders. This has resulted in payment of Dividend Distribution Tax (DDT) to the taxation authorities. The Company believes that DDT represents additional payment to taxation authorities on behalf of the shareholders. Hence DDT paid is charged to equity.

38 Gratuity

The Company operates a defined benefit plan viz. gratuity for its employees. Under the gratuity plan, every employee who has completed at least specified years of service gets a gratuity on departure @ 15 days (minimum) of the last drawn salary for each completed year of service. The scheme is funded with an insurance Company in the form of qualifying insurance policy. The fund has formed a trust and it is governed by the Board of Trustees.

The fund is subject to risks such as asset volatility, changes in bond yields and asset liability mismatch risk. In managing the plan assets, Board of Trustees reviews and manages these risks associated with the funded plan. Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes asset-liability matching strategy and investment risk management policy (which includes contributing to plans that invest in risk-averse markets). The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

1 Changes in the net benefit obligation and fair value of plan assets are as follows:

(₹ in lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1st April, 2017	1,498.69	(1,361.04)	137.65
Current service cost	97.07	-	97.07
Interest expense/(income)	110.75	(100.58)	10.17
Total amount recognised in Profit or Loss	207.82	(100.58)	107.24
Experience adjustments	(50.93)	-	(50.93)
Actuarial loss from change in financial assumptions	-	-	-
Return on plan assets (income)	254.13	17.75	271.87
Total amount recognised in Other Comprehensive Income	203.20	17.75	220.94
Employer contributions	-	(344.30)	(344.30)
Benefits paid	(54.35)	54.35	-
31st March, 2018	1,855.36	(1,733.82)	121.55


NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

(₹ in lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
Current service cost	113.28	-	113.28
Interest expense/(income)	143.42	(134.02)	9.40
Total amount recognised in Profit or Loss	256.70	(134.02)	122.67
Experience adjustments	86.70	-	86.70
Actuarial loss from change in financial assumptions	(4.73)	-	(4.73)
Return on plan assets (income)	-	5.82	5.82
Total amount recognised in Other Comprehensive Income	81.97	5.82	87.79
Employer contributions	-	(107.00)	(107.00)
Benefits paid	(154.72)	154.72	-
31st March, 2019	2,039.31	(1,814.31)	225.00

II The net liability disclosed above relates to funded plans are as follows :

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018	31st March, 2017
Present value of funded obligation	2,039.31	1,855.36	1,498.69
Fair value of plan assets	(1,814.31)	(1,733.82)	(1,361.04)
Surplus of funded plan	225.00	121.55	137.65

III Significant estimates

The principal actuarial assumptions were as follows :

Particulars	31st March, 2019	31st March, 2018	31st March, 2017
Discount rate	7.76%	7.73%	7.39%
Salary growth rate	5.00%	5.00%	5.00%
Normal retirement age	58/60 years	58/60 years	58/60 years
Mortality table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Employee turnover	2%	2%	2%

IV Sensitivity analysis

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation	
	31st March, 2019	31st March, 2018
Discount rate		
1.00% increase	Decrease by 147.31	Decrease by 136.61
1.00% decrease	Increase by 168.57	Increase by 157.09
Future salary increase		
1.00% increase	Increase by 171.57	Increase by 159.84
1.00% decrease	Decrease by 152.28	Decrease by 141.16
Attrition Rate		
1.00% increase	Increase by 34.58	Increase by 32.87
1.00% decrease	Decrease by 38.37	Decrease by 36.61

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous periods.

The following are the expected cash flows to the defined benefit plan in future years:

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018
Within next 12 months	277.29	287.26
Between 1-10 years	1,328.35	1,160.08
11 years & above	2,723.25	2,576.13

V The major categories of plan assets are as follows:

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018
Investments with Insurer (LIC of India)	0.01%	3.38%
HDFC Standard Life Insurance	99.99%	96.62%

39 Segment Reporting

- The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. These business segments are : 1. Synthetic Cordage 2. Fibre and Industrial Products & Projects. Segments based on the location of the customers are identified as Secondary Segments.
- Segment Accounting Policies are the same as those used in the preparation of the Financial Statements. The company generally accounts for inter-segment sales and transfers at cost plus appropriate margins.
- The segment revenues and segment expenses are directly attributable to the segments, except certain expenses which are not allocated to any segments by using appropriate basis. All other expenses which are not attributable or allocable to the segments have been disclosed as unallocable expenses.
- The segment assets and liabilities are directly attributable to the segments, except certain assets and liabilities which are allocated to the segments using appropriate basis. All other assets and liabilities are disclosed as unallocable.

i) Primary Segment Report

Year 2018-2019

(₹ in lakhs)
Year 2017-2018

Particulars	Synthetic Cordage	Fibre and Industrial Products & Projects	Unallocated	Total	Synthetic Cordage	Fibre and Industrial Products & Projects	Unallocated	Total
i) Segment Revenue	86,031.16	17,340.73	-	1,03,371.89	75,399.07	14,737.70	-	90,136.77
Inter-segment revenue	(516.54)	(1,073.16)	-	(1,589.70)	(352.07)	(1,235.14)	-	(1,587.21)
Sales/Income From operations	85,514.62	16,267.57	-	1,01,782.19	75,047.00	13,502.56	-	88,549.56
ii) Depreciation and amortization	1,362.77	212.61	148.66	1,724.04	1,060.58	203.29	270.89	1,534.76
iii) Segment Result	18,176.14	2,750.53	-	20,926.67	15,237.39	1,970.29	-	17,207.68
Less -								
i) Interest				(1,372.29)				(997.69)
ii) Other Unallocable expenditure net of unallocable (income)				(1,344.95)				(901.39)
Total profit before tax				18,209.43				15,308.60
iv) Segment Assets	59,599.76	8,805.60	39,375.20	1,07,780.56	55,102.36	10,186.49	33,186.96	98,475.81
v) Segment Liabilities	23,279.12	3,531.38	15,933.74	42,744.24	26,226.49	3,941.22	14,629.36	44,797.07


NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019
Reconciliation of Profit

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018
Segment Profit	20,926.67	17,207.68
Other Income	2,107.93	1,792.98
Finance Cost	(1,372.29)	(997.69)
Other Corporate Costs	(3,452.87)	(2,694.37)
Profit Before Tax and discontinued operations	18,209.44	15,308.60

Reconciliation of Assets

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018
Segment operating assets	68,405.36	65,288.85
Investments	33,045.66	24,410.67
Cash and bank balances	1,225.88	2,325.97
Balances with government authorities	4,967.48	6,119.29
Other unallocable assets	136.18	331.03
Total assets	1,07,780.56	98,475.81

Reconciliation of liabilities

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018
Segment operating liabilities	26,810.50	30,167.71
Borrowings	10,797.27	13,838.82
Income tax liabilities (Net)	4,399.40	342.90
Other unallocable liabilities	737.07	447.64
Total liabilities	42,744.24	44,797.07

ii) Information about geographic segment
Revenue from external customers

(₹ in lakhs)

Particulars	31st March, 2019	31st March, 2018
India	42,941.08	43,557.27
Outside India	58,841.11	44,992.29
Total	1,01,782.19	88,549.56

iii) Notes :

The business segments viz. 'Synthetic Cordage' and 'Fibre and Industrial Products and Projects' are considered as the primary segments. Synthetic Cordage comprises of Ropes, Twines and Nettings made of Twine. Fibre and Industrial Products & Projects segment comprises of Fibre, Synthetic Fabric, Yarn, Woven and Non-Woven Textiles, Secugrids, Coated steel gabions, Machinery and project. Inter-segment sales are accounted for at market value.

The Geographical Segments on the basis of location of customers are considered as secondary segments. Sales are recognised as sales to customers in India and sales to customers outside India. As the Company has integrated manufacturing facilities, it is not possible to directly attribute or allocate on a reasonable basis, the expenses, assets and liabilities to the Geographical Segment.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

40 TRANSACTIONS WITH RELATED PARTIES

(I) List of Related Parties & Relationship :

A. Subsidiary / Joint Venture Company

1. Garware Environmental Services Pvt. Ltd.

B. Associate Company

1. Garware Meditech Pvt. Ltd.

C. Executive Directors - Key Managerial Personnel

1. Mr. V. R. Garware

D. Non Executive Directors

1. Mrs. M. V. Garware
2. Mr. R. M. Telang - Independent Director
3. Mr. S. P. Kulkarni - Independent Director
4. Mr. Ashish Goel - Independent Director
5. Dr. S. S. Rajpathak

E. Enterprises over which control is exercised by the individual listed at 'C' above

1. Manmit Investment & Trading Company Pvt. Ltd.
2. Garware Capital Markets Ltd.
3. Gurukrupa Investments & Trading Company Pvt. Ltd.
4. Sanand Investments & Trading Company Pvt. Ltd.
5. Moonshine Investments & Trading Company Pvt. Ltd.
6. Starshine Investments & Trading Company Pvt. Ltd.
7. Sukumar Holdings & Trading Company Pvt. Ltd.
8. VMIR Investment Ltd.
9. VRG Investments Ltd.
10. Garware Infrastructure Pvt. Ltd.
11. Ramesh Trading Company
12. Sunita Trading Company
13. Garware Research Institute
14. Vimlabai Garware Research Institute
15. Consolidated Agricultural & Dairy Farming Co. Pvt. Ltd.

(II) Following are the transactions with the related parties mentioned in A, B, C, D & E above:

(₹ in lakhs)

Sr. No.	Particulars	Subsidiaries/ Joint Venture Companies	Associate Companies	Enterprises Owned or significantly Influenced by Key Management Personnel or Their Relatives	Executive Directors - Key Management Personnel	Non-Executive Directors	Total
	Transactions with Related Parties						
1	Deposit Received						
	2018-19	-	-	2,314.00	2,476.00	-	4,790.00
	2017-18	-	-	2,542.70	2,211.00	-	4,753.70
2	Deposit Refund						
	2018-19	-	-	2,314.00	2,476.00	-	4,790.00
	2017-18	-	-	4,255.43	2,211.00	-	6,466.43
3	Interest paid on Deposits						
	2018-19	-	-	224.80	194.25	-	419.05
	2017-18	-	-	229.98	132.26	-	362.24
4	Director Remuneration *						
	2018-19	-	-	-	873.37	-	873.37
	2017-18	-	-	-	777.67	-	777.67
5	Directors Sitting Fees						
	2018-19	-	-	-	-	8.40	8.40
	2017-18	-	-	-	-	5.00	5.00
6	Dividend paid						
	2018-19	-	-	338.66	160.48	0.01	499.15
	2017-18	-	-	372.95	506.67	0.10	879.72
7	Sale of Goods/Services						
	2018-19	-	-	-	-	-	-
	2017-18	-	-	-	-	-	-
	Balance due from related parties						
8	Balance (Payable) / Receivable						
	31st March, 2019	-	-	-	645.00	-	645.00
	31st March, 2018	-	-	0.24	(549.00)	-	(548.76)

Note: For Investment in related parties as at 31st March, 2019 refer Note No. 5.

The above figures do not include provision for leave encashment and gratuity fund, as separate figures are not available for the Executive Director - Key Management Personnel.

* Includes commission paid / payable to Executive Director - Key Management Personnel ₹ 645 lakhs (Previous year ₹ 549 lakhs)


NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

		(₹ in lakhs)
41 EARNINGS PER SHARE (EPS)		
BASIC AND DILUTED EPS	31st March, 2019	31st March, 2018
Net Profit attributable to Equity Shareholders of the Company	12,567.84	10,517.19
Weighted Average No. of Equity Shares of ₹ 10/- each (No. in lakhs)	218.82	218.82
Basic And Diluted Earning Per Share (₹)	57.43	48.06

42 CONTINGENT LIABILITIES :

Claims against the company not acknowledged as debts:

In respect of matters under dispute

-Sales Tax	9.15	9.15
-Income Tax	114.00	208.00
-Octroi	21.64	21.64

43 Estimated amount of contracts remaining to be executed on Capital Account and not provided for net of Advances ₹ 808.59 lakhs (As at 31st March, 2018 ₹ 935.02 lakhs).

44 INTEREST IN FIRM / JOINT VENTURE :

The Company has entered into a partnership agreement (Sopan D. Patil & GWRL J.V.) in which the company holds 40% share in profit / loss to execute Geo-Synthetics Work - Contract value worth ₹ 577.31 lakhs. During the year ended 31.03.2019, the said partnership has incurred a loss of ₹ Nil lakhs (As at 31st March, 2018 ₹ (0.50) lakhs).

	31st March, 2019	31st March, 2018
Current assets	16.72	16.72
Non-current assets	18.96	18.96
Current liabilities	-	(0.47)
Non-current liabilities	(40.54)	(40.07)
Reserve & Surplus	4.86	4.86
Revenue	-	4.48
Cost of material consumed	-	(4.24)
Employee benefit expenses	-	-
Other expenses	-	(0.74)
Profit / (loss) before tax	-	(0.50)
Income-tax expenses	-	-
Profit / (loss) after tax	-	(0.50)

45 DISCLOSURES ON FINANCIAL INSTRUMENTS
a. Financial Instruments by category

The following table presents the carrying amounts of each category of financial assets and liabilities as at 31st March, 2019.

Particulars	Measured at FVTOCI	Measured at FVTPL	Amortised Cost	Total Carrying Amount
Financial Assets				
Investments in subsidiaries, associates and joint ventures	-	-	-	-
Other Investments-Non Current	614.96	32,430.70	-	33,045.66
Trade Receivables-Non Current	-	-	547.82	547.82
Loans-Non Current	-	-	558.01	558.01
Other Financial Assets-Non Current	-	-	425.79	425.79
Other Investments-Current	-	-	-	-
Trade Receivables-Current	-	-	24,289.71	24,289.71
Loans-Current	-	-	590.69	590.69
Other Financial Assets-Current	-	-	1,109.68	1,109.68
Total	614.96	32,430.70	27,521.70	60,567.36
Financial Liabilities				
Trade Payable-Non Current	-	-	-	-
Other Financial Liabilities-Non Current	-	-	4.40	4.40
Borrowings-Current	-	-	10,797.27	10,797.27
Trade Payable-Current	-	-	20,429.28	20,429.28
Other Financial Liabilities-Current	-	-	699.88	699.88
Total	-	-	31,930.83	31,930.83

Expanding Horizons

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

The following table presents the carrying amounts of each category of financial assets and liabilities as at 31st March, 2018.

(₹ in lakhs)

Particulars	Measured at FVTOCI	Measured at FVTPL	Amortised Cost	Total Carrying Amount
Financial Assets				
Investments in subsidiaries, associates and joint ventures	-	-	-	-
Other Investments-Non Current	540.87	23,869.80	-	24,410.67
Trade Receivables-Non Current	-	-	1,039.47	1,039.47
Loans-Non Current	-	-	812.17	812.17
Other Financial Assets-Non Current	-	-	464.06	464.06
Other Investments-Current	-	3.16	-	3.16
Trade Receivables-Current	-	-	21,906.02	21,906.02
Loans-Current	-	-	583.57	583.57
Other Financial Assets-Current	-	-	21.79	21.79
Total	540.87	23,872.96	24,827.08	49,240.91
Financial Liabilities				
Trade Payable-Non Current	-	-	-	-
Other Financial Liabilities-Non Current	-	-	6.26	6.26
Borrowings-Current	-	-	13,838.82	13,838.82
Trade Payable-Current	-	-	20,444.07	20,444.07
Other Financial Liabilities-Current	-	-	503.91	503.91
Total	-	-	34,793.06	34,793.06

b. Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities that are measured at fair value or where fair value disclosure is required:

As at 31st March, 2019

Fair Value Measurement Using

(₹ in lakhs)

Particulars	Quoted Price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets measured at fair value				
FVTOCI financial investments				
Quoted equity instruments	320.05	-	-	320.05
Unquoted equity instruments	-	-	294.91	294.91
FVTPL financial investments				
Other Debt Instrument	17.66	22,640.88	-	22,658.54
Unquoted debt instruments	-	9,772.16	-	9,772.16
Unquoted equity instruments	-	-	-	-


NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019
As at 31st March, 2018
Fair Value Measurement Using

(₹ in lakhs)

Particulars	Quoted Price in active markets	Significant observable input	Significant unobservable input	Total
	(Level 1)	(Level 2)	(Level 3)	
Assets measured at fair value				
FVTOCI financial investments				
Quoted equity instruments	226.63	-	-	226.63
Unquoted equity instruments	-	-	314.24	314.24
FVTPL financial investments				
Foreign Currency Forward Contract	-	-	-	-
Other Debt Instrument	17.66	18,734.09	-	18,751.75
Unquoted debt instruments	-	5,118.05	-	5,118.05
Unquoted equity instruments	-	-	3.16	3.16

c. Valuation technique to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments.

- The management assesses that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. The Investments measured at fair value and falling under fair value hierarchy Level 3 are valued on the basis of valuation reports provided by external valuers with the exception of certain investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range. The carrying value of those investments are individually immaterial.

d. Financial risk management objectives

The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance. The Company's senior management which is supported by a Treasury Management Group ('TMG') manages these risks.

All hedging activities are carried out by specialist teams that have the appropriate skills, experience and supervision.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises of risks relating to interest rate risk and other price risks such as equity price risk and commodity price risk. Financial instruments affected by market risks mainly include borrowings, deposits and investments.

Foreign currency risk management

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set policy wherein exposure is identified, benchmark is set and monitored closely, and accordingly suitable hedges are undertaken.

The Company's foreign currency exposure arises mainly from foreign exchange imports, exports and other income/expenses in foreign currency, primarily with respect to USD.

As at the end of the reporting period, the carrying amounts of the company's foreign currency denominated monetary assets and liabilities in respect of the primary foreign currency i.e. USD and derivative to hedge the exposure, are as follows:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

Particulars of unhedged foreign currency exposure and Derivatives (Outstanding) as at Balance Sheet date:

(₹ in lakhs)

Particulars	Currency	As at 31st March, 2019	As at 31st March, 2018
Trade Receivable	USD	13,902.39	7,850.47
Trade Payable	USD	(1,981.11)	(365.87)
Net		11,921.28	7,484.60
Forward Contracts to Sell (Hedge of Receivables)	USD	(10,801.69)	(5,145.03)
Net Exposure		1,119.59	2,339.57

The Company's exposure to foreign currency changes for all other currencies is not material.

Foreign currency sensitivity analysis

The following table demonstrate the sensitivity to a reasonable possible change in USD exchange rate, with all other variables held constant.

(₹ in lakhs)

	Currency	As at 31st March, 2019	As at 31st March, 2018
Impact on profit before tax			
INR/USD - Increase by 1%	USD	264.43	166.44
INR/USD - Decrease by 1%	USD	(264.43)	(166.44)

Interest rate risk management

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. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations and investments in debt instruments including debt mutual fund.

Interest rate sensitivity

The below table demonstrate the sensitivity of the company's profit before tax to a reasonable possible change in interest rate with all other variables being constant.

(₹ in lakhs)

Particulars		Change in interest rate	2018-19	2017-18
Interest expense	Increase	100 basis point	(106.63)	(70.78)
	Decrease	100 basis point	106.63	70.78
Interest income/Fair Value gain	Increase	100 basis point	213.00	200.52
	Decrease	100 basis point	(213.00)	(200.52)

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Trade Receivable

Customer credit risk is managed by SCM team subject to the company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and followed up.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.


NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019
Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of bank deposits and cash credit facilities. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

(₹ in lakhs)

Particulars	Year	Total	More than 1 year	Less than 1 year
Financial Liabilities				
Trade Payables	31st March, 2019	20,520.90	91.62	20,429.28
	31st March, 2018	20,444.07	-	20,444.07
Borrowings	31st March, 2019	10,797.27	-	10,797.27
	31st March, 2018	13,838.82	-	13,838.82
Other Financial Liabilities	31st March, 2019	704.28	4.40	699.88
	31st March, 2018	510.17	6.26	503.91

Excessive risk concentration

Concentrations arise when a number of counter parties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. Company believes that there is no such excessive risk concentration.

46 Capital Management

The Company's objective when managing capital is to ensure the going concern operation and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and meet shareholders expectations. The policy of the company is to borrow through banks supported by committed borrowing facility to meet anticipated funding requirements.

The capital structure is governed by policies approved by the Board of Directors.

The following table summarises the capital of the Company.

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Short Term Debt (including current maturities of long term loan)	10,797.27	13,838.82
Long Term Debt	-	-
Trade Payables	20,429.28	20,444.07
Less: Cash and cash equivalents	(1,225.88)	(2,325.97)
Net Debt	30,000.67	31,956.92
Equity	65,036.32	53,678.74
Capital and net debt	95,036.99	85,635.66
Net Debt to Capital Ratio (Debt/Equity plus debt)	0.32	0.37

Expanding Horizons

Form AOC-1:

Statement containing the salient features of the financial statement of Subsidiary / Joint Venture pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014.

Part - A : Subsidiary

(₹ in lakhs)

Sr.No.	Particulars	
1.	Name of the Subsidiary	Garware Environmental Services Pvt Ltd.
2.	Reporting period for the Subsidiary	1st April, 2018 to 31st March, 2019
3.	Reporting currency as on the last date of the relevant Financial Year in the case of Foreign Subsidiaries	₹ in lakhs
4.	Exchange rate as on the last date of the relevant Financial Year in case of Foreign Subsidiaries	N.A.
5.	Share Capital	100.00
6.	Reserves and Surplus	41.81
7.	Total Assets	144.06
8.	Total Liabilities	144.06
9.	Investments	140.60
10.	Turnover	10.28
11.	Profit Before Tax	9.39
12.	Provision for Tax	2.70
13.	Profit After Tax	6.69
14.	Proposed Dividend	-
15.	% of Shareholding	100%
Notes:		
1.	Names of Subsidiary which are yet to commence operations	Garware Environmental Services Pvt. Ltd.
2.	Names of Subsidiaries which have been liquidated or sold during the year	-

Part - B : Associate Company

(₹ in lakhs)

Sr.No.	Particulars	
1.	Name of Associate Company	Garware Meditech Pvt. Ltd.
2.	Latest Audited Balance Sheet Date	31st March, 2019
3.	Shares of Associate held by the Company on the year end	
	No.	5,000 Shares
	Amount of Investment in Associates	₹ 0.50 lakhs
	Extend of Holding %	50%
4.	Description of how there is significant influence	Chairman same in both company
5.	Reason why the Associate is not Consolidated	Consolidated
6.	Net worth attributable to Shareholding as per latest Balance Sheet	₹ (0.10) lakhs
7.	Loss for the year	
	i) Considered in Consolidation	₹ (0.10) lakhs
	ii) Not considered in Consolidation	-

For MEHTA CHOKSHI & SHAH
Chartered Accountants,

V. R. GARWARE
Chairman & Managing Director
DIN. 00092201

M. V. GARWARE
Director
DIN. 06948274

(ABHAY MEHTA)
Partner
M. No. 046088
F. R. No.106201W

MUKESH SURANA
Chief Financial Officer

R. M. TELANG
Director
DIN. 00092103

S. P. KULKARNI
Director
DIN. 00006914

Pune,
30th May, 2019

SUNIL AGARWAL
Company Secretary
M. No. FCS 6407

ASHISH GOEL
Director
DIN: 00147449

S. S. RAJPATHAK
Director
DIN: 00040387



Progress through the Years

(Standalone)

(₹ in lakhs)

Particulars	As per GAAP							As per IND AS*		
	31.03.10	31.03.11	31.03.12	31.03.13	31.03.14	31.03.15	31.03.16	31.03.17	31.03.18	31.03.19
COMPANY OWNED										
1. FIXED ASSETS (NET)	14,411.74	15,574.99	16,985.21	15,449.16	16,012.58	17,260.92	19,916.68	20,333.66	22,122.65	22,668.90
2. INVESTMENTS	1,697.60	892.18	911.96	916.95	933.46	904.00	397.80	11,122.21	24,469.33	33,101.17
3. NET CURRENT ASSETS [§]	15,987.40	20,405.98	22,977.38	23,160.21	19,694.59	19,049.52	23,955.47	24,726.28	24,318.13	23,857.76
TOTAL ASSETS (NET)	32,096.74	36,873.15	40,874.55	39,526.32	36,640.63	37,214.44	44,269.95	56,182.15	70,910.11	79,627.82
COMPANY OWED										
1. LOAN FUNDS	8,652.16	11,621.06	14,033.21	11,043.33	7,133.07	3,972.47	4,774.73	8,608.70	13,838.83	10,797.27
2. COMPANY'S NET WORTH -										
- EQUITY SHARE CAPITAL	2,370.84	2,370.84	2,370.84	2,370.84	^{ss} 2,197.23	^{sss} 2,188.21	2,188.21	2,188.21	2,188.21	2,188.21
- RESERVES AND SURPLUS ^μ	19,350.96	21,104.29	22,671.54	24,297.79	25,285.32	28,806.75	34,596.43	42,371.11	51,410.91	62,761.78
3. DEFERRED TAX LIABILITY	1,722.78	1,776.96	1,798.96	1,814.36	2,025.01	2,247.01	2,710.58	3,014.14	3,472.16	3,880.56
TOTAL CAPITAL EMPLOYED	32,096.74	36,873.15	40,874.55	39,526.32	36,640.63	37,214.44	44,269.95	56,182.15	70,910.11	79,627.82
INCOME	45,444.97	50,366.94	58,416.39	60,880.36	69,275.60	79,061.88	83,543.67	85,772.13	90,334.59	103,879.84
RAW MATERIAL AND STOCK CONSUMED	20,481.25	21,927.07	25,181.95	24,468.38	31,633.68	36,345.89	31,525.85	29,308.21	29,061.95	32,991.73
SALARIES AND WAGES	5,523.82	6,536.65	7,936.04	7,915.59	6,379.98	8,424.09	9,279.29	10,603.61	11,687.91	12,995.14
OPERATING AND OTHER EXPENSES	14,171.95	16,171.09	18,575.28	19,707.50	24,209.35	25,530.59	31,411.81	31,131.54	31,662.57	36,596.61
INTEREST	1,074.45	891.58	1,660.62	1,448.01	1,282.96	1,024.83	872.69	653.55	997.69	1,372.29
EXCISE DUTY	296.98	235.35	255.23	368.44	422.62	436.77	438.31	343.64	88.56	-
PROFIT BEFORE DEPRECIATION AND TAX	3,896.52	4,605.20	4,807.27	4,972.44	5,347.01	7,289.71	10,014.72	13,731.59	16,835.91	19,924.08
DEPRECIATION	1,292.42	1,483.98	1,601.92	1,632.44	1,439.33	1,238.55	1,310.49	1,416.35	1,534.76	1,724.04
PROFIT BEFORE TAX	2,604.10	3,121.22	3,205.35	3,340.00	3,907.68	6,051.16	8,704.23	12,315.23	15,301.15	18,200.04
TAX	662.06	677.95	804.78	872.62	1,241.49	1,745.67	2,516.60	3,885.38	4,789.39	5,638.79
PROFIT AFTER TAX	1,938.04	2,443.27	2,400.57	2,467.38	2,666.19	4,305.49	6,187.63	8,429.85	10,511.76	12,561.25
EARNING PER SHARE	8.17	10.31	10.13	10.41	12.13	19.68	28.28	38.52	48.04	57.40
DIVIDEND PAID PER EQUITY SHARE (₹)	2.50	2.50	2.50	2.50	2.70	3.00	3.30	^{**} 5.00	4.50	^{***} 5.00
BOOK VALUE OF EQUITY SHARE (₹) (Without Revaluation)	91.57	98.97	105.59	112.45	125.08	141.65	166.68	203.63	244.95	296.82
FOB VALUE OF EXPORTS	14,522.30	17,784.50	24,584.47	25,414.56	32,715.82	33,946.01	32,966.53	37,021.66	39,938.92	53,277.22

* The Company had transitioned to Indian Accounting Standards (Ind AS) w.e.f. 1st April, 2017. Therefore, the figures from FY 17 are as per Ind AS. Hence, not strictly comparable with earlier years presented under GAAP.

** To commemorate completion of 40 years of the Company, a special one-time dividend of ₹ 1.50/- (15%) per share of ₹ 10/- each in addition to normal dividend of ₹ 3.50/- (35%) per share of ₹ 10/- each was declared at Fortieth Annual General Meeting of the Company.

*** The Board of Directors have recommended a dividend of ₹ 5.00/- (50%) per share of ₹ 10/- each at ensuing Annual General Meeting of the Company.

^μ The figures of reserves and surplus has been calculated after deduction of miscellaneous expenditure to the extent not written off or adjusted and includes revaluation reserve ₹ 11.11 lakhs for 31.03.10, ₹ 10.07 lakhs for 31.03.11, ₹ 9.02 lakhs for 31.03.12, ₹ 7.98 lakhs for 31.03.13, ₹ 6.93 lacs for 31.03.14, ₹ 5.98 lakhs for 31.03.15, ₹ 4.85 lakhs for 31.03.16, ₹ 3.81 lakhs for 31.03.17, ₹ 2.77 lakhs for 31.03.18, ₹ 1.73 lakhs for 31.03.19 respectively.

[§] Includes both current and non-current assets and liabilities.

^{ss} 17,36,097 Equity Shares bought back by the Company during the period from 10th October, 2013 to 31st March 2014 under the Buyback Scheme.

^{sss} 90,193 Equity Shares bought back by the Company during the period from 1st April, 2014 to 9th April 2014 under the Buyback Scheme.