

Surging Ahead

PEOPLE
VALUES
INNOVATION
EXCELLENCE





GARWARE-WALL ROPES LIMITED

38th ANNUAL GENERAL MEETING

Day & Date : Wednesday, 2nd September, 2015

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.**

In FY 2014-2015, Garware-Wall Ropes Limited (GWRL) delivered sterling performance. The Company recorded its highest ever turnover and increased its net profit by 61.5% compared to the previous year. The Company's performance was the result of well executed strategies based on our core foundations of values, innovation, quest for excellence and strong relationships, executed successfully despite external challenges.

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This achievement was the outcome of a well executed strategy based on our core foundations of values, innovation, quest for excellence and strong relationships.

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Surging Ahead

It is my privilege to present the Annual Report of Garware-Wall Ropes Limited (GWRL) for the Financial Year 2014-15.

I am pleased to inform you that in the year under review, your Company recorded remarkable growth in Profit and Return on Capital Employed. This achievement was the outcome of a well executed strategy based on our core foundations of values, innovation, quest for excellence and strong relationships.

The Company achieved this good performance despite some significant external challenges.

In the year under review, there was considerable uncertainty in the Global Economy. While advanced economies like US, Eurozone, and UK presented a picture of encouraging growth, there was a slowdown in emerging economies like China, Russia and Brazil. The overall pace of recovery in the Global Economy was marked by regional specificity.

On the domestic front, Financial Year 2014-15 started on a positive note with significant improvement in market and business sentiment, following the general elections and a clear public mandate given to the new Government. A decline in international crude and commodity prices eased mounting cost pressures on industry, to some extent. However, growth in key sectors like agriculture was unsatisfactory.

In this mixed environment, your Company charted a course for profitable growth with a multipronged strategy. We successfully strove for premium branding of innovative products that deliver high value to customers. Lukewarm demand in some business segments and geographies was offset by an optimal mix of marketing thrusts in domestic and export sectors. In our new product segments, we expanded and deepened our reach. In the high-value agriculture sector, we took efforts to increase farmer awareness about the cost benefits of protected cultivation.

In all our efforts, we put emphasis on enriching our internal and external engagements with people. We continued to work closely with our customers and enhance the value of our relationships with them. Within the GWRL family, we recorded notable improvement in employee engagement scores.

The result of these multiple initiatives was that your Company achieved its highest ever turnover, at ₹ 786.60 Crores. Profit after tax shot up to ₹ 43.05 Crores, 61.5% higher than the figure recorded in the previous year. Earnings per share increased dramatically. Return on capital employed also improved considerably. Your Board of Directors has recommended a dividend at ₹ 3 per share.

While increasing shareholder value, your Company remained committed to the role of a responsible corporate citizen. Many initiatives were launched or supported in the domains of education and skill development, healthcare, women's empowerment and environment protection.

Looking at the short and medium-term future, the prospects for your Company are encouraging. The Union Government's policy initiatives for infrastructure and agriculture are expected to provide a significant boost to the Indian Economy. With commodity prices under check, and easing of the monetary policy, the balance between inflation and growth is likely to be maintained. However, the micro economic environment continues to be challenging.

In the global economy, growth is expected to be strong in advanced economies, but prospects are subdued in some large and emerging markets.

Your Company will continue to focus on the attainment of profitable growth based on

application-based innovation and enduring relationships. The Company has an increasing and well differentiated product portfolio that provides resilience and continuous overall growth potential.

Our employees, suppliers, dealers and distributors remain our main assets. On behalf of all of you, I would like take this opportunity to thank each of them for their unstinted support and efforts to deliver sterling performance in Financial Year 2014-15.

I firmly believe that the growth of our business is intrinsically linked with the growth of our people. We have always encouraged diversity, agility and a performance-driven organizational culture, in which people give their best and feel proud to be part of a successful and caring Company. We have now built a strong team of 'professional entrepreneurs', backed by robust leadership to attain our vision.

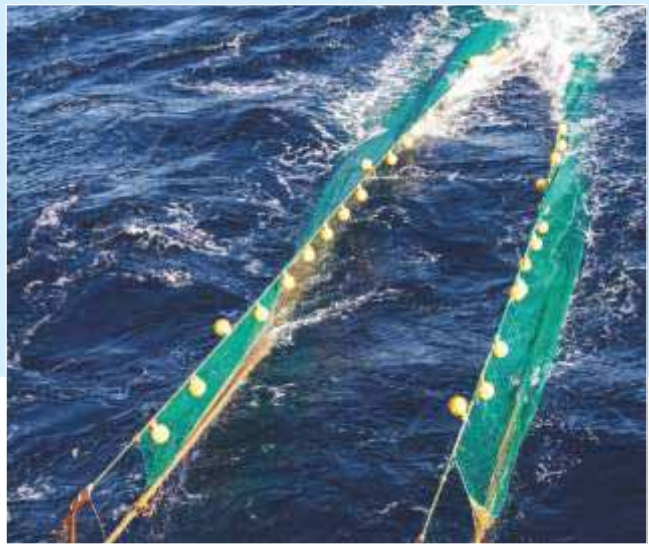
I wish to thank all of you for your continued faith in GWRL and its management. On behalf of the entire GWRL team and the Board of Directors, I seek your continued support and goodwill for our efforts.

With warm regards,

V. R. Garware
Chairman & Managing Director



Putting customer first



In tune with its mission, GWRL meets requirements of customers across various industry sectors and proactively addresses their needs with creativity, agility and speed.

GWRL is continuously expanding its product offering as well thought-out responses to current and emerging customer needs. Recent outputs of customer-oriented product development include high strength mooring ropes with low snap-back, high-tenacity yarn nets and cod ends that reduce twine/net size during fish trawling, anti-predator nettings for marine fish farms, aquaculture cages for organic fishing, ultra-strong and algae-resistant nylon netting, and aquaculture tarps for protection against plankton and sea lice.

Stepping outside its core business areas, the Company has offered solutions for high-potential business segments like sports accessories. GWRL also contributes to the nation's defence sector with specialized products like weather-proof enclosures to protect electronic equipment in extreme conditions, and airborne platforms for military surveillance.

The deep commitment to customer needs has two spinoffs : bonds with existing customers are strengthened and new customers are added across the globe.





Culture of innovation



GWRL nourishes a culture of innovation that is spread across all aspects of its business operations; from design of solutions to planning and execution, in challenging situations.

GWRL's creative acumen is demonstrated in its core areas of business, including segments such as geo-synthetics, where it enjoys the rare position of a company that offers end-to-end solutions for infrastructure projects in a range of industries.

Innovative geo-synthetic solutions recently offered by the Company include - closure and capping of an industrial sludge pond, coastal protection using geo-containers, landfill capping in several remote locations, and installation of geo-textile tubes to create an embankment at a coastal village, to protect it from erosion. Each of the projects required out-of-the-box thinking at all stages, from the designing board in the head office to project locations in remote areas.

The Company's spectrum of innovation gives it the confidence and capability to take on highly challenging projects and expand its business.





Manufacturing excellence



As one of the leading manufacturers of technical textiles, GWRL has expansive, state-of-the-art plants, run according to advanced process management practices.

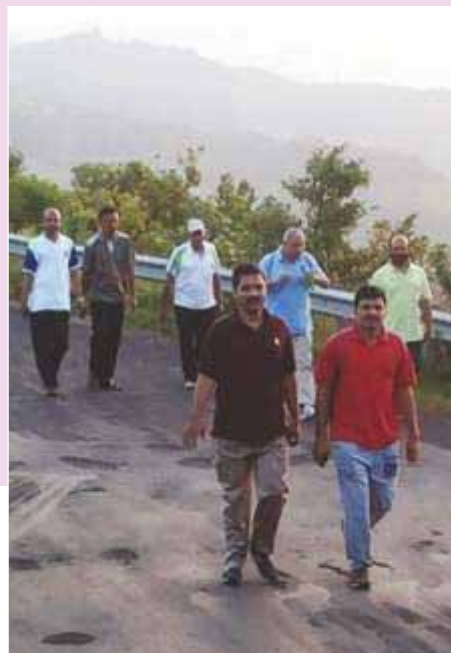
GWRL has large manufacturing facilities in Wai, near Pune, spread over an area of over 1.40 lakh square metres. To meet increasing demand, the facilities have been expanded and upgraded in the last few years. A wide range of machinery is put to best use through deployment of sophisticated man-machine processes, including LEAN, Kaizen, Abnormality Management, SQDC, 5S, Visual Management, and Joshu Hozen culture. These ensure detailed planning with clear objectives and well defined team processes; meticulous tracking of inputs and outputs; optimum use of inputs and reduced wastage; tight focus on targets; systematic action on customer feedback, and speedy availability of resources for routine and non-routine market requirements.

The net outcome : consistent achievement of high quality standards, which are industry benchmarks in domestic and export markets.





People : The fulcrum of growth



GWRL's impeccable performance record is ultimately based on the capabilities of its people, and the immense value attached by the Company to their continuous growth and development.

GWRL is committed to sustain and enrich an organizational culture that attracts the best talent, provides people with opportunities for professional growth, and empowers them to achieve high performance.

These objectives are met through employee-friendly HR policies, clear definition of measurable goals for employees at all levels, cross-functional goals for joint accountability, processes for objective assessment of employee performance, incentives for high achievers, continuous learning opportunities at work places and off-site, and special programmes like a month-long workshop for mission and values campaigning, Fun@Work workshops, celebration of festivals, and outdoor sessions. Programmes are also conducted for families of employees.

Together, these efforts enhance employee-Company and employee-employee bonding, leading to a performance-driven ethos that values the contribution of every individual.





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
- Mrs. M. V. Garware
- R. M. Telang
- S. P. Kulkarni
- Ashish Goel
- M. V. Subbarao

Company Secretary

- Sunil Agarwal

Bankers

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

Auditors

- Patki & Soman, 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 : +91-20-3078 0000

Fax : +91-20-3078 0341

E-mail : pune_admin@garwareropes.com

Website : www.garwareropes.com

CIN : L25209MH1976PLC018939

Mumbai Offices

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

Tel : +91-22-2263 4696/97

E-mail : mum_admin@garwareropes.com

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

Tel : +91-22-2309 1164 / 68

E-mail : mum_accounts@garwareropes.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 : gwrlusa@garwareropes.com



Directors' Report

(For the Financial Year ended 31st March, 2015)

To The Members,

Your Directors have pleasure in presenting the Thirty-Eighth Annual Report along with Audited Financial Statements of the Company for the year ended 31st March, 2015.

■ FINANCIAL SUMMARY:

(₹ in lacs)

Particulars	Year ended 2014-2015	Year ended 2013-2014
Profit subject to Depreciation & Taxation	7,289.71	5,347.01
Less: Depreciation, net of transfer from Revaluation Reserve	1,238.55	1,439.33
Profit Before Tax	6,051.16	3,907.68
Less: Provision for Taxation		
Current Tax	1,517.00	1,017.80
Deferred Tax	222.00	210.65
Wealth Tax	9.51	8.50
Previous year excess / (short) tax provision	(2.84)	4.54
Profit After Tax	4,305.49	2,666.19
Add: Profit brought forward from the previous year	15,093.07	13,387.95
Amount available for Appropriation	19,398.56	16,054.14
APPROPRIATIONS		
Proposed Dividend	656.46	593.25
Tax on Proposed Dividend	131.28	100.82
General Reserve	430.55	267.00
Balance in the Statement of Profit & Loss	18,180.27	15,093.07
	19,398.56	16,054.14

■ 2014-2015 THE YEAR UNDER REVIEW:

Your Company earned revenue of ₹ 786.60 crores for the year ended 31st March, 2015, as against ₹ 688.79 crores of previous year. Domestic Sales amounted to ₹ 401.06 crores, and the Export Sales amounted to ₹ 385.54 crores for the year ended 31st March, 2015.

The Indian economy started FY 2014-15, on a positive note with significant improvement in market and business sentiment, following the 'General Elections in May 2014'. Softening of international crude and commodity rates has eased the mounting cost pressures on the industry to some extent as well as curtailed inflationary pressures on the Government. Given the increased government focus and policy initiatives to boost the infrastructure and agri segments, the growth rate is expected to pick up, moving forward. However, the micro economic environment continued to be challenging to the country during the year.

During the year, your Company has successfully navigated from depressed period with remarkable growth.

Your Company earned the Net Profit After Tax of ₹ 43.05 crores, in the year under review, which is a significant improvement of 61.50%, compared to previous year.

Your Company has improved its performance through innovative products and exploration of new product segments. Innovation is deeply rooted at the heart of our consumer-aligned business focus. Your Company is continuously working on pioneering initiatives to offer premium, international quality products to customers around the world. Innovative solutions launched in aquaculture industry are well accepted by your Company's customers.

■ OPERATIONS:

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

■ RESERVE:

Your Company proposes to carry ₹ 430.55 lacs (Previous year ₹ 267.00 lacs) to General Reserve and retain ₹ 18,180.27 lacs in the Statement of Profit and Loss.

■ DIVIDEND:

Your Directors have recommended a Dividend of 30% (₹ 3/- per share) for the year 2014-2015 for your consideration. The proposed Dividend will absorb an amount of ₹ 787.74 lacs (including Dividend Tax).



The Dividend, if approved by the Shareholders of the Company, will be paid to the eligible members within the stipulated time.

■ CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business of your Company during the Financial Year 2014-15.

■ 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, 2015 and the date of this Directors' Report i.e. 26th May, 2015.

■ DIRECTORS:

Ms. Diya Garware Ibanez (DIN 00415841) ceased to be a Director with effect from 25th September, 2014. Your Directors place on record its sincere appreciation for the services rendered by her.

Having regard to the present composition of the Board of Directors of the Company, Mr. V. R. Garware (DIN 00092201), although a non-retiring director as per the provisions of Article 94 of the Articles of Association of the Company, is required to retire at this Annual General Meeting as per the provisions of Section 152 of the Companies Act, 2013. Being eligible, he offers himself for reappointment as a director not liable to retire by rotation at the ensuing Annual General Meeting.

Mr. Ashish Goel (DIN 00147449), was appointed as an Independent Director for a term of one year, with effect from 25th September, 2014 or till the date of next Annual General Meeting (i.e. 2nd September, 2015), whichever is earlier. Resolution proposing appointment of Mr. Ashish Goel, Independent Directors, for a further term of five consecutive years, forms part of the Notice of the Annual General Meeting. As per the provisions of the Companies Act, 2013, Independent Director will not be liable to retire by rotation. The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the Office of Director.

Mr. M. V. Subbarao (DIN 02099059), was appointed as an Additional Director by the Board of Directors at its meeting held on 26th May, 2015 and who holds office upto the date of this Annual General Meeting (i.e. 2nd September, 2015). The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the Office of Director. Resolution proposing appointment of Mr. M. V. Subbarao, as a Non-Executive and Non-Independent Director of the Company, whose period of office shall be liable to be determined by provisions for retirement of Directors by rotation, forms part of the Notice of 38th Annual General Meeting of the Company.

■ KEY MANAGERIAL PERSONNEL:

Mr. S. H. Bamne, is discharging the functions and responsibilities of a whole-time key managerial personnel as Chief Financial Officer of the Company.

Mr. Ashish Boradkar, resigned as Company Secretary and Compliance Officer of the Company, with effect from 2nd May, 2014.

Mr. Ravindra Yadav was appointed as Company Secretary and Compliance Officer of the Company, with effect from 7th August, 2014. He resigned with effect from 15th October, 2014.

Mr. Sunil Agarwal has been appointed as Company Secretary and Compliance Officer of the Company, with effect from 14th April, 2015.

■ 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 along 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, 2015, the applicable Accounting Standards have been followed;
- 2) For the Financial Year ended 31st March, 2015, 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, 2015;
- 3) That 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) That proper Internal Financial Controls were followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- 6) That proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

■ BOARD EVALUATION:

The Nomination & Remuneration Committee of the Board had laid down -

- a. Criteria for determining qualifications, positive attributes and independence of director at the time of consideration for appointment;
- b. Criteria to identify persons, who are qualified to become Director;
- c. Criteria for evaluation of performance of directors including Independent Directors and the Board as a whole; and
- d. Criteria to identify persons, who may be appointed in Senior Management.

The Nomination & Remuneration Committee of the Board has recommended to the Board a Policy relating to the Remuneration for the Directors, Key Managerial Personnel and Senior Management. The said Policy has been approved and adopted by the Board of Directors of the Company.

Based on the criteria of evaluation formulated by the Nomination & Remuneration Committee of the Board, the Board of Directors of the Company has carried out Annual Evaluation of its own performance, the Directors individually and also the working of its Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Stakeholder Relationship Committee.

A separate meeting of Independent Directors was held on 6th February, 2015, 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 necessary for the Board to effectively and reasonably perform their duties.

■ **DECLARATION BY INDEPENDENT DIRECTORS:**

Declarations under sub-section (7) of Section 149 of the Companies Act, 2013, received from all Independent Directors, meeting the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013, have been taken on record by the Board of Directors of the Company.

■ **NUMBER OF MEETINGS OF THE BOARD:**

There were five (5) meetings of the Board of Directors held during the year, 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 & Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee of the Board are given in the annexed "Corporate Governance Report".

■ **STATUTORY AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014, M/s Patki & Soman, Chartered Accountants (F. R. No. 107830W), the Statutory Auditors of the Company, were appointed for a period commencing from the conclusion of the 37th Annual General Meeting till the conclusion of the 40th Annual General Meeting subject to the ratification of their appointment at every Annual General Meeting of the Company.

The members are requested to ratify the appointment of M/s Patki & Soman, Chartered Accountants (F. R. No. 107830W), as Statutory Auditors of the Company till the conclusion of the 39th Annual General Meeting of the Company.

■ **STATUTORY AUDITORS' REPORT:**

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

■ **COST AUDIT AND COST COMPLIANCE:**

In accordance with the Companies (Cost Records and Audit) Rules, 2014, the Cost Audit for the Financial Year 2014-15 was not applicable to the Company.

Ministry of Corporate Affairs, Government of India on 31st December, 2014, has notified the Companies (Cost Records and Audit) Amendment Rules, 2014 and has redefined the scope of Cost Audit, which require Cost Audit in respect of certain products of your Company.

M/s Joshi Apte & Associates, Cost Accountant, were appointed as Cost Auditors for conducting an audit of Cost Accounting Records maintained by the Company, for the Financial Year 2015-16.

■ **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 Auditor, for the year ending 31st March, 2015.

The Secretarial Auditor has submitted its Report in Form No. MR-3 for the Financial Year ended 31st March, 2015 and the same is set out in **Annexure I**, forming part of this Report. The same does not contain any qualifications, reservations or adverse remarks or disclaimers.

■ **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

The Company, has not given any Loans and not provided any Guarantees during the Financial Year 2014-15, attracting the provisions of Section 186 of the Companies Act, 2013 read along with the Companies (Meetings of Board and its Powers) Rules, 2014.

The details of Investments are provided under Note 14 of the Notes to Financial Statements for the year ended 31st March, 2015.

■ **RELATED PARTY TRANSACTIONS:**

All the transactions with Related Parties entered during the Financial Year 2014-15 by the Company, were in its ordinary course of business and on arm's length basis.

There were no Material Related Party Transaction(s) made with the Company's Promoters, Directors, Key Managerial Personnel or their relatives as specified under Clause 49 of the Listing Agreement.

All Related Party Transactions are placed before the Audit Committee for their prior approval. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website: <http://www.garwareropes.com/party-transactions-policy.html>.

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

■ **INTERNAL FINANCIAL CONTROL:**

Internal Financial Controls laid down by your Company with reference to the Financial Statements are adequate and operating effectively.

■ **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 Assessment and Minimization Policy 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 initiatives taken within framework of Risk Assessment and Minimization Policy Statement and accordingly, take necessary corrective actions, if required, for managing / mitigating the same.

■ CORPORATE SOCIAL RESPONSIBILITY (CSR):

The concept of Corporate Social Responsibility (CSR) was recognised and practiced by the Founder / Promoter of the Company, Late Shri Abbasaheb Garware and this was followed all through after him by ex-chairman Late Shri R. B. Garware. Your Company has been directly and also indirectly, carrying out various socially beneficial activities aiming to be a part of the process of progress and development of Society as a whole. Pursuant to the provisions of Section 135 of the Companies Act, 2013, read along with the Companies (Corporate Social Responsibility Policy), Rules, 2014, the Company has established Corporate Social Responsibility (CSR) Committee and an Annual Report on CSR Activities, forming part of the Directors' Report is given at 'Annexure 2'.

■ 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 read along with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, forms part of the Directors' Report. However, as per the provisions of Section 136 of the Companies Act, 2013, the Financial Statements along with reports thereon to be annexed or attached to the Financial Statements are being sent to all the Shareholders of the Company excluding the above said information in respect of employees. Any Shareholder interested in obtaining a copy may write to the Company Secretary at the Registered Office of the Company.

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

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

In accordance with the provisions of the Companies Act, 1956 and SEBI (Disclosure and Investment Protection) Guidelines, 2000, 9,98,000 convertible warrants were allotted to the GWRL Trust, which were later on converted into Equity Shares and the Company gave advance required to acquire the said Warrants/Equity Shares.

The GWRL Trust presently holds 9,46,500 Equity Shares of ₹ 10/- each of the Company.

The GWRL Trust did not have any dealings in the secondary market during the last Financial Year.

■ 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 along 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 3' forming part of this report.

■ EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Sections 134(3)(a) and 92(3) of the Companies Act, 2013 read along with Rule 12 of the Companies (Management & Administration) Rules, 2014, an extract of Annual Return as of 31st March, 2015, in Form No. MGT-9, is set out in 'Annexure 4' forming part of this report.

■ THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

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.

There was no complaint reported during the Financial Year under the said Act.

■ SUBSIDIARY:

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

■ CONSOLIDATED FINANCIAL STATEMENTS:

Pursuant to the provisions of Section 129 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the Company has prepared a Consolidated Financial Statement of the Company and also of its Subsidiary i.e. Garware Environmental Services Private Limited, 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 containing the Standalone Audited Financial Statement of the Company and Consolidated Audited Financial Statement of the Company and separate Audited Financial Statement of the Company in respect of its subsidiary is also placed on the Company's website: www.garwareropes.com.

The Annual Accounts of the Subsidiary Company and the related detailed information will be made available to any member of the Company / its Subsidiaries who may be interested in obtaining the same. The Annual Accounts of the Subsidiary Company will also be kept for inspection by any member at the Company's Registered Office and that of the Subsidiary Company.

■ CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Management Discussion and Analysis, Corporate Governance as well as the Auditor's

Certificate regarding compliance of conditions of Corporate Governance is set out in Annexure forming part of this report. The Report on Corporate Governance also contains certain disclosures required under the Companies Act, 2013.

■ **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 Shareholders 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,
26th May, 2015

V. R. GARWARE
Chairman & Managing Director
DIN 00092201

ANNEXURE I TO DIRECTORS' REPORT 2014-15

Secretarial Audit Report - Form No. MR-3

(For the Financial Year ended 31st March, 2015)

[Pursuant to the provisions of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Garware-Wall Ropes Limited,
Plot No. 11, Block D-I, MIDC, 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-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, 2015 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, 2015 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the Rules made thereunder (in so far as they are made applicable);
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (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 of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (not applicable to the Company during the Audit Period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (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, 2009 (not applicable to the Company during the Audit Period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (not applicable as on today).
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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:

1. Has passed a Special Resolution for Creation of Charge on an Undertaking of the Company under Section 180(1)(a) of the Companies Act, 2013.
2. Has passed a Special Resolution to adopt the new set of Articles of Association under Section 14 of the Companies Act, 2013, through Postal Ballot.
3. Has completed the Buy Back of 18,26,290 equity shares of face value of ₹ 10/- each from open market through Stock Exchange(s) on 9th April, 2014.

For **SVD & Associates**
Company Secretaries

S. V. Deulkar
Partner

FCS No: 1321

C P No: 965

Pune
26th May, 2015

ANNEXURE 2 TO DIRECTORS' REPORT 2014-15

The Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2014-15

[Pursuant to the provisions of Section 135 and Schedule VII of the Companies Act, 2013 read along with the Companies (Corporate Social Responsibility Policy), Rule, 2014, for the Financial Year ended 31st March, 2015].

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: <http://www.garwareropes.com/csr-policy.html>

The Board shared its vision to actively help / assist the weaker sections of the Society, mainly in and around the geographical areas where Company's plants / offices / customers are located, for Promoting Education / Skill Development, Promoting Research and Development in Agriculture, Horticulture / Aquaculture / Fisheries, Promoting

Health Care, Medical Help / Assistance to the needy, Empowering Women, Setting up Homes and Hostels for Women and Orphans, Undertake Environmental Friendly Measures like Tree Plantation, Rural and Agricultural extension / development projects.

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 Director
2	Mr. S. P. Kulkarni	Member	Independent - Non-Executive Director
3	Mr. V. R. Garware	Member	Executive Director
4	Mrs. M. V. Garware	Member	Non-Executive Director

iii. Average net profit of the Company for last three Financial Years: ₹ 29.51 crores.

iv. Prescribed CSR Expenditure: ₹ 59.02 lacs.

v. Details of CSR spent during the Financial Year:

a. Total amount to be spent for the Financial Year 2014-15: ₹ 59.02 lacs.

b. Amount unspent, if any: ₹ 29.82 lacs.

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 lacs)	Amount spent on the Projects or Programs sub-heads: (1) Direct expenditure on Projects or Programs (2) Overheads: (₹ in lacs)	Cumulative expenditure upto to the reporting period. (₹ in lacs)	Amount spent: Direct or through implementing agency
1.	Support to 3 nos. of Happy Schools	Education	Alibag, Dist. Raigad, Maharashtra,	20.00	20.00	20.00	The amount was spent through Rotary Club of Pune Westside Charitable Trust, Pune
2.	Support to 2 nos. of Happy Schools	Education	Wai, Dist. Satara, Maharashtra				
3.	Support to 1 no. of Happy School	Education	Mumbai, Maharashtra				
4.	Support to 1 no. of Happy School	Education	Dist. Valsad, Gujarat				
5.	Support to 1 no. of Happy School	Education	Dist. Ratnagiri, Maharashtra				
6.	Dialysis machine at Geetanjali Hospital	Health Care	Wai, Dist. Satara, Maharashtra	3.20	3.20	3.20	
7.	6 nos. of CCU Beds and Monitors in CCU Ward of Geetanjali Hospital	Health Care	Wai, Dist. Satara, Maharashtra	6.00	6.00	6.00	
			Total	29.20	29.20	29.20	



- vi. The Board of Directors at its meeting held on 10th November, 2014, had taken on record and approved the CSR Policy as recommended by the CSR Committee. After adoption of the CSR Policy, due to the constrain in time to identify suitable projects and programs that would meet requirements of CSR Policy, the Company could spent only ₹ 29.20 lacs (0.99%), during the year.

However, your Company is committed to increase its CSR impact with an objective to improve the 'Quality of Life' of the communities in identified areas on a sustainable basis in overall social set up of the country.

vii. Responsibility Statement of the CSR Committee:

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

V.R. Garware

Chairman and Managing Director
DIN: 00092201

R. M. Telang

Chairman, CSR Committee
DIN: 00092103

ANNEXURE 3 TO DIRECTORS' REPORT 2014-15

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 along 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 various energy efficient devices, such as variable frequency drive(VFD), Harmonic Filter for Transformer A. C. Drives, Automatic Voltage Regulator for Transformer, Motion Detector for Tube Lights, Occupancy Sensors for Lightings and Air Conditioners and Pull Cord Switches for Lightings,
 - b) Replacement of existing high power Fluorescent Tube Lights by low power LED Tube Lights, Old Motors, Existing high power Mercury Vapour fitting by low power LED Lamp Fitting and Ring Twister by Winding Machines, old Motor of Ratera & J. B. Hide Braider machine by new motor, and
 - c) Temperature optimisation of chilling plant and optimisation of water pump.

- ii) Steps taken by the Company for utilizing alternative source of energy:

The Company is consuming wind power energy as an alternate source of power in its operations.

- iii) Capital Investment on energy conversation equipments:

	(₹)
HPL Make Led High Bay Fitting	3,45,000
Led Lamp (HPL Make)	3,22,000
Mitsubishi VFD	15,93,739
Harmonic Filtration System	16,05,000

B. TECHNOLOGY ABSORPTION:

Efforts made in technology absorption:

Research & Development:

1. Specific areas in which R & D activities are carried out by the Company:

Your Company has well-equipped R & D facilities at Wai and Chinchwad, both recognised by The Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India. The main thrust of R & D has been the development of new products, ropes, nettings and coated fabric with different / new applications.

2. Benefits derived/to be derived as a result of the R & D activities:

New products help the Company to tap new markets / customers. It also helps the Company to provide solutions meeting customers' requirements and delivering greater value addition to them.

3. Future Plan of Action:

Your Company has invested resources in developing sophisticated next generation products which will allow significant fuel savings in fishing applications.

4. Expenditure on R & D:	(₹ in lacs)
a) Capital	443.12
b) Revenue / Recurring	381.23
c) Total	<u>824.35</u>
d) Total of R & D as a percentage of Revenue from Operations	1.05%

Technology Absorption, Adaptation and Innovation:

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

Your Company is the country's largest manufacturer and exporter of Synthetic Cordage and Netting. Your Company has earned net foreign exchange of ₹ 25,726.84 lacs during the year. Your Company is a Government recognised 'Export House' and has received Export Awards for its excellent performance.

2. Total Foreign Exchange earned and used:	(₹ in lacs)
A. Total Foreign Exchange earned:	38,554.62
Total value of exports	<u>38,554.62</u>
B. Total Foreign Exchange used:	
a) Import of raw materials stores & spares, traded goods and capital goods	11,734.07
b) Expenditure in foreign currencies for business travel, subscription, professional fees, commission on export sales and overseas branch expenses, etc.	1,093.71
	<u>12,827.78</u>

On behalf of the Board of Directors

Pune,
26th May, 2015

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

ANNEXURE 4 TO DIRECTORS' REPORT 2014-15
Extract of Annual Return as on the Financial Year ended on 31st March, 2015 - Form No. MGT - 9

[Pursuant to the provisions of Sections 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-Wall Ropes Limited
iv.	Category/Sub-Category of the Company	Public Company
v.	Address of the Registered office and contact details	Plot No. 11, Block D-I, MIDC, Chinchwad, Pune - 411 019. Tel. No.: (020) 3078 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	52.60%
2	Twines, Ropes & Yarns	1394 / 2030	36.40%

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-I, MIDC, Chinchwad, Pune - 411 019.	U74900PN2007PTC13 0686	Subsidiary	99.99%	2(87) of the Companies Act, 2013
2	Garware Meditech Private Limited Plot No. 11, Block D-I, MIDC, Chinchwad, Pune - 411 019.	U18109PN2011PTC14 1536	Associate	50.00%	2(6) of the Companies Act, 2013

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	3630817	0	3630817	15.94	3631711	0	3631711	16.60	0.66
(b)	Central Government / State Government(s)	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	7411194	0	7411194	32.54	7437220	0	7437220	33.99	1.45
(d)	Financial Institutions / Banks	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)(1)	11042011	0	11042011	48.49	11068931	0	11068931	50.59	2.11
(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)	11042011	0	11042011	48.49	11068931	0	11068931	50.59	2.11
(B)	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds / UTI	950	350	1300	0.01	950	350	1300	0.01	0.00
(b)	Financial Institutions / Banks	628	1286	1914	0.01	3949	1286	5235	0.02	0.01
(c)	Central Government	0	0	0	0	0	0	0	0	0
(d)	State Government(s)	0	0	0	0	0	0	0	0	0
(e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f)	Insurance Companies	1215580	150	1215730	5.34	713248	150	713398	3.26	(2.08)
(g)	Foreign Institutional Investors	934000	0	934000	4.10	945099	0	945099	4.32	0.22
(h)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(i)	Any Other (specify)	0	0	0	0	0	0	0	0	0
	Sub-Total (B)(1)	2151158	1786	2152944	9.45	1663246	1786	1665032	7.61	(1.85)
(2)	Non-Institutions									
(a)	Bodies Corporate	1528341	5247	1533588	6.73	977152	5247	982399	4.49	(2.24)
(b)	Individuals									
i.	Individual shareholders holding nominal share capital upto ₹ 1 lacs	3495724	741140	4236864	18.60	4182504	718142	4900646	22.39	3.79
ii.	Individual shareholders holding nominal share capital in excess of ₹ 1 lacs	1871447	22270	1893717	8.32	2173717	0	2173717	9.93	1.61
(c)	Qualified foreign Investor	0	0	0	0	0	0	0	0	0
(d)	Any Other (specify)									
i.	NRI	163751	2878	166629	0.73	141957	2878	144835	0.66	(0.07)
ii.	GWRL Managerial Staff Welfare Trust	546500	400000	946500	4.16	546500	400000	946500	4.33	0.17
iii.	Shares bought back by the Company in the month of March, 2014 under the Buy-back scheme*	800693	0	800693	3.52	NA	NA	NA	NA	(3.52)
	Sub-Total (B)(2)	8406456	1171535	9577991	42.06	8021830	1126267	9148097	41.80	(0.26)
	Total Public Shareholding (B) = (B)(1)+(B)(2)	10557614	1173321	11730935	51.51	9685076	1128053	10813129	49.41	(2.10)
	TOTAL (A)+(B)	21599625	1173321	22772946	100.00	20754007	1128053	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)	21599625	1173321	22772946#	100.00	20754007	1128053	21882060#	100.00	0.00

* Total 8,00,693 shares were purchased by the Company, during the month of March, 2014, under the Buy back scheme. The said 8,00,693 equity shares were extinguished on 8th April, 2014. Further, 90,193 equity shares were purchased under Buy back scheme, during the period from 1st April, 2014 to 9th April, 2014. The same were extinguished by the Company, within the prescribed period.

Change due to Buy back scheme.

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	Ramesh Bhalchandra Garware***	3612053	15.86	0.00	3612053	16.51	0.00	0.65
2	Garware Capital Markets Ltd.	3453911	15.17	0.00	3473437	15.87	0.00	0.7
3	Gurukrupa Investments & Trading Co. Pvt. Ltd.	85370	0.37	0.00	85870	0.39	0.00	0.02
4	Manmit Investment & Trading Co. Pvt. Ltd.	288885	1.27	0.00	288885	1.32	0.00	0.05
5	Moonshine Investments & Trading Co. Pvt. Ltd.	453695	1.99	0.00	459695	2.10	0.00	0.11
6	Sanand Investments & Trading Co. Pvt. Ltd.	275032	1.21	0.00	275032	1.26	0.00	0.05
7	Starshine Investments & Trading Co. Pvt. Ltd.	201720	0.89	0.00	201720	0.92	0.00	0.03
8	Sukukar Holdings & Trading Co. Pvt. Ltd.	256600	1.13	0.00	256600	1.17	0.00	0.04
9	Garware Research Institute	2300	0.01	0.00	2300	0.01	0.00	0.00
10	Vimlabai Garware Research Institute	590070	2.59	0.00	590070	2.70	0.00	0.11
11	VRG Investments Limited (formerly, Garware Indus Consulting Ltd.)	881400	3.87	0.00	881400	4.03	0.00	0.16
12	VMIR Investment Limited (formerly, Garware Utzon Cordage Ltd.)	922211	4.05	0.00	922211	4.21	0.00	0.16
13	Vayu Ramesh Garware	17763	0.08	0.00	19658	0.09	0.00	0.01
	Total	11041010	48.49	0.00	11068931	50.58	0.00	2.09

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

(***) Mr. V. R. Garware informed that as per the Will of Late Mr. R. B. Garware, who died on 7th February, 2014, the shares standing in the name of Mr. R. B. Garware are bequeathed to him and same are yet to be transmitted in his name. Pending transmission of the said shares in the name of Mr. V. R. Garware, they continue to be registered in the name of Late Mr. R. B. Garware.

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	*Ramesh Bhalchandra Garware				
	At the beginning of the year	3612053	15.86	3612053	15.86
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for increase / decrease [Sale (-) / Purchase (+)].	No Change		3612053	16.51
	At the end of the year	3612053	16.51		
2	Garware Capital Markets Limited				
	At the beginning of the year	3453911	15.17	3453911	15.17
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for increase / decrease [Sale (-) / Purchase (+)]	(on 17.7.2014)	(+) 12151	3466062	15.84
		(on 18.7.2014)	(+) 7375	3473437	15.87
	At the end of the year	3473437	15.87		

3	Gurukrupa Investments & Trading Co. Pvt. Ltd.				
	At the beginning of the year	85370	0.37	85370	0.37
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for increase / decrease [Sale (-) / Purchase (+)]	(on 27.1.2015) (+) 500	0.00	85870	0.39
	At the end of the year	85870	0.39		
4	# Manmit Investment & Trading Co. Pvt. Ltd.				
	At the beginning of the year	288885	1.27	288885	1.27
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for increase / decrease [Sale (-) / Purchase (+)].	No Change		288885	1.32
	At the end of the year	288885	1.32		
5	# Moonshine Investments & Trading Co. Pvt. Ltd.				
	At the beginning of the year	453695	1.99	453695	1.99
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for increase / decrease [Sale (-) / Purchase (+)].	(on 27.1.2015) (+)6000	0.03	459695	2.10
	At the end of the year	85870	2.10		
6	# Sanand Investments & Trading Co Pvt Ltd				
	At the beginning of the year	275032	1.21	275032	1.21
	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		
7	# Starshine Investments & Trading Co Pvt Ltd				
	At the beginning of the year	201720	0.89	201720	0.89
	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		
8	# Sukumar Holdings & Trading Co Pvt Ltd				
	At the beginning of the year	256600	1.13	256600	1.13
	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		
9	# 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		

10	# Vimlabai Garware Research Institute						
	At the beginning of the year		590070		2.59	590070	2.59
	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		
11	VRG Investments Limited (formerly Garware Indus Consulting Ltd)						
	At the beginning of the year		881400		3.87	881400	3.87
	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		
12	VMIR Investment Limited (formerly Garware Utzon Cordage Ltd)						
	At the beginning of the year		922211		4.05	922211	4.05
	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		
13	Vayu Ramesh Garware						
	At the beginning of the year		17763		0.08	17763	0.08
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for increase / decrease [Sale (-) / Purchase (+)].		(on 2.5.2014)	(+)1895	0.01	19658	0.09
	At the end of the year		19658		0.09		
# The shareholding has not changed in absolute terms. The variation in terms of percentage is due to reduction of share capital of the Company on account of buy back scheme. The share capital of the Company as on 31st March, 2014 was 2,27,72,946 equity shares and as on 31st March, 2015 is 2,18,82,060 equity shares.							
* Mr. V. R. Garware informed that as per the Will of Late Mr. R. B. Garware, who died on 7th February, 2014, the shares standing in the name of Mr. R. B. Garware are bequeathed to him and same are yet to be transmitted in his name. Pending transmission of the said shares in the name of Mr. V. R. Garware, they continue to be registered in the name of Late Mr. R. B. Garware.							

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

Sr. No.		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	# Vinodchandra Mansukhlal Parekh				
	At the beginning of the year	404548	1.78	404548	1.78
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / Decrease [Sale (-) / Purchase (+)].	No Change		404548	1.85
	At the end of the year (or on the date of separation, if separated during the year)	404548	1.85		
2	# Garware Polyester Limited				
	At the beginning of the year	400300	1.76	400300	1.76
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / Decrease [Sale (-) / Purchase (+)].	No Change		400300	1.83
	At the end of the year (or on the date of separation, if separated during the year)	400300	1.83		

3	# GWRL Managerial Staff Welfare Trust					
	At the beginning of the year		946500	4.16	946500	4.16
	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		
4	Life Insurance Corporation of India					
	At the beginning of the year		684588	3.01	684588	3.01
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / Decrease [Sale (-) / Purchase (+)].	between 4.4.2014 to 11.4.2014	(-) 19446	0.09	665142	3.04
		between 11.4.2014 to 18.4.2014	(-) 9027	0.04	656115	3.00
		between 18.4.2014 to 25.4.2014	(-) 34210	0.16	621905	2.84
		between 25.7.2014 to 1.8.2014	(-) 20215	0.09	601690	2.75
		between 1.8.2014 to 8.8.2014	(-) 39924	0.18	561766	2.57
		between 8.8.2014 to 15.8.2014	(-) 20767	0.09	540999	2.47
		between 15.8.2014 to 22.8.2014	(-) 39737	0.18	501262	2.29
		between 17.10.2014 to 24.10.2014	(-) 1058	0.00	500204	2.29
		between 24.10.2014 to 31.10.2014	(-) 60651	0.28	439553	2.01
		between 31.10.2014 to 7.11.2014	(-) 29922	0.14	409631	1.87
		between 7.11.2014 to 14.11.2014	(-) 83580	0.38	326051	1.49
		between 14.11.2014 to 21.11.2014	(-) 17922	0.08	308129	1.41
	At the end of the year (or on the date of separation, if separated during the year)		308129	1.41		
5	General Insurance Corporation Of India					
	At the beginning of the year		508103	2.23	508103	2.23
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / Decrease [Sale (-) / Purchase (+)].	(between 23.5.2014 to 30.5.2014)	(-) 2623	0.01	505480	2.31
		(between 30.5.2014 to 6.6. 2014)	(-) 76533	0.35	428947	1.96
		(between 6.6.2014 to 13.6.2014)	(-) 20844	0.10	408103	1.86
		(between 9.1.2015 to 16.1.2015)	(-) 2834	0.01	405269	1.85
	At the end of the year (or on the date of separation, if separated during the year)		405269	1.85		
6	# Acacia Partners, Lp					
	At the beginning of the year		299000	1.31	299000	1.31
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / Decrease [Sale (-) / Purchase (+)].		No Change		299000	1.37
	At the end of the year (or on the date of separation, if separated during the year)		299000	1.37		

7	# Acacia Institutional Partners, Lp				
	At the beginning of the year	275000	1.21	275000	1.21
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / Decrease [Sale (-) / Purchase (+)].	No Change		275000	1.26
	At the end of the year (or on the date of separation, if separated during the year)	275000	1.26		
8	# ACACIA BANYAN PARTNERS				
	At the beginning of the year	123000	0.54	123000	0.54
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / Decrease [Sale (-) / Purchase (+)].	No Change		123000	0.56
	At the end of the year (or on the date of separation, if separated during the year)	123000	0.56		
9	#PRANAV KUMARPAL PAREKH				
	At the beginning of the year	118734	0.52	118734	0.52
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / Decrease [Sale (-) / Purchase (+)].	No Change		118734	0.54
	At the end of the year (or on the date of separation, if separated during the year)	118734	0.54		
10	#ACACIA CONSERVATION FUND LP				
	At the beginning of the year	165000	0.72	165000	0.72
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / Decrease [Sale (-) / Purchase (+)].	No Change		165000	0.75
	At the end of the year (or on the date of separation, if separated during the year)	165000	0.75		
# The shareholding has not changed in absolute terms. The variation in terms of percentage is due to reduction of share capital of the Company on account of buy back scheme. The share capital of the Company as on 31st March, 2014 was 22772946 equity shares and as on 31st March, 2015 is 21882060 equity shares.					

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.		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
	For Each of the Directors and KMP				
	Directors				
1	Vayu Ramesh Garware				
	At the beginning of the year	17763	0.08	17763	0.08
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease [Sale (-) / Purchase (+)].	(on 2.5.2014)	(+)1895	19658	0.09
	At the end of the year	19658	0.09		

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 (+)].	No Change		0	0.00
	At the end of the year	0	0.00		
3	Ramesh Manj Nath 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 Dhurvendra 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 (+)].	No Change		0	0.00
	At the end of the year	0	0.00		
	Key Managerial Personnel				
1	Sanjay Harishchandra Bamne				
	At the beginning of the year	1	0.00	1	0.00
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for increase / decrease [Sale (-) / Purchase (+)].	No Change		1	0.00
	At the end of the year	1	0.00		

vi) Indebtedness
Indebtedness of the Company including interest outstanding / accrued but not due for payment.

(₹ in lacs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	5810.60	1322.47	-	7133.07
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	5810.60	1322.47	-	7133.07
Change in Indebtedness during Financial year				
Addition	-	1135.28	-	1135.28
Reduction	3279.55	1135.28	-	4414.83
Net Change	(3279.55)	-	-	(3279.55)
Indebtedness at the end of the financial year				
i) Principal Amount	2531.05	1322.47	-	3853.52
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	118.94	-	118.94
Total (i+ii+iii)	2531.05	1441.41	-	3972.46

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

(₹ in lacs)

Sr.No.	Particulars of Remuneration	Name of MD/WTM/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	120.02
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	45.37
	(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 - others, specify	130.00
5.	Others, please specify	-
	Total (A)	295.39
	Ceiling as per the Act	5% of the Net Profit payable to Chairman & Managing Director (₹ 317.91 lacs)

B. Remuneration to other directors:

(₹ in lacs)

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	2.20	2.20	2.20	4.60
	● Commission				
	● Others, Please specify				
	Total (1)				4.60
2.	Other Non-Executive Directors	M. V. Garware	Diya Garware Ibanez		
	● Fee for attending Board / Committee Meetings	0.60	0.20		0.80
	● Commission				
	● Others, Please specify				
	Total (2)				0.80
	Total (B)=(1 + 2)				5.40
	Total Managerial Remuneration				295.39
	Overall Ceiling as per the Act	N.A. (only Sitting Fees is paid)			

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

Sr.No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary*	CFO	Total
1	Gross salary:	4.66	42.64	47.30
	(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, specif	-	-	-
5.	Others, please specify	-	-	-
	Total	4.66	42.64	47.30

*Appointed for part of the year and being calculated on actual paid for that part of year.

viii. 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			None		
Punishment					
Compounding					
B. Directors					
Penalty			None		
Punishment					
Compounding					
C. Other Officers in Default					
Penalty			None		
Punishment					
Compounding					

ANNEXURE TO DIRECTORS' REPORT 2014-15: CORPORATE GOVERNANCE REPORT

Your Company has already complied with the mandatory requirements on Corporate Governance of Clause 49 of the Listing Agreements. 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 practising 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 in Clause 49 of the Listing Agreement.

2) BOARD OF DIRECTORS

i. Composition: The Board of Directors of the Company as on 31st March, 2015 consisted of:

Sr. No.	Name of Director	DIN	Designation	Position
1	Mr. V. R. Garware	00092201	Chairman & Managing Director	Promoter - Executive
2	Mrs. M. V. Garware	06948274	Director	Promoter - Non-Executive
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

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

- Five meetings of the Board were held during the Financial Year – on 9th April, 2014, 29th May, 2014, 7th August, 2014, 10th November, 2014, and 6th February, 2015.

Name of the 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, 2015*			No. of Equity Shares held as on 31st March, 2015
				Other Boards	Other Board Committees**		
					Chairman	Member	
Mr. V. R. Garware	5	N.A.	Yes	4***	---	---	19,658
Mrs. M. V. Garware****	2	40,000	Yes	---	---	---	0
Mr. R. M. Telang	5	1,00,000	Yes	1	---	1	0
Mr. S. P. Kulkarni	5	1,00,000	Yes	---	---	---	0
Mr. Ashish Goel *****	1	20,000	Yes	---	---	1	0
Ms. Diya Garware Ibanez *****	1	20,000	No	N.A.	N.A.	N.A.	N.A.
Mr. P. N. Shah *****	---	---	No	N.A.	N.A.	N.A.	N.A.

* 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.

**** The Board of Director of the Company, appointed Mrs. M. V. Garware as a Director in Casual Vacancy with effect from 16th August, 2014.

***** The Board of Director of the Company, appointed Mr. A. D. Goel as an Additional Director with effect from 16th August, 2014.

***** Ceased to be Directors during the year.

3) INDEPENDENT DIRECTORS

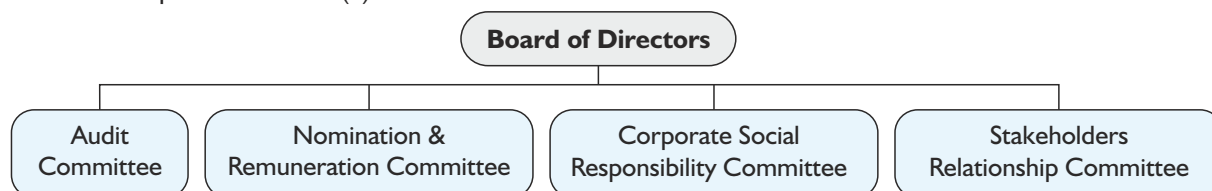
Your Company has appointed Independent Directors, who are having experience in their respective fields / professions and meet the criteria of independence, according to the provisions of Clause 49 of the Listing Agreement and Sections 2(47), 149(6) of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time. The Company has appointed Independent Directors and issued appointment letters to them. The terms and conditions of their appointment are displayed on the Company's website: <http://www.garwareropes.com>. On 6th February, 2015, a separate Meeting of the Independent Directors of the Company, was held, inter alia to:

- Review the performance of Non-Independent Directors and the Board as a whole,
- Review the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors, and
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Mr. R. M. Telang, Mr. S. P. Kulkarni and Mr. Ashish Goel were present at the meeting held on 6th February, 2015.

4) COMMITTEES OF BOARD OF DIRECTORS

The Board at present has four (4) Committees.



A) AUDIT COMMITTEE

i. Constitution:

Terms of Reference of the Audit Committee have been set out in accordance with the requirements of Clause 49 of the Listing Agreement, and Section 177 of the Companies Act, 2013, and the Rules made thereunder, as amended from time to time.

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

All the members of the Audit Committee possess requisite experience and skills to read and understand the Financial Statements.

iii. Meetings and Attendance:

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

- Five meetings of the Audit Committee were held during the Financial Year - on 9th April, 2014, 29th May, 2014, 6th August, 2014, 10th November, 2014, and 5th February, 2015.

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 all five meetings. The Company Secretary acted as Secretary to the Audit Committee in the meeting attended by him.

B) NOMINATION & REMUNERATION COMMITTEE / REMUNERATION-COMPENSATION OF DIRECTORS

i. Constitution:

On 29th May 2014, the Company has constituted "Nomination & Remuneration Committee". Terms of Reference of the Nomination & Remuneration Committee have been set out in accordance with the requirements of Clause 49 of the Listing Agreements, and Section 178 of the Companies Act, 2013, and Rules made thereunder, as amended from time to time.

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
4	Mrs. M. V. Garware	Member	Non-Executive Director

iii. Meetings and Attendance:

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

One meeting of the Nomination & Remuneration Committee was held during the Financial Year - on 10th November, 2014.

Name of the Member	No. of Meetings attended	Sitting Fees paid (₹)
Mr. S. P. Kulkarni	1	20,000
Mr. R. M. Telang	1	20,000
Mr. V. R. Garware	1	N.A.
Mrs. M. V. Garware	1	20,000

iv. 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 Meeting, Audit Committee Meeting and Nomination & Remuneration Committee Meeting. 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, Chairman & Managing Director is the Executive Director. Mr. V. R. Garware was reappointed as Chairman & Managing Director for a further period of five (5) years with effect from 1st December, 2011 and his appointment and terms thereof including remuneration was approved by the members of the Company, by voting through Postal Ballot. The Agreement relating to the terms of said appointment including remuneration, was entered into with Mr. V. R. Garware by the Company, on 3rd February, 2012.

The Board of Directors of the Company, at its meeting held on 30th May, 2013, has resolved to revise the remuneration of Mr. V. R. Garware, Chairman & Managing Director of the Company, effective from 1st April, 2013.

The Supplemental Agreement relating to revised terms / remuneration was entered into with Mr. V. R. Garware by the Company, on 3rd June, 2013.

Particulars of the remuneration are detailed below:

a. Salary: Basic Salary of ₹ 59,00,000/- per annum.

Perquisites in the form of reimbursement or allowance which include rent-free fully-furnished accommodation or HRA, medical expenses, LTA, health insurance policies coverage.

Provident Fund, Employees Pension Scheme and Superannuation as per Company's Rules. Gratuity as per the Scheme for Senior Executives.

Car with a driver for Company's business and telephone and other communication facilities, which are not to be considered as Perquisites.

b. Special Allowance: ₹ 54,53,000/- per annum.

c. Performance-linked Incentives: Not applicable.

d. Remuneration by way of commission, as shall be determined by the Board of Directors every year, such that total remuneration shall not exceed 5% of Net Profit as per the provisions of Section 197 read with Section 198 of the Companies Act, 2013.

e. Notice period: 90 days

f. Stock option details: Not applicable

C) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE ("CSR Committee")

i. Constitution:

In terms of the requirements under the provisions of Section 135 and Schedule VII of the Companies Act, 2013 read along with the Companies (Corporate Social Responsibility Policy), Rule, 2014, a CSR Committee was constituted by the Board of Directors of the Company at its meeting held on 29th May, 2014.

ii. Composition:

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	Mrs. M. V. Garware	Member	Non-Executive Director

iii. Meetings and Attendance:

Meeting of the CSR Committee was held on 10th November, 2014. All the members of CSR Committee were present.

D) STAKEHOLDERS RELATIONSHIP COMMITTEE

i. Constitution:

In terms of the requirements under the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors of the Company at its meeting held on 29th May, 2014, has re-constituted "Stakeholder Relationship Committee" in place of existing "Shareholders'/Investors' Grievances and Share Transfer Committee", under the Chairmanship of Non-Executive Director to monitor and review investors' grievances including complaints related to transfer of shares, non-receipt of Balance Sheet, non-receipt of declared Dividends, to approve share transfer / transmission / transposition of shares / consolidation of folios and to approve issue of duplicate / fresh share certificates on account of requests for duplicate / split / consolidation.

ii. *Composition:

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



- iii. *During the year, sixteen (16) meetings of the “Stakeholder Relationship Committee” were held (including three (3) meetings of “Shareholders/Investors’ Grievances and Share Transfer Committee”).
- iv. The Committee reviews the system of dealing with and responding to correspondence from the Shareholders. The complaint letters received from the Stock Exchanges, SEBI, Department of Company Affairs and quality of responses thereto also reviewed by this Committee.
- v. During the year one (1) complaint received was satisfactorily resolved. Other communications received were also replied / resolved satisfactorily.
- vi. There were no unresolved / unattended communications / complaints of Shareholders received upto 31st March, 2015.
- vii. There were no pending share transfers as of 31st March, 2015.
- viii. 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 15 days.

Note: * “Shareholders/Investors’ Grievances and Share Transfer Committee” comprising of Mr. R. M. Telang, Chairman and Mr. V. R. Garware, Member was re-constituted and designated as “Stakeholder Relationship Committee” on 29th May, 2014.

5) GENERAL BODY MEETINGS

- i. Details of location and time of holding the last three (3) Annual General Meetings:

Date	Time	Venue of the Meetings
Friday, 28th September, 2012	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, Maharashtra, India.
Tuesday, 3rd September, 2013	10.30 a.m.	
Thursday, 25th September, 2014	10.30 a.m.	

One Special Resolution was passed at the Annual General Meeting held on Thursday, 25th September, 2014, to create a charge on an “Undertaking” falling under the provisions of Section 180(1)(a) of the Companies Act, 2013 in addition to the existing charge already created on an “Undertaking”, in favour of one or more banks and / or financial institutions and / or trustees of debenture holders and / or any other lenders to secure borrowings by way of term loan, working capital loan, commercial paper, debentures or any other form of borrowings permitted under the Companies Act, 2013, for a sum not exceeding ₹ 500 crores.

- ii. Special Resolution Passed by Postal Ballot:

On 20th April, 2015, the Shareholders passed the Special Resolution on the following subject matter, by way of Postal Ballot.

Details of Special Resolution:

Adoption of new set of Articles of Association in place of existing Articles of Association of the Company.

Total No. of Shareholders: 12737

No. of Shareholders to whom Postal Ballots sent physically: 7464

No. of Shareholders to whom Postal Ballots sent through Email: 5273

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 20th April, 2015 (“the Report”).

In accordance with the Report, the Result of Postal Ballot, as detailed below, were declared by Mr. V. R. Garware, Chairman & Managing Director, on 20th April, 2015:

Particulars	Physical		Electronic		Total	
	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares
Postal Ballot Forms received	282	8324977	62	1324338	344	9649315
Invalid Postal Ballot Forms rejected	31*	14917	0	0	31	14917
Valid Postal Ballot Forms	252*	8310060	62	1324338	314	9634398
Votes cast in favour of the Resolution	252	8310060	61	1323337	313	9633397
Votes cast against the Resolution	0	0	1	1001	1	1001
% votes in favour of Resolution	100%	100%	98.39%	99.92%	99.68%	99.99%
% votes against the Resolution	0	0	1.61%	0.08%	0.32%	0.01%

* Includes one case comprising of 900 shares where shareholder has voted partly for the resolution (800 shares) and partly not voted for the resolution (100 shares).

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., by undertaking programmes under its Familiarisation Programme. As per the requirements of Clause 49(II)(B)(7)(b) of the Listing Agreement details of such Familiarisation Programmes has been displayed on the Company's website: <http://www.garwareropes.com/familiarisation-programme.html>.

7) POLICY ON RELATED PARTY TRANSACTIONS OF THE COMPANY

The Board of Directors of the Company has approved a Policy on Related Party Transaction and the same has been displayed on the Company's website: <http://www.garwareropes.com/party-transactions-policy.html>.

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

8) 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 (3) years.
- 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 would cover 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 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: <http://www.garwareropes.com/vigil-mechanism.html>.
- 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: <http://www.garwareropes.com/cod-directors.html> & <http://www.garwareropes.com/cod-managers.html>

Certificate on compliance is given separately.



- v. The Board of Directors of the Company has formulated a Code of Conduct for Prevention of Insider Trading and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.
- vi. CEO (Chairman and Managing Director), and CFO (Vice President - Corporate), 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 details of the Directors seeking re-appointment and / or election at forthcoming Annual General Meeting (AGM), as required under Clause 49(VIII)(E) of the Listing Agreement are annexed to the Notice of AGM and forms part of the Annual Report.

9) MEANS OF COMMUNICATION

- i. Apart from publication in leading newspapers, the Quarterly Financial Statements as well as Annual Financial Statements are displayed on the Company's website: <http://www.garwareropes.com/financial-reports.html>. Further, the Quarterly / Half Yearly Results and Quarterly Shareholding Patterns are displayed on the Company's website: <http://www.garwareropes.com/shareholding-pattern.html>.
- ii. A Management Discussion and Analysis Report is enclosed separately as part of this Annual Report.

10) GENERAL SHAREHOLDER INFORMATION

i. 38th Annual General Meeting

- Day, Date and Time
- Venue

Wednesday, 2nd September, 2015, 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.

ii. Financial Calendar

Financial reporting for

- Quarter ending 30th June, 2015
- Quarter ending 30th September, 2015
- Quarter ending 31st December, 2015
- Quarter ending 31st March, 2016

1st April to 31st March

by 15th August, 2015
by 15th November, 2015
by 15th February, 2016
by 30th May, 2016

iii. Book Closure Date

From Thursday, 27th August, 2015 to
Wednesday, 2nd September, 2015
(both days inclusive).

iv. Dividend Payment Date

Wednesday, 2nd September, 2015 onwards.

v. Listing of Equity Shares

The equity shares of the Company are listed on:

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001 Tel No.: (022) 2272 1233 / 4 Fax No.: (022) 2272 1919	National Stock Exchange of India Limited Exchange Plaza, C-I, Block G, Bandra Kurla Complex, Bandra (E), Mumbai 400 051 Tel No.: (022) 2659 8100 / 8114 Fax No.: (022) 2659 8120
---	---

The Listing Fee has been paid up to date, to BSE Limited and National Stock Exchange of India Ltd.

vi. Stock Code / Symbol

BSE Limited

Code No. 509557

National Stock Exchange of India Limited

Symbol: GARWALLROP

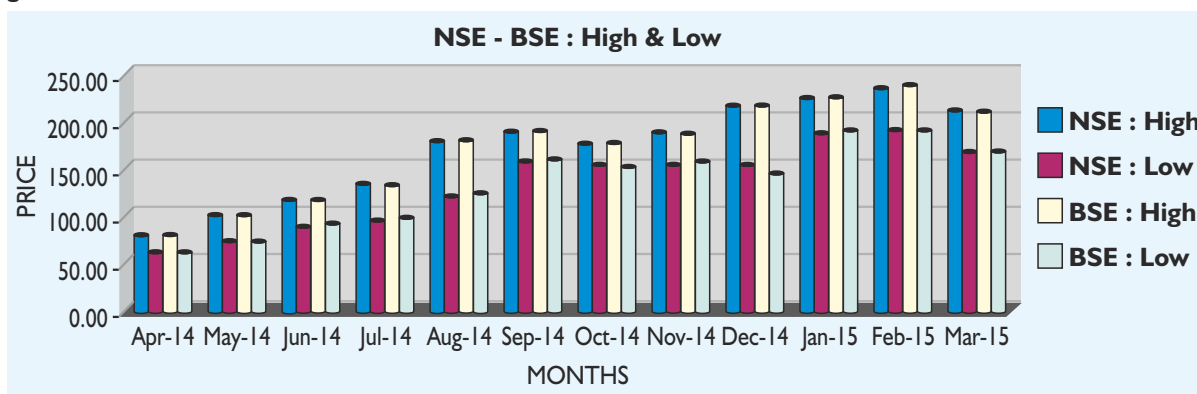
vii. Stock Market Data

The high and low prices recorded on the BSE Ltd. and National Stock Exchange of India Ltd. were as under:

Month	GWRL Share Price (₹)				BSE		NSE	
	At BSE		At NSE		S&P Sensex		CNX Nifty	
	High	Low	High	Low	High	Low	High	Low
Apr 2014	78.25	59.90	78.80	58.05	22,939.31	22,197.51	6,869.85	6,650.40
May 2014	98.75	72.50	100.35	73.10	25,375.63	22,277.04	7,563.50	6,638.55
Jun 2014	114.65	90.00	114.80	88.20	25,725.12	24,270.20	7,700.05	7,239.50
Jul 2014	133.80	96.50	133.70	94.20	26,300.17	24,892.00	7,840.95	7,422.15
Aug 2014	177.40	122.20	178.20	121.10	26,674.38	25,232.82	7,968.25	7,540.10
Sep 2014	187.70	158.70	187.25	157.25	27,354.99	26,220.49	8,180.20	7,841.80
Oct 2014	177.00	151.10	178.00	152.60	27,894.32	25,910.77	8,330.75	7,723.85
Nov 2014	185.30	154.50	185.95	153.50	28,822.37	27,739.56	8,617.00	8,290.25
Dec 2014	214.95	145.00	214.70	152.90	28,809.64	26,469.42	8,626.95	7,961.35
Jan 2015	225.00	190.00	224.80	185.25	28,958.10	26,776.12	8,996.60	8,065.45
Feb 2015	238.00	191.60	235.00	193.00	29,560.32	28,044.49	8,941.10	8,470.50
Mar 2015	209.80	165.00	210.90	166.30	30,024.74	27,248.45	9,119.20	8,269.15

(Source: BSE website: www.bseindia.com & NSE website: www.nseindia.com)

Your Company's share prices (High / Low) at BSE Limited and National Stock Exchange of India Limited is given in the below chart:



viii. Share Transfer Agent

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; 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 Shareholding as on 31st March, 2015.

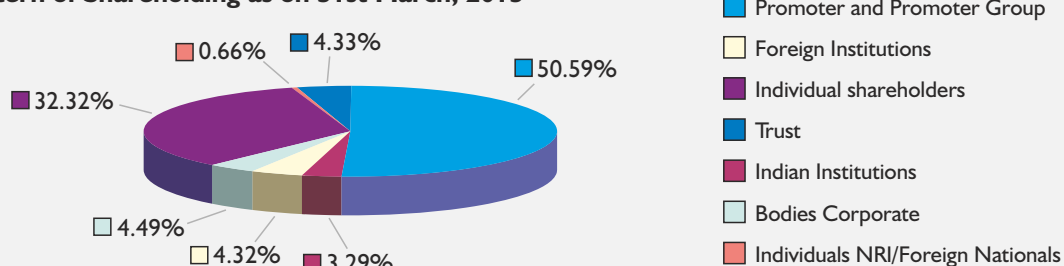
Sr. No.	Category			No. of Shareholders	% to total Shareholders	No. of Shares held	% to total Shares
	No. of Shares						
	From		To				
1	1	to	5,000	10246	80.10	1460526	6.67
2	5,001	to	10,000	1294	10.12	992444	4.54
3	10,001	to	20,000	689	5.39	998844	4.56
4	20,001	to	30,000	195	1.52	487476	2.23
5	30,001	to	40,000	86	0.67	311694	1.42
6	40,001	to	50,000	57	0.45	262960	1.20
7	50,001	to	1,00,000	104	0.81	774134	3.54
8	1,00,001	and	Above	120	0.94	16593982	75.83
Total				12791	100.00	21882060	100.00

(ii) Pattern of Shareholding as on 31st March, 2015.

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	13	1,10,68,931	1,10,68,931	50.59
(2)	Foreign Promoters	---	---	---	---
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	13	1,10,68,931	1,10,68,931	50.59
(B)	Public Shareholding				
(1)	Institutions				
(a)	Indian Institutions	15	7,19,933	7,18,147	3.29
(b)	Foreign Institutions	6	9,45,099	9,45,099	4.32
	Sub-Total (B)(1)	21	16,65,032	16,63,246	7.61
(2)	Non-Institutions				
(a)	Bodies Corporate	297	9,82,399	9,77,152	4.49
(b)	Individual Shareholders	12,273	70,74,363	63,56,221	32.32
(c)	Individuals NRI/Foreign Nationals	165	1,44,835	1,41,957	0.66
(d)	Trust	1	9,46,500	5,46,500	4.33
	Sub-Total (B)(2)	12,736	91,48,097	80,21,830	41.80
	Total Public Shareholding (B) = (B)(1)+(B)(2)	12,757	1,08,13,129	96,85,076	49.41
	TOTAL (A)+(B)	12,770	2,18,82,060	2,07,54,007	100.00

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

Pattern of Shareholding as on 31st March, 2015



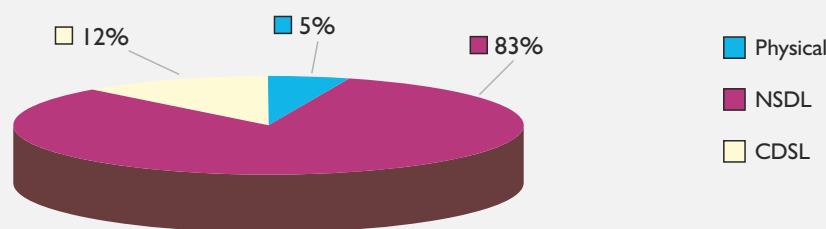
xi. Dematerialisation of Shares and Liquidity

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 dematerialisation form only, by all investors from 8th May, 2000. 94.85% shares have already been dematerialised.

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 dematerialised form.)

xiii. Plant Locations

Plot No. 11, Block D-I,
MIDC, Chinchwad,
Pune - 411 019, Maharashtra
Tel. No.: (020) 3078 0000

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

Plot No. 75, 80, 81 and 86
Danudyog Sahakari Sangh Ltd.,
Piparia, Amla - 396 230
Tel. No.: (0260) 2640 867

xiv. 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-Wall Ropes Limited
Plot No. 11, Block D-I, MIDC,
Chinchwad, Pune - 411 019, Maharashtra
Tel. No.: (020) 3078 0177
Email: secretarial@garwareropes.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, 2616 0084
Fax No.: (020) 2616 3503
Email: pune@linkintime.co.in

II. 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 2014-2015.

DECLARATION BY THE CHIEF EXECUTIVE OFFICER UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Clause 49 of the Listing Agreement, 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 2014-2015 on compliance with Code of Conduct of the Company as applicable to them respectively.

For **Garware-Wall Ropes Ltd.**

Pune,
30th April, 2015

V. R. Garware
Chairman and Managing Director
DIN 00092201

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of GARWARE-WALL ROPES LIMITED

We have examined the compliance of conditions of Corporate Governance by Garware-Wall Ropes Limited, for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we report that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no Investor Grievances are pending for a period exceeding one month against the Company as per the records maintained by the Stakeholders Relationship Committee.

We further state that such Compliance Certificate is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Patki & Soman**
Chartered Accountants

Pune,
26th May, 2015

S. M. Patki
Partner
M. No. 037315
F. R. No. 107830W

Management Discussion and Analysis

Overview of Company

Your Company, Garware-Wall Ropes Ltd. (GWRL), is one of India's leading players in Technical Textiles with customers and end-users across the world. Deploying its expertise in engineering of Polymers and its in-depth knowledge of customer needs, your Company provides application-focused solutions for various sectors including Deep Sea Fishing, Aquaculture, Shipping, Agriculture, Sports, Infrastructure, Defence and Transportation. Your Company has three integrated manufacturing facilities in Pune, Wai and Silvassa, where a range of products are produced, including Ropes, Nets and Aquaculture Cages for capturing and breeding fish; Nets for Sports such as Tennis and Soccer; Insect and Shade Nets for high-value Agriculture; Coated Fabrics for Covers, Tarps, Tents, etc.; and products and solutions for water management, waste management, and erosion-control applications.

Driven by the mission to provide innovative, application-focused solutions to enhance value of customers globally, your Company has earned the trust of customers across all continents, in over 75 countries. End-users of your Company's products include Fishermen, Shipping Companies, Oil Drillers, Agriculturists, Packers, Transporters, Construction companies, Municipalities, Government Organizations, Clubs, Universities and Manufacturing Plants.

Your Company's sales are spread across several verticals and geographies, providing stability and hedge against fluctuations in particular business segments, and thereby ensuring a steady stream of revenue and profitability. Users of your Company's products are serviced through branches, depots, dealers and distributors located across the globe.

Marketing offices in USA, UK, Russia and Canada improve customer responsiveness in respective time zones and ensure better understanding of local needs.

Apart from being a leading player in the domestic market, your Company has a dominant share of markets in North America, and parts of Europe and Australia, for several products.

Your Company has a long history of paying dividend and is committed to enhancing stakeholder value through profitable growth in sales and earnings. With growing acceptance of your Company's new products in the overseas aquaculture industry and in the domestic agriculture market, your Company is on a growth trajectory.

Business Environment in Financial Year 2014-15

Compared to FY 2013-14, the Global Economy witnessed dynamic growth. In FY 2014-15, especially in Europe and USA. As a result, there was growth in demand for your Company's products from Europe, Canada and USA, which are the key markets for your Company outside India. Improvement in the dollar-rupee rate was favourable for the Indian economy and resulted in a significant increase in your Company's export revenues, notably due to better performance in the Aquaculture, Fisheries and Sports-goods Sectors.

Your Company recorded good growth in the domestic market also, mainly in the Fisheries and Agriculture businesses.

Despite the persistent slowdown in the domestic infrastructure sector, your Company increased its



Geo-Textile Business. Moreover, demand was good in some specific areas like erosion control and landfill lining.

Your Company improved its performance through innovative products and exploration of new business segments. Concerted efforts were made for addition of new customers across the globe to compensate for contraction in traditional markets. New business lines were further developed and this helped boost the Company's revenues. Innovative solutions launched in the Aquaculture Industry were particularly successful.

Opportunities and Threats

The near-term outlook for the Domestic and Global Economies appears good. Hence, your Company sees growing opportunities in both Domestic and Global Markets. With a relentless focus on providing reliable and innovative solutions, your Company sees the development of new markets and business segments as a key driver for revenue generation.

In the same vein, your Company's focus on the new business areas of Agriculture, Coated Fabrics and Defence is showing positive outcomes and potential.

In the Domestic Market, the economy is likely to grow once structural deficiencies, complex Labour laws and inefficient Policy Regulations in the manufacturing sector get addressed. With its "Make in India" initiative the Central government has sent positive signals to attract investment and encourage innovation by creating a world-class manufacturing infrastructure in India.

Your Company is maximizing existing and emerging opportunities with strong commitment and focus on quality. The quality culture permeates each level of manufacturing and all operations.

Company's Performance in FY 2014-15

Your Company registered total revenue of ₹ 786.60 Crores for the year ended 31st March, 2015, an increase of 14% over the previous year's Revenue. Export Revenue accounted for 49% of the total Revenue. Compared to the previous year, Export Revenue rose by 13%. Profit after tax in the year under review was ₹ 43.05 Crores, registering an increase of 61.5% over the previous year.

Profitability was affected by steep increases in the cost of raw materials, interest, power, labour and transportation. Slowdown in the Domestic Fishery Sector, which is your Company's core business area, puts pressure on margins. Despite these challenges, your Company recorded increase in profitability. Cost increases were passed on in most customer segments. Several initiatives were undertaken to improve productivity per machine and person.

Key Financial Indicators

The Operating Profit Ratio of the Company is 7.19%.

The Current Ratio of the Company is 1.39.

The Company has a total Debt-Equity Ratio of 0.13:1.

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, or mitigated, by delivering higher value to customers, and by 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 nearly 49% of your Company's sales, any uncertainty in Global Market conditions would be a matter of concern. The Company's strategy is to push for growth in all geographies and all product segments. Slow growth in the Domestic Industrial products sector remains a matter of concern.

Internal Control Systems

Your Company is committed to run its business in an efficient manner, in a conducive internal environment, to facilitate achievement of its objectives. During the year, your Company introduced the SAP enterprise solution, which facilitates greater focus on analytics, better and quick decision-making, accurate business information, and enhanced and reliable financial reporting.

Your Company continues to use elaborate systems to efficiently monitor and manage procurement, manage inventory, safeguard assets, and ensure manufacturing within clear quality and cost parameters, and delivery lead times. Accurate calibration of prices with costs enables your Company to deal effectively with rises in cost of raw materials and inputs. Together, these systems help the Company to limit financial risks. A rigorous Budgetary Control System ensures tight control over all internal costs and new-product development. Your Company has also taken steps to improve the speed and quality of responsiveness to customer feedback.

Human Resources Management

Your Company's biggest asset is its family of employees. Equipped with requisite domain

knowledge and functional specialization, they are driven by a sharp focus on current and future customer needs in line with your Company's mission and values. In the year under review, a month-long, interactive workshop was organized to reiterate and reinforce alignment with values, across all levels of the organization. Employees' capacities were built continuously, on the job, through participation in challenging projects, classroom training sessions or offsite, residential programmes. Travel and health benefit policies were revised in tune with changing employee needs. A host of programmes and events were held to enhance internal and cross-functional bonds. Celebration of festivals and out-bound gatherings helped people break out of routines and return to work with refreshed.

Cautionary Statement :

Statements in this Management Discussion and Analysis describing the 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GARWARE-WALL ROPES LIMITED

Report on the Financial Statements

We have audited the accompanying Financial Statements of Garware-Wall Ropes Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant Accounting Policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Financial Statements to give a true and fair view of the Financial Position, Financial Performance and Cash Flows of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Financial Statements that give a true and fair view and are free from material mis-statement, whether due to fraud or error.

Auditors' Responsibility

- I. Our responsibility is to express an opinion on these Financial Statements based on our audit.
- II. We have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made thereunder.
- III. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material mis-statement.
- IV. An audit involves, performing procedures to obtain audit evidence about the amounts and the disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material mis-statement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the Auditor considers Internal Financial Control relevant to the Company's preparation of the Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate Internal Financial Controls System over financial reporting and the operating effectiveness of such controls. An Audit also includes evaluating the appropriateness of the Accounting Policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Financial Statements.
- V. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Opinion

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

1. In the case of the Balance Sheet, of the State of Affairs of the Company, as at 31st March, 2015,
2. In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
3. In the case of the Cash Flow Statement, of the Cash Flows for the year on that date

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:
- We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 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.
 - The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the Books of Account.
 - In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the Directors as on 31st March, 2015, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2015, from being appointed as a Director, in terms of Section 164 (2) of the Act; and
 - 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:
 - The Company has disclosed the impact of pending litigations as on 31st March, 2015, on its financial position in its Financial Statements.
 - The Company has made provision, as at 31st March, 2015, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - 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, 2015.

For **Patki & Soman**
Chartered Accountants

S. M. Patki
Partner

M. No. 037315

F. R. No. 107830W

Pune,
26th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the Members of the Company on the Financial Statements for the year ended 31st March, 2015, we report that:

- The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
 - The Company has a regular programme of physical verification of its Fixed Assets by which Fixed Assets are verified in a phased manner over a period of three years. In accordance with this programme, certain Fixed Assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - The Company is maintaining proper records of the inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.



- iii) a) The Company has not granted secured and unsecured loans to companies, firms & other parties covered in the register maintained under Section 189 of the Act.
- b) There are no loans granted to the Bodies Corporate listed in the register maintained under Section 189 of the Act, hence this clause is not applicable.
- c) There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the Bodies Corporate listed in the register maintained under Section 189 of the Act as this clause is not applicable.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of Fixed Assets and sale of services. We have not observed any major weakness in the internal control system during the course of the audit.
- v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 & 74 of the Act and the Rules framed there under to the extent notified.
- vi) We have broadly reviewed the Cost Records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit) Amendment Rules, 2014 prescribed by the Central Government under Section 148 of the Companies Act, 2013 for certain products of the Company and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have not, however, made a detailed examination of the Cost Records with a view to determine whether they are accurate or complete.
- vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Value Added Tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the Financial Year for the period of more than six months from the date those become payable.
- b) According to the information and explanations given to us, there are no material dues of Wealth Tax, Duty of Customs and Cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of Income Tax, Sales Tax and Value Added Tax have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of Dues	Forum where Dispute is Pending	Period to which Amount relates	Amount (₹ Lacs)
Sales Tax Laws	State and Central Sales Tax	High Court, Delhi	1995-96	11.00
			1996-97	21.52
		Deputy Commissioner of Sales Tax (Appeals)- Delhi	1999-00	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
Deputy Commissioner of Commercial Tax (Appeals)- Rajasthan	2006-07 to 2011-12	155.00		
Central Excise Laws	Excise Duty	CESTAT, Mumbai.	2002-03	14.85
			2002-03	12.72
Income Tax Laws	Income Tax	Supreme Court	2002-03	94.00
			2002-03	114.00
Total				432.24

- c) According to the information and explanations given to us the amounts which were required to be transferred to the Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the Rules made thereunder.
- viii) The Company does not have any accumulated losses at the end of the Financial Year and has not incurred cash losses in the Financial Year and in the immediately preceding financial year.
- ix) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of the dues to Financial Institutions, Banks or Debenture Holders as at the Balance Sheet date.
- x) In our opinion, the terms and conditions on which the Company has not given guarantees for loans taken by others from Banks, Financial Institutions. Hence, this clause is not applicable.
- xi) In our opinion, and according to the information and explanations given to us, the term loans have been applied, for the purpose for which they were obtained.
- xii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted Auditing Practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For **Patki & Soman**
Chartered Accountants

S. M. Patki
Partner
M. No. 037315
F. R. No. 107830W

Pune,
26th May, 2015

BALANCE SHEET AS AT 31st MARCH, 2015

			(₹ in lacs)
	Note No.	As at 31st March 2015	As at 31st March 2014
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	2,188.21	2,197.23
(b) Reserves and Surplus	4	28,812.64	25,292.25
		31,000.85	27,489.48
(2) Non-Current Liabilities			
(a) Long-term Borrowings	5	405.98	1,178.49
(b) Deferred Tax Liabilities (Net)	6	2,247.01	2,025.01
(c) Other Long-term Liabilities	7	148.89	326.53
(d) Long-term Provisions	8	237.56	158.28
		3,039.44	3,688.31
(3) Current Liabilities			
(a) Short-term Borrowings	9	2,754.55	4,498.59
(b) Trade Payables	10	6,631.13	6,407.51
(c) Other Current Liabilities	11	8,653.92	5,981.63
(d) Short-term Provisions	12	17,771.84	11,801.40
		35,811.44	28,689.13
TOTAL		69,851.73	59,866.92
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	13	15,587.52	14,507.62
(ii) Intangible Assets	13	996.57	761.17
(iii) Capital Work-in-Progress	13	676.83	743.79
		17,260.92	16,012.58
(b) Non-current Investments	14	904.00	933.46
(c) Long-term Loan and Advances	15	1,179.70	1,149.21
(d) Other non-current Assets	16	556.57	101.42
		19,901.19	18,196.67
(2) Current Assets			
(a) Inventories	17	13,719.69	12,682.60
(b) Trade Receivables	18	18,207.76	14,254.22
(c) Cash and Cash Equivalents	19	1,057.10	891.95
(d) Short-term Loans and Advances	20	16,965.99	13,841.48
		49,950.54	41,670.25
TOTAL		69,851.73	59,866.92

III. NOTES FORMING PART OF THE FINANCIAL STATEMENT I-47

As per our Report of even date

For **PATKI & SOMAN**
Chartered Accountants,

(S. M. PATKI)
Partner
M. No. 037315
F. R. No. 107830W

SUNIL AGARWAL
Company Secretary
M. No. FCS 6407

S. H. BAMNE
VP Corporate (CFO)

Pune,
26th May, 2015

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

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2015

	Note No.	For the year ended 31st March 2015	(₹ in lacs) For the year ended 31st March 2014
I. REVENUE:			
(a) Revenue from Operations	21	78,660.02	68,879.40
Less: Excise Duty		436.77	422.62
		78,223.25	68,456.78
(b) Other Income (Net)	22	372.39	396.20
Total Revenue		78,595.64	68,852.98
II. EXPENSES:			
(a) Cost of Materials Consumed	23	34,827.14	28,440.70
(b) Purchase of Traded Goods	24	2,237.09	2,588.04
(c) (Increase)/Decrease in inventories of Finished Goods, Work-in-Progress and Traded Goods	25	(718.34)	604.94
(d) Employee Benefit Expense	26	8,424.09	6,379.98
(e) Operation and Other Expenses	27	25,511.12	24,209.36
Total Expenses		70,281.10	62,223.01
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (I - II)		8,314.54	6,629.97
(f) Depreciation and Amortisation Expenses	13	1,238.55	1,439.33
(g) Finance Costs	28	1,024.83	1,282.96
III. PROFIT BEFORE TAX		6,051.16	3,907.68
IV. TAX EXPENSES			
(a) Current Tax		1,517.00	1,017.80
(b) Deferred Tax		222.00	210.65
(c) Wealth Tax		9.51	8.50
(d) Adjustment for excess / (short) provision of earlier years		(2.84)	4.54
V. PROFIT AFTER TAX FOR THE YEAR		4,305.49	2,666.19
VI. EARNINGS PER EQUITY SHARE			
(i) Basic (₹)		19.68	12.13
(ii) Diluted (₹)		19.67	11.40
Face Value per Equity Share (₹)		10.00	10.00

VII. NOTES FORMING PART OF THE FINANCIAL STATEMENT I-47

As per our Report of even date

 For **PATKI & SOMAN**
 Chartered Accountants,

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

M. V. GARWARE
 Director
 DIN. 06948274

(S. M. PATKI)
 Partner
 M. No. 037315
 F. R. No. 107830W

SUNIL AGARWAL
 Company Secretary
 M. No. FCS 6407

R. M. TELANG
 Director
 DIN. 00092103

S. P. KULKARNI
 Director
 DIN. 00006914

 Pune,
 26th May, 2015

S. H. BAMNE
 VP Corporate (CFO)

ASHISH GOEL
 Director
 DIN. 00147449

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

		(₹ in lacs)
	For the year ended 31st March 2015	For the year ended 31st March 2014
I. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	6,051.16	3,907.68
Adjustments for :		
Depreciation and Amortisation	1,238.55	1,439.33
Finance Cost	1,024.83	1,282.96
Interest Income	(24.16)	(64.53)
Dividend Income	(0.64)	(1.15)
(Profit) / Loss on Sale of Fixed Assets	19.47	(1.44)
Operating Profit before Working Capital Changes	8,309.21	6,562.85
Trade Receivables, Loans and Advances and other Assets	(6,150.12)	(3,084.75)
Inventories	(1,037.09)	(503.26)
Trade and other Payables	7,741.13	5,476.15
Cash generated from Operations	8,863.13	8,450.99
Direct Taxes paid	(1,413.57)	(542.19)
Net Cash provided by Operating Activities	7,449.56	7,908.80
II. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(2,620.09)	(2,051.44)
Proceeds from Sale of Fixed Assets	66.24	49.09
Purchase / Sale of Investments	29.46	(16.51)
Interest received	24.16	64.53
Dividend received	0.64	1.15
Net Cash provided by / (used in) Investing Activities	(2,499.59)	(1,953.18)
III. CASH FLOW FROM FINANCING ACTIVITIES		
Repayments of Long-term Borrowings	(1,302.69)	(1,644.60)
Finance Cost	(1,017.83)	(1,287.31)
Short-term Borrowings	(1,744.04)	(2,369.85)
Dividend paid including Dividend Tax	(654.71)	(692.17)
Buyback of Equity Shares	(65.55)	(1,046.02)
Net Cash from Financing Activities	(4,784.82)	(7,039.95)
Net Increase / (Decrease) in Cash & Cash Equivalents	165.15	(1,084.33)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

	For the year ended 31st March 2015	(₹ in lacs) For the year ended 31st March 2014
Cash & Cash Equivalents (Opening Balance):	891.95	1,976.28
Cash & Cash Equivalents (Closing Balance):	1,057.10	891.95
Net Increase/ (Decrease) in Cash & Cash Equivalents	165.15	(1,084.33)

IV. NOTES FORMING PART OF THE FINANCIAL STATEMENT I-47

As per our Report of even date

For **PATKI & SOMAN**
Chartered Accountants,

(S. M. PATKI)
Partner
M. No. 037315
F. R. No. 107830W

Pune,
26th May, 2015

SUNIL AGARWAL
Company Secretary
M. No. FCS 6407

S. H. BAMNE
VP Corporate (CFO)

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



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

1. CORPORATE INFORMATION

Garware-Wall Ropes Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed at two Stock Exchanges in India. 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 solutions to the infrastructure industries which include coastal protection, land filling, etc. The Company caters to both domestic and international markets.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

The Financial Statements of the Company have been prepared in accordance with Generally Accepted Accounting Principle in India (Indian GAAP). The Company has prepared these Financial Statement to comply in all material respects with the Accounting Standards notified under Section 133 of Companies Act, 2013 ('Act') read along with Rule 7 of the Company (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Security and Exchange Board of India (SEBI). The Financial Statements have been prepared on an accrual basis and under the historical cost convention, except for assets acquired before and revalued during the year ended 30th September, 1985.

The Accounting Policies adopted in the preparation of Financial Statement are consistent with those of previous year, except for the change in Accounting Policy explained below.

b. Use of Estimates

The preparation of Financial Statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Fixed Assets

Fixed Assets are stated at cost of acquisition (subject to revaluation during the year ended 30th September, 1985) less accumulated depreciation. Cost includes all expenses incurred to bring the assets to its present location and condition.

d. Depreciation / Amortisation

Depreciation / Amortisation other than on leasehold land and capital work-in-progress is charged so as to write-off the cost of the assets, on the following basis:

Type of Asset	Method	For the year ended 31st March, 2015	For the year ended 31st March, 2014 Deprn in %
Freehold Buildings	Written down value	30 years	5.00%
Factory Buildings	Written down value	60 years	10.00%
Plant and Machinery	Straight-Line	25 years	5.28% - 11.31%
Electrical Installations	Straight-Line	10 years	7.07%
Furniture & Fixtures	Straight-Line	10 years	6.33%
Office Equipments	Straight-Line	3 / 5 years	4.75% - 16.21%
Vehicles	Straight-Line	8 years	9.5% - 11.31%
Helicopter	Straight-Line	20 years	5.60%
Technical Knowhow	Straight-Line	10 years	10 years
Product Development	Straight-Line	10 years	10 years
Computer Software	Straight-Line	10 years	5 years

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

e. Impairment

At each Balance Sheet date, the management reviews the carrying amounts of its Assets included in each unit to determine whether there is any indication that those Assets were impaired. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of impairment loss. Impairment Loss recognised for the year, charged to Statement of Profit and Loss, amounting to ₹ 17.48 lacs (Previous Year Nil)

f. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long-term investments are valued at cost less provision, if any, for permanent diminution in the value other than temporary diminution in value. Current investments are valued at the lower of the cost or market value as on the date of the Balance Sheet.

g. Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of various categories of inventories is arrived at as follows:

- a) Stores, spare, fuel & packing materials and raw material – 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 cost 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.

h. Revenue Recognition

Sales excludes amounts recovered towards Sales Taxes and Value Added Taxes (VAT). Domestic Sales are recognised on dispatch of goods from Factory. Export Sales are recognised based on date of Bill of Lading and or Multi Modal Transport Documents on customer acceptance. Excise Duty deducted from Revenue (Gross) is the amount that is included in the Revenue (Gross) and not the entire amount of liability arising during the year.

Revenue from Project Contracts and Services rendered are recognised on the basis of percentage of completion method when works are rendered and related costs are incurred.

Unbilled Revenue represents revenues recognised in excess of the amounts billed as at the Balance Sheet date.

Income from sale of scrap is accounted for on realisation.

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest Income is included under the head "Other Income" in the Statement of Profit and Loss.

Dividend Income is recognised when the Company's right to receive dividend is established.

i. Foreign Currency Transactions

Transactions in Foreign Currency are recorded at the exchange rate prevailing on the date of the transaction. Foreign Currency denominated Current Assets and Current Liabilities at the Balance Sheet date are translated at the exchange rate prevailing on the date of the Balance Sheet. Exchange rate differences resulting from foreign exchange transactions settled during the period, including year-end translation of Current Assets and Liabilities are recognised in the Statement of Profit & Loss, other than those exchange differences arising in relation to liabilities incurred for acquisition of Fixed Assets, which are adjusted to the carrying value of the underlying Fixed Assets.

In respect of forward exchange contracts, except in case of Fixed Assets, the differences between the forward rate and the exchange rate at the inception of the forward exchange contract are recognised as income / expense over the life of the contract.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

Hedging instruments are initially measured at fair value, and are remeasured at subsequent reporting dates. Changes in the fair value of these instruments are designated and effective as hedges of future cash flows and are recognised directly in shareholders' funds and the ineffective portion is recognised immediately in the Statement of Profit and Loss.

j. Research and Development

- i) Research costs are expended 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.

Amortisation 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.

- ii) The Company has in-house R & D facilities at Chinchwad and Wai plant both recognised by The Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India (DSIR). It would be endeavour of the Company to achieve the development of new products - Ropes, Nettings and Technical Textiles for various new applications.
 - a) Develop new products to tap new market / customers.
 - b) Developing next generation products for future economic benefit.
 - c) Developing import substitutes with optimising cost and value benefit.
 - d) Improve customer satisfaction with maximising benefits of the products.

k. 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 an expenses in the Statement of Profit & 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.

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.

l. Borrowing Costs

Borrowing Costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which those are incurred.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

m. Taxation

- a) Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and Tax Laws prevailing in the respective tax jurisdictions where the Company operates.
- b) Deferred Tax Expenses or Benefit is recognised on timing difference being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Asset and Liabilities are remeasured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

n. Provisions and Contingent Liabilities

A provision is recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. A Contingent Liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A Contingent Liability also arises in extremely rare cases when there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a Contingent Liability, but discloses its existence in the Financial Statements.

o. Government Grants and Subsidy

Grants and Subsidies from the Government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant / subsidy will be received.

A Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the Shareholders' Funds.

p. Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present Earning Before Interest, Tax, Depreciation and Amortisation (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Company measures EBITDA on the basis of profit/(loss) from continuing operation. In its measurement, the Company does not include depreciation and amortisation expense, finance costs and tax expense.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	(₹ in lacs)
	As at 31st March 2015
3. SHARE CAPITAL	As at 31st March 2014
(a) Authorised Share Capital	
i) 5,00,00,000 Equity Shares of ₹ 10/- each (31st March, 2014 : 5,00,00,000 Equity Shares of ₹ 10/- each)	5,000.00
ii) 1,00,00,000 Unclassified Shares of ₹ 10/- each (31st March, 2014 : 1,00,00,000 Unclassified Shares of ₹ 10/- each)	1,000.00
	<u>6,000.00</u>
(b) Issued, Subscribed and Fully Paid-up	
2,18,82,060 Equity Shares of ₹ 10/- each (31st March, 2014 : 2,19,72,253 Equity Shares of ₹ 10/- each)	2,188.21
	<u>2,188.21</u>

Note : During the year 2014-15, the Company has bought back 90,193 Equity Shares of ₹ 10/- each under the Buy Back Scheme (Previous Year 17,36,097)

	As at 31st March 2015		As at 31st March 2014	
	Number of Shares	Amount Rupees	Number of Shares	Amount Rupees
Equity Shares				
Opening Balance	21,972,253	219,722,530	23,708,350	237,083,500
Changes during the year	(90,193)*	(901,930)	(1,736,097)	(17,360,970)
Closing Balance	<u>21,882,060</u>	<u>218,820,600</u>	<u>21,972,253</u>	<u>219,722,530</u>

* During the year 2014-15, the Company has bought back 90,193 Equity Shares of ₹ 10/- each under the Buy Back Scheme (Previous Year 17,36,097 Equity Shares)

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

	As at 31st March 2015	As at 31st March 2014
Equity Shares		
Late Shri Ramesh B. Garware **	3612053* 16.51%	3,612,053* 15.86%
Garware Capital Markets Limited	3,473,437 15.87%	3,453,911 15.17%

* 9.99% (Previous year 9.95%) shares are held on behalf of a Partnership Firm.

** Mr. V. R. Garware informed that as per the Will of Late Mr. R. B. Garware, who died on 7th February, 2014, the shares standing in the name of Mr. R. B. Garware are bequeathed to him and same are yet to be transmitted in his name. Pending transmission of the said shares in the name of Mr. V. R. Garware, they continue to be registered in the name of Late Mr. R. B. Garware.

d) Shares allotted as fully paid up by way of Bonus Shares (during 5 years preceding 31st March, 2015): Nil

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	As at 31st March 2015	(₹ in lacs) As at 31st March 2014
4. RESERVES AND SURPLUS		
(a) Capital Reserve	24.75	24.75
(b) Capital Redemption Reserve	182.63	173.62
(c) Share Premium		
Share Premium Account	7,597.37	7,597.37
Share Premium Related to Forfeited Share	102.74	102.74
(d) Revaluation Reserve		
(i) Balance as per last Financial Statement	6.94	7.97
(ii) Less: Transfer to Statement of Profit and Loss	1.04	1.04
	<u>5.90</u>	<u>6.93</u>
(e) General Reserve		
(i) Balance as per last Financial Statement	2,688.05	3,467.07
(ii) Transfer to Capital Redemption Reserve A/c	(56.52)	(1,046.02)
(iii) Transferred from Statement of Profit and Loss	430.55	267.00
(iv) Unplanned Depreciation	(62.67)	-
	<u>2,999.40</u>	<u>2,688.05</u>
(f) Surplus in Statement of Profit and Loss		
(i) Balance as per last Financial Statement	15,093.07	13,387.95
Add : Profit for the year	4,305.49	2,666.19
Less : Appropriations		
(ii) Proposed final Dividend on Equity Shares	656.46	593.25
(iii) Tax on Dividend	131.28	100.82
(iv) Transfer to General Reserve	430.55	267.00
	<u>18,180.27</u>	<u>15,093.07</u>
(g) Hedging Reserve Account (Refer note no (i))		
(i) Balance as per last Financial Statement	(394.28)	(290.09)
(ii) (Deductions) / Additions during the year (net)	113.87	(104.19)
	<u>(280.41)</u>	<u>(394.28)</u>
Total	<u><u>28,812.64</u></u>	<u><u>25,292.25</u></u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	As at 31st March 2015	(₹ in lacs) As at 31st March 2014
5. LONG-TERM BORROWINGS		
SECURED TERM LOANS		
- From Banks and Financial Institutions		
1. IDBI Bank Term Loan under TUFS		
(i) Balance as per reporting date	-	52.70
(ii) Current Maturity transfer to other Current Liability	-	52.70
	-	-
2. CITI Bank ECB Term Loan		
(i) Balance as per reporting date	1,217.92	1,956.78
(ii) Current Maturity transfer to other Current Liability	811.94	778.29
	405.98	1,178.49
3. HDFC Rupee Term Loan		
(i) Balance as per reporting date	-	625.00
(ii) Current Maturity transfer to other Current Liability	-	625.00
	-	-
Balance as on reporting date	1,217.92	2,634.48
Less : Current Maturity transfer to other Current Liability	811.94	1,455.99
Total	405.98	1,178.49

Notes :

- 1) IDBI Bank Term Loan under TUFS Loan is repayable in 20 quarterly instalments of ₹ 52.70 lacs each along with interest from 31st July, 2009. This loan is secured by way of charge on specific assets financed by the Bank.
- 2) CITI Bank ECB term loan is repayable in 16 quarterly instalments of ₹156.25 lacs each along with interest from 26th December 2012. This loan is secured by way of hypothecation of the whole of the movable fixed assets, comprising plant & machinery, computers, furniture and fixtures, machinery spares, tools & accessories and other assets, both present & future on first charge on pari-passu basis with others.
- 3) HDFC Bank Rupee Term Loan is repayable in 12 quarterly instalments of ₹ 208.33 lacs each along with interest from 4th January, 2012. This loan is secured by way of hypothecation of the Movable Properties including Plant & Machinery, Machinery Spares, Tools & Accessories and other Movables both present & future on first charge on pari-passu basis with others.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	As at 31st March 2015	As at 31st March 2014
6. DEFERRED TAX LIABILITIES (NET)		
(a) Deferred Tax Liability		
(i) Depreciation and Amortisation	2,393.10	2,106.84
	2,393.10	2,106.84
(b) Deferred Tax Asset		
(i) Employee Benefits	83.90	66.55
(ii) Provision for Doubtful Debts	15.28	15.28
(iii) Others	46.91	-
	146.09	81.83
Deferred Tax liabilities (Net)	2,247.01	2,025.01
7. OTHER LONG-TERM LIABILITIES		
Deposits from Customers and Contractors	148.89	326.53
Total	148.89	326.53
8. LONG-TERM PROVISIONS		
Provision for Employee Benefits	237.56	158.28
Total	237.56	158.28
9. SHORT-TERM BORROWINGS		
Secured Loans		
Loans repayable on demand		
- From banks		
1. Cash Credit, Rupee Loan and Rupee Packing Credit	447.35	280.03
2. Packing Credit in Foreign Currency Loan	865.79	2,896.09
Unsecured Loans		
Loans repayable on demand		
- From bank		
2. Loan from Promoter *	1,441.41	1,322.47
Total	2,754.55	4,498.59

Note:

The above secured Loans are availed from Consortium Bankers, viz., Bank of India, Bank of Baroda, IDBI Bank Ltd., HDFC Bank Ltd., CITI Bank N.A, DBS Bank Ltd. and The Hongkong and Shanghai Banking Corporation Ltd., which are secured by a first charge, pari passu, interest 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. The cash credit and packing credit (rupee and foreign currency loan) loan is repayable on demand.

* The said deposits were held by Late Shri R. B. Garware, and the same will be repaid on production of Probate of the Will dated 6th April, 2012 of Late Shri R. B. Garware.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	(₹ in lacs)	
	As at 31st March 2015	As at 31st March 2014
10. TRADE PAYABLES		
Trade Payables	6,631.13	6,407.51
Total	6,631.13	6,407.51
11. OTHER CURRENT LIABILITIES		
(a) Current maturity of Long-Term Debt	811.94	1,455.99
(b) Other Payables	6,738.18	3,603.33
(c) Interest accrued but not due on borrowing	21.33	14.33
(d) Advance received from Customers	950.05	878.13
(e) Unpaid Dividend	132.42	29.85
Total	8,653.92	5,981.63
Other Payables includes:		
(i) Fair value of foreign exchange forward contract secured against Trade Receivables	6,290.43	3,343.74
(ii) Statutory Liabilities	338.41	59.66
12. SHORT-TERM PROVISIONS		
(a) Provision for Employee Benefits	263.78	287.00
(b) Others		
(i) Taxation	6,781.71	5,263.20
(ii) Proposed Dividend	656.46	593.25
(iii) Tax on Proposed Dividend	131.28	100.82
(iv) Other provisions	9,938.61	5,557.13
Total	17,771.84	11,801.40

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015
13 FIXED ASSETS

3 FIXED ASSETS											
Description	GROSS BLOCK			DEPRECIATION					NET BLOCK		
	Gross Block as at 1st April 2014	Additions	Deletions/ Adjustments	Gross Block as at 31st March 2015	Accumulated as at 1st April 2014	Deletions / Adjustment	Unplanned Depreciation	Depreciation/ Amortisation for the year	Accumulated as at 31st March 2015	Value as at 31st March 2015	Value as at 31st March 2014
(a) TANGIBLE FIXED ASSETS											
Leasehold Land	168.62	53.88	-	222.50	-	-	-	-	-	222.50	168.62
Buildings	4,201.32	613.48	-	4,814.80	2,328.61	-	-	184.78	2,513.39	2,301.41	1,872.71
Plant and Machinery	23,027.70	835.13	23.07	23,839.76	13,163.35	15.47	-	501.02	13,648.90	10,190.86	9,864.35
R&D Equipments	1,573.80	443.12	94.16	1,922.76	624.30	83.04	-	18.22	559.48	1,363.28	949.50
Electrical Installations	828.16	94.85	7.52	915.49	521.11	5.98	0.99	66.48	582.60	332.89	307.05
Furniture and Fixtures	507.72	8.09	-	515.81	309.46	-	3.64	54.97	368.07	147.74	198.26
Office Equipments	1,157.75	75.27	189.16	1,043.86	841.36	158.66	57.38	123.84	863.92	179.94	316.39
Vehicles	1,150.25	170.89	49.98	1,271.16	481.44	34.50	0.66	143.86	591.46	679.70	668.81
Helicopter	670.36	15.65	-	686.01	508.43	-	-	8.38	516.81	169.20	161.93
TOTAL	33,285.68	2,310.36	363.89	35,232.15	18,778.06	297.65	62.67	1,101.55	19,644.63	15,587.52	14,507.62
31st March, 2014	32,098.17	1,291.80	104.29	33,285.68	17,574.22	56.65	-	1,260.49	18,778.06	14,507.62	14,523.95
(b) INTANGIBLE ASSETS											
Technical Knowhow	45.96	-	-	45.96	45.96	-	-	-	45.96	-	-
Product Development	1,453.60	-	-	1,453.60	791.85	-	-	108.23	900.08	553.52	661.75
Computer Software	317.00	373.44	-	690.44	217.58	-	-	29.81	247.39	443.05	99.42
TOTAL	1,816.56	373.44	-	2,190.00	1,055.39	-	-	138.04	1,193.43	996.57	761.17
31st March, 2014	1,765.61	50.95	-	1,816.56	875.51	-	-	179.88	1,055.39	761.17	890.10
(c) CAPITAL WORK- IN-PROGRESS											
	743.79	676.83	743.79	676.83	-	-	-	-	-	676.83	743.79
31st March, 2014	35.11	743.79	35.11	743.79	-	-	-	-	-	743.79	35.11
Grand Total											
	35,846.03	3,360.63	1,107.68	38,098.98	19,833.45	297.65	62.67	1,239.59	20,838.06	17,260.92	16,012.59
31st March, 2014	33,898.89	2,086.54	139.40	35,846.03	18,449.73	56.65	-	1,440.37	19,833.45	16,012.58	15,449.16

Notes:

- Depreciation has been provided on Straight Line Method except in the case of Buildings, which are depreciated on Written Down Value Method, at the rates specified in Part C of the Schedule II of the Companies Act, 2013.
- Cost of Buildings includes ₹ 500/- being the cost of shares held in Co-operative Housing Society.
- No amount is written off on Leasehold land.
- Depreciation has been provided on Straight Line Method single shift in case of Site equipments.
- The Company, in compliance with "As 26" on Intangible Assets, has recognized the intangible assets acquired during the year on Computer Software ₹ 373.44 lacs (Previous Year ₹ 50.95 lacs). Taking into consideration the clarification issued by the Institute of Chartered Accountants of India dated 7th October, 2003, the expenses that have already been recognized as "Deferred Revenue Expenditure" up to 1st April, 2004, are being continued to be amortized over the remaining period.
- In accordance with the transitional provision under Note 7 (b) to part C of the Schedule II of the Companies Act, 2013, the Company has recognised an amount of ₹ 62.67 lacs (Net of deferred tax ₹ 21.30 lacs) in the opening retained earnings, pertaining to assets whose balance useful life was Nil, as at 1st April, 2014, pursuant to such adoption.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	(₹ in lacs)	
	As at 31st March 2015	As at 31st March 2014
14. NON-CURRENT INVESTMENTS		
I. INVESTMENTS IN EQUITY INSTRUMENTS		
a) In Subsidiary Companies :		
Shares of Garware Environmental Services Pvt. Limited	55.00	55.00
10,00,000 (31st March, 2014 : 10,00,000) Equity Shares of ₹ 10/- each, fully paid		
b) In Associate Companies :		
Shares of Garware Meditech Private Limited	0.50	0.50
5,000 (31st March, 2014 : 5000) Equity Shares of ₹ 10/- each, fully paid		
c) In Other Companies :		
Shares of Cosmos Co-operative Bank Limited	3.16	3.16
15,805 (31st March, 2014 : 15,805) Equity Shares of ₹ 20 each, fully paid		
Shares of Gujarat Filament Corporation Limited	0.01	0.01
50 (31st March, 2014 : 50) Equity Shares of ₹ 10/- each, fully paid		
Shares of Intermedia Interactive Solutions Pvt. Limited	807.11	807.11
8,90,680 (31st March, 2014 : 8,90,680) Equity Shares of ₹ 10/- each, fully paid		
Shares of Garware Marine Industries Limited (Quoted)	5.00	5.00
50,000 (31st March, 2014 : 50,000) Equity Shares of ₹ 10/- each, fully paid		
Shares of Garware Polyester Limited (Quoted)	319.62	319.62
1,46,350 (31st March, 2014 : 1,46,350) Equity Shares of ₹ 10/- each, fully paid		
2. INVESTMENTS IN GOVERNMENT AND TRUST SECURITIES		
7 Year National Savings Certificates.	11.10	40.56
Out of this, National Saving Certificates for Face Value of ₹ 0.16 lacs (31st March, 2014 ₹ 0.16 lacs) deposited with Sales Tax Authorities		
Sardar Sarovar Narmada Nigam Ltd. Bonds	17.50	17.50
Total investment	1,219.00	1,248.46
Less:		
Aggregate provision for diminution in value of investment		
Contingency Reserve, for possible permanent decline in the value of Investments	315.00	315.00
Total	904.00	933.46
Aggregate Value of Quoted Investments (₹ in lacs)	324.62	324.62
Aggregate Market Value of Quoted Investments (₹ in lacs)	164.90	98.60
Aggregate Value of Unquoted Investments (₹ in lacs)	894.38	923.84

Note : The Company has set aside from its General Reserve, as reserve amounting to ₹ 315 lacs in FY 2000-01 for contingencies that may arise, in the event there is a diminution in the value of investments, of a permanent nature, in the future.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	As at 31st March 2015	As at 31st March 2014
15. LONG-TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
(i) Security Deposits	478.41	431.22
(ii) Other Loans and Advances	701.29	717.99
Total	1,179.70	1,149.21
Other Loans and Advances includes :		
Advance to a Partnership Firm i.e. Sopan D. Patil & GWRL	13.21	12.84
Advances to Employees	136.76	99.25
16. OTHER NON-CURRENT ASSETS		
Other Non-Current Assets *	556.57	101.42
Total	556.57	101.42
* Other Non-Current Assets include deposits such as PCMC Octroi, MSEB, Gas, Rajasthan VAT, etc.		
17. INVENTORIES		
(i) Stores, Spares, Fuel and Packing Materials	1,188.56	994.28
(ii) Raw Materials	4,136.43	4,011.96
(iii) Work-in-Progress	2,725.18	3,190.29
(iv) Finished Goods (Including Goods-in-Transit ₹ 811.85 Lacs, Previous Year ₹ 139.50 Lacs)	5,101.09	4,027.64
(v) Traded Goods	568.43	458.43
Total	13,719.69	12,682.60
Inventories are carried at the lower of cost and net realisable value.		
18. TRADE RECEIVABLES		
(Unsecured, considered good unless other wise specified)		
(a) Trade Receivables for more than six months from due date		
Considered Good	1,306.21	1,322.48
Considered Doubtful	44.93	44.93
	1,351.14	1,367.41
Less: Provision for Doubtful Debts	44.93	44.93
	1,306.21	1,322.48
(b) Other Receivables		
Considered Good	16,901.55	12,931.74
Total	18,207.76	14,254.22

Unbilled revenue as at 31st March, 2015, amounting to ₹ 1603.96 lacs (31st March, 2014: ₹ 1437.97 lacs) primarily comprises of the revenue recognised in relation to efforts made on construction contracts.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	(₹ in lacs)	
	As at 31st March 2015	As at 31st March 2014
19. CASH AND CASH EQUIVALENTS		
(a) Cash and Cash Equivalents		
(i) Balances with Banks		
- In Current Accounts	912.45	852.66
- In Deposit Accounts with maturity less than 3 months	-	-
(ii) Cash on hand	10.16	7.37
	<u>922.61</u>	<u>860.03</u>
(b) Other Bank balances		
(i) Earmarked balances with Banks	132.42	29.85
(ii) Bank Deposits above 3 months	2.07	2.07
	<u>134.49</u>	<u>31.92</u>
Total	<u>1,057.10</u>	<u>891.95</u>
20. SHORT-TERM LOANS AND ADVANCES		
Advances recoverable in cash or in kind or for value to be received	10,461.55	8,696.53
Advance Tax	6,411.19	4,997.62
Deposits	16.34	119.31
Balance with Excise and Customs Authorities	76.91	28.02
Total	<u>16,965.99</u>	<u>13,841.48</u>
Advance recoverable in cash or in kind or for value to be received includes:		
Advance given to Creditors	1,373.35	1,213.21
Advances to Employees	15.13	76.22
21. REVENUE FROM OPERATIONS	For the year ended 31st March 2015	For the year ended 31st March 2014
(i) Manufactured Goods	73,533.92	63,862.93
(ii) Traded Goods	2,378.19	3,431.07
(ii) Contracts for Supply & Installation (Tax deducted at source ₹ 76.39 Lacs; previous year ₹ 75.07 Lacs)	2,747.91	1,585.40
Total	<u>78,660.02</u>	<u>68,879.40</u>
Less:		
Excise Duty	436.77	422.62
Net Revenue	<u>78,223.25</u>	<u>68,456.78</u>

Note:

- A. Disclosure pursuant to Accounting Standard "AS 7 - Construction Contracts", the Construction Work-in-Progress (Fibre & Industrial Product & Project Segment) amounts to ₹ 6389.89 lacs (31st March, 2014 ₹ 4107.01 lacs).
- B. For these Construction Contracts, the progress payments received, advances and retentions on account of Contracts are ₹ 4387.50 lacs, ₹ 289.59 lacs and ₹ 258.04 lacs (31st March, 2014 ₹ 2081.92 lacs, ₹ 218.82 lacs and ₹ 115.14 lacs) respectively.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

		(₹ in lacs)
	For the year ended 31st March 2015	For the year ended 31st March 2014
22. OTHER INCOME		
Sale of Scrap	180.31	190.61
Interest- Gross		
From Banks (Tax deducted at source ₹ 0.83 lacs, previous year ₹ 4.45 lacs)	2.39	32.80
From Other	21.77	31.73
	<u>24.16</u>	<u>64.53</u>
Dividend	0.64	1.15
Miscellaneous Receipts	186.75	138.47
Profit/(Loss) on sale of Fixed Assets	(19.47)	1.44
Total	<u><u>372.39</u></u>	<u><u>396.20</u></u>
23. COST OF MATERIAL CONSUMED		
Raw Material Consumed		
Opening Stock	4,011.96	2,897.30
Add : Purchases (Net of Credits)	34,951.61	29,555.36
Less : Closing Stock	4,136.43	4,011.96
Total	<u><u>34,827.14</u></u>	<u><u>28,440.70</u></u>
24. PURCHASE OF TRADED GOODS		
Purchase of Traded Goods	2,237.09	2,588.03
Total	<u><u>2,237.09</u></u>	<u><u>2,588.03</u></u>
25. (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS		
(a) Opening Stock		
Work-in-Progress	3,190.29	3,068.27
Finished Goods	4,027.64	4,678.25
Traded Goods	458.43	534.78
	<u>7,676.36</u>	<u>8,281.30</u>
(b) Closing Stock		
Work-in-Progress	2,725.18	3,190.29
Finished Goods	5,101.09	4,027.64
Traded Goods	568.43	458.43
	<u>8,394.70</u>	<u>7,676.36</u>
Net (Increase) / Decrease	<u><u>(718.34)</u></u>	<u><u>604.94</u></u>
26. EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages and Bonus	7,285.11	5,289.36
Contribution to Provident and other Funds	308.42	281.93
Gratuity	102.78	96.91
Superannuation	35.36	38.86
Staff Welfare	692.42	672.92
Total	<u><u>8,424.09</u></u>	<u><u>6,379.98</u></u>
Salaries, Wages and Bonus includes :		
Salary Expenses towards R&D	194.52	144.51

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

		(₹ in lacs)
	For the year ended 31st March 2015	For the year ended 31st March 2014
27. OPERATING AND OTHER EXPENSES		
Stores and Spares consumed	3,251.62	4,223.43
Packing Materials consumed	592.81	756.51
Power, Fuel and Water Charges	3,198.86	3,932.06
Processing and Testing Charges	4,270.27	5,116.33
Installation Contract related expenses	1,134.47	535.34
Administrative, Selling and General Expenses		
Advertisement & Sales Promotion expenses	390.28	356.93
Rent	299.75	230.22
Rates, Taxes and Octroi	81.80	203.23
Insurance	166.05	163.20
Transport and Forwarding Charges	5,435.24	3,579.21
	<u>6,373.12</u>	<u>4,532.79</u>
Repairs and Maintenance		
Buildings	59.42	36.74
Plant and Machinery	795.17	697.34
Others	317.29	438.70
	<u>1,171.88</u>	<u>1,172.78</u>
Travelling Expenses	803.10	702.18
Discount and Commission on Sales	2,619.70	1,965.21
Bad Debts	13.55	62.90
Legal and Professional Charges	536.63	593.77
Auditors' Remuneration		
Audit Fees	7.50	7.20
Fees for other Services	2.25	1.30
Out of Pocket Expenses	0.28	0.57
	<u>10.03</u>	<u>9.07</u>
Establishment and other miscellaneous expenses*	1,662.67	1,396.11
Exchange (Gain)/Loss (net)	(132.99)	(671.70)
Directors' Fees	5.40	5.40
Cost Capitalised on Machines	-	(122.82)
Total	<u><u>25,511.12</u></u>	<u><u>24,209.36</u></u>
*Operating and other expenses includes :		
R&D Revenue Expenses	186.71	145.36
Corporate Social Responsibility (CSR) Expenses	30.88	-
28. FINANCE COSTS		
Interest expenses:		
- Term Loans	454.07	641.97
- Cash Credit/Overdraft	320.45	412.11
- Bank Charges	250.31	228.88
Total	<u><u>1,024.83</u></u>	<u><u>1,282.96</u></u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

29. EMPLOYEE BENEFITS :

The Company operates a gratuity defined plan for its employees. Under the gratuity plan, every employee who has completed at least five (5) years of service gets a gratuity on departure @ fifteen (15) days of last drawn salary for each completed year of service. The scheme is funded with insurance companies in the form of qualifying insurance policy.
(₹ in lacs)

Defined Benefit Plans	Gratuity	
	31st March 2015	31st March 2014
I. Change in Obligation		
1. Liability at the beginning of the year	850.23	879.73
2. Interest Cost	72.70	71.03
3. Current Service Cost	58.55	67.23
4. Past Service Cost (Non Vested Benefit)	-	-
5. Past Service Cost (Vested Benefit)	-	-
6. Benefit Paid	(49.06)	(68.58)
7. Actuarial (Gain) / Loss on Obligation	37.19	(99.18)
Liability at the end of the year	969.61	850.23
II. Fair Value of Plan Assets		
1. Fair Value of Plan Assets at the beginning of the year	874.82	799.63
2. Expected Return of Plan Assets	72.47	59.96
3. Contributions	93.11	84.18
4. Benefit Paid	(49.06)	(68.58)
5. Actuarial Gain / (Loss) on Plan Assets	83.11	(0.37)
Fair Value of Plan Assets at the end of the year	1,074.45	874.82
Total Actuarial Gain / (Loss) to be Recognised	(120.30)	99.55
III. Actual Return of Plan Assets		
1. Expected Return of Plan Assets	72.47	59.96
2. Actuarial Gain / (Loss) on Plan Assets	83.11	(0.37)
Actual Return on Plan Assets	155.58	59.59
IV. Amount Recognised in the Balance Sheet		
1. Liability at the end of the year	(969.61)	(850.23)
2. Fair Value of Plan Assets at the end of the year	1074.45	874.82
3. Difference	104.84	24.59
4. Unrecognised Past Service Cost		
Amount Recognised in the Balance Sheet	104.84	24.59
V. Expenses Recognised in the Income Statement		
1. Current Service Cost	58.55	67.23
2. Interest Cost	72.70	71.03
3. Expected Return on Plan Assets	(72.47)	(59.96)
4. Net Actuarial (Gain) / Loss to be Recognised	120.30	(99.55)
5. Past Service Cost (Non Vested Benefit) Recognised	-	-
6. Past Service Cost (Vested Benefit) Recognised	-	-
7. Effect of Curtailment or Settlements	-	-
Expenses Recognised in Statement of Profit & Loss	179.08	(21.25)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

(₹ in lacs)

Defined Benefit Plans	Gratuity	
	31st March 2015	31st March 2014
VI. Balance Sheet Reconciliation		
1. Opening Net Liability	(24.59)	80.10
2. Expense as above	179.08	(21.25)
3. Employer's Contribution	(93.11)	(84.18)
4. Effect of Curtailment or Settlements	-	-
Amount Recognised in Balance Sheet	61.38	(25.33)
VII. Actuarial Assumptions		
1. Discount Rate Current	8.00%	8.00%
2. Rate of Return on Plan Assets Current	8.00%	8.00%
3. Salary Escalation Current	7.00%	7.00%

Note: Employer's Contribution includes payments made by the Company directly to its past employees.

Broad category of Plan Assets relating to Gratuity as a percentage of total Plan Assets

The Company's Gratuity Fund is managed by Life Insurance Corporation of India and HDFC Standard Life Insurance. The Plan Assets under the Fund are deposited under approved securities.

30. OPENING AND CLOSING STOCKS OF FINISHED GOODS

(₹ in lacs)

Products	Opening Stock		Closing Stock	
	As at 31st March 2014	As at 31st March 2013	As at 31st March 2015	As at 31st March 2014
i) Twines, Ropes & Yarns	1,171.39	2,164.68	1,473.02	1,171.39
ii) Nettings	2,348.91	2,881.52	3,269.56	2,348.91
iii) Woven Fabric	227.90	342.18	34.62	227.90
iv) Metal Gabions	30.96	38.15	22.46	30.96
v) Coated Fabric	248.47	371.91	301.43	248.47
Total	4,027.63	5,798.44	5,101.09	4,027.63

31. SALES

Product & Services

	For the year ended 31st March 2015	For the year ended 31st March 2014
i) Twines, Ropes & Yarns	28,627.97	26,658.71
ii) Nettings	41,402.13	35,006.22
iii) Woven Fabric	953.81	1,113.88
iv) Metal Gabions	760.74	520.76
v) Coated Fabric	2,269.11	1,768.95
Sub Total	74,013.76	65,068.52
vi) Machineries and Parts (Nos.)	-	6.44
vii) Traded Goods (including Supplied under Contract)	4,646.25	3,804.44
Total	78,660.01	68,879.40

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	For the year ended 31st March 2015	(₹ in lacs) For the year ended 31st March 2014
32. VALUE OF IMPORTS ON C.I.F. BASIS		
Raw Materials	8,751.02	9,123.35
Traded Goods, Stores, Spares, etc.	2,339.38	1,352.01
Capital Goods	643.67	110.78
Total	11,734.07	10,586.14

33. RAW MATERIALS CONSUMED		
High Density Polyethylene	16,174.80	12,024.23
Polypropylene	14,158.55	10,754.68
Nylon	3,017.34	4,174.07
Polyester Yarn	1,305.94	1,398.96
G.I. Wire	170.51	88.75
Total	34,827.14	28,440.69

34. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, STORES AND SPARES CONSUMED

	(₹ in lacs)	Percentage
	For the year ended 31st March 2015	For the year ended 31st March 2014
(i) Raw materials		
Imported	8,751.02	9,123.35
Indigenous	26,076.12	19,317.34
Total	34,827.14	28,440.69
(ii) Stores, Spares, etc.		
Imported	992.85	171.47
Indigenous	2,258.77	4,051.96
Total	3,251.62	4,223.43

35. EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

	(₹ in lacs)
	For the year ended 31st March 2015
a. Marketing & Travelling Expenses	480.83
b. Commission on Exports	84.46
c. Subscriptions	5.19
d. Advertisement & Sales Promotion	20.83
e. Interest & Finance Charges	190.68
f. Overseas Branch Office Expenses	311.72
Total	1,093.71

36. EARNINGS IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

FOB Value of Exports	33,946.01	32,715.82
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

37. SEGMENT REPORTING

- (a) 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 in 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.
- (b) 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.
- (c) 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.
- (d) 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.

(₹ in lacs)

i) Primary Segment Report

Year 2014-2015

Year 2013-2014

Particulars	Synthetic Cordage	Fibre and Industrial Products and Projects	Eliminations	Total	Synthetic Cordage	Fibre and Industrial Products and Projects	Eliminations	Total
REVENUE								
Gross External Sales	64,536.34	14,123.67		78,660.01	57,765.01	11,114.40		68,879.41
Inter-segment Sales	700.41	2,019.84	(2,720.25)	-	271.79	2,187.66	(2,459.45)	-
Less : Excise Duty	140.25	296.52	-	436.77	35.65	386.98	-	422.63
Total Revenue	65,096.50	15,846.99	(2,720.25)	78,223.24	58,001.15	12,915.08	(2,459.45)	68,456.78
RESULT								
Segment Result	7,829.46	976.81		8,806.27	6,600.10	456.55		7,056.65
Unallocated Corporate expenses (net of income)				1,755.09				1,931.69
Operating Profit				7,051.18				5,124.96
Finance Costs				1,024.82				1,282.97
Interest & Dividend Income				24.80				65.68
Profit from Ordinary Activities				6,051.16				3,907.67
Income Tax				1,745.67				1,241.48
Extraordinary Items				-				-
Net Profit				4,305.49				2,666.19
OTHER INFORMATION								
Segment Assets	44,628.80	11,349.25		55,978.05	37,387.19	11,143.78		48,530.97
Unallocated Corporate Assets				13,873.69				11,335.95
Total Assets				69,851.74				59,866.92
Segment Liabilities	15,993.19	2,675.38		18,668.57	11,025.38	2,653.94		13,679.32
Unallocated Corporate Liabilities				51,183.17				46,187.60
Total Liabilities				69,851.74				59,866.92
Capital Expenditure	2,583.76	169.66		2,753.42	1,338.78	201.91		1,540.69
Unallocated Capital Expenditure				607.21				545.85
Total Capital Expenditure				3,360.63				2,086.54
Depreciation	986.10	196.36		1,182.46	1,118.07	271.68		1,389.75
Unallocated Depreciation on Corporate Assets				57.12				50.63
Total Depreciation				1,239.58				1,440.38
Other non-cash expenses				-				-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

ii) Secondary Segment Report

(₹ in lacs)

Particulars	Year 2014-2015				Year 2013-2014			
	India	Outside India	Eliminations	Total	India	Outside India	Eliminations	Total
Gross Sales	40,135.38	38,524.63		78,660.01	35,043.86	33,835.55		68,879.41
Less : Excise Duty	436.77	-		436.77	422.63	-		422.63
Net Sales	39,698.61	38,524.63		78,223.24	34,621.23	33,835.55		68,456.78
Fixed Assets	17,260.75	0.15		17,260.90	16,010.50	2.08		16,012.58
Capital Expenditure	3,360.63	-		3,360.63	2,086.55	-		2,086.55

iii) Notes :

The business segments viz. 'Synthetic Cordage' and 'Fibre and Industrial Products' and Projects' are considered as 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 Projects. 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.

38. TRANSACTIONS WITH RELATED PARTIES

(I) List of Related Parties and Relationship:

A. Associates Companies

- I. Garware Meditech Pvt. Limited

B. Subsidiary / Joint Venture Companies

- I. Garware Environmental Services Pvt. Ltd.

C. Enterprises Owned or Significantly Influenced by Key Management Personnel or Their Relatives

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. Sukukar Holdings & Trading Company Pvt. Ltd.
8. VMIR Investment Ltd.
9. VRG Investments Ltd.
10. Garware Infrastructure Pvt. Ltd.
11. Suramex Exim Pvt. Ltd.
12. Ramesh Trading Company
13. Sunita Trading Company

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

14. Garware Research Institute
15. Vimlabai Garware Research Institute
16. Consolidated Agricultural & Dairy Farming Co. Pvt. Ltd.
17. Garware Beststretch Ltd. (upto 25.9.2014)
18. Garware Holdings Limited (upto 25.9.2014)
19. Garware Motors Ltd. (upto 25.9.2014)
20. Gartex Industries Ltd. (upto 25.9.2014)
21. Garware Apparel Pvt. Ltd. (upto 25.9.2014)
22. Diya Trading Co. (upto 25.9.2014)
23. Vayu Trading Co. (upto 25.9.2014)

D. Directors - Key Management Personnel

Mr. V. R. Garware

E. Relatives of Key Management Personnel

Mrs. M. V. Garware

Mrs. Diya Garware Ibanez

(II) Following are the transactions with the related parties mentioned in A, B & C above:

(₹ in lacs)

Sr. No.	Nature of Transaction	Associate Companies		Companies/ other organisations under the control of Directors		Directors - Key Management Personnel		Relatives of Key Management Personnel having significant influence over the Company by reason of voting power		Total	
		2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
1	Purchase of Goods / Services	-	6.63	-	-	-	-	-	-	-	6.63
2	Rent of Flat	-	-	-	-	84.00	63.00	-	-	84.00	63.00
3	Deposits received	-	-	1,117.82	3,462.83	-	1,382.50	-	-	1,117.82	4,845.33
4	Deposits refunded	-	-	1,117.82	3,462.83	-	118.00	-	-	1,117.82	3,580.83
5	Interest paid on deposits	-	-	97.17	269.16	-	14.08	148.67	-	245.84	283.24
6	Directors' Remuneration										
a)	Mr. V. R. Garware	-	-	-	-	312.97	200.93	-	-	312.97	200.93
7	Directors' Sitting Fees	-	-	-	-	-	-	5.40	1.40	5.40	1.40
8	Balance payable (Principal)	0.18	0.18	-	-	1,264.50	1,264.50	-	-	1,264.68	1,264.68
9	Balance payable (Interest)	-	-	-	-	215.33	66.66	-	-	215.33	66.66

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

(III) Disclosure in Respect of Material Related Party Transactions during the year :

- 1 Purchase of Good / Services include Purchase from Garware Bestrech Ltd. of ₹ Nil (Previous year ₹ 6.63 lacs).
- 2 Rent paid to Mr. V. R. Garware of ₹ 84 Lacs (Previous year ₹ 63 lacs) for the Flat taken on Leave & License.
- 3 Deposit received of ₹ 1117.82 lacs and refunded of ₹ 1135.28 lacs (Previous year Deposit Received of ₹ 4845.33 lacs and refunded of ₹ 3580.83) includes deposits from :-
 Mr. V. R. Garware of ₹ 108.90 lacs (Previous year ₹ 91 lacs)
 Late Shri R. B. Garware of ₹ Nil and paid of ₹ Nil (Previous year received of ₹ 1291.50 and paid of ₹ 27 lacs)
 Garware Capital Markets Ltd. of ₹ 802.13 lacs (Previous year ₹ 664.50 lacs)
 Manmit Investments & Trading Co. Pvt. Ltd. of ₹ 79.50 lacs (Previous year ₹ 66.70 lacs)
 Moonshine Investments and Trading Co. Pvt Ltd. of ₹ 49.64 lacs (Previous year ₹ 35 lacs)
 RSDV Investments Pvt. Ltd. of ₹ Nil (Previous year ₹ 2183 lacs)
 RSDV Finance and Trading Co. Pvt. Ltd. of ₹ Nil (Previous year ₹ 80.50 lacs)
 Sanand Investment & Trading Co. Pvt. Ltd. of ₹ 7.42 lacs (Previous year ₹ 21.20 lacs)
 Starshine Investments and Trading Co. Pvt. Ltd. of ₹ 5.44 lacs (Previous year ₹ 15.28 lacs)
 Garware Securities Broking Ltd. of ₹ Nil (Previous year ₹ 3.50 lacs)
 Suramex Exim Pvt. Ltd. of ₹ Nil (Previous year ₹ 49.70)
 Gurukrupa Investment and Trading Co. Pvt. Ltd. of ₹ 9.19 lacs (Previous year ₹ 5.20 lac)
 VMIR Investment Ltd. earlier known as Garware Utzon (Cordage) Ltd. of ₹ 24.89 lacs (Previous year ₹ 119.50 lacs)
 Sukukar Holdings & Trading Co. Pvt. Ltd. of ₹ 6.92 lacs (Previous year ₹ 19.50 lacs)
 VRG Investments Ltd. earlier known as Garware Indus Consulting Ltd. of ₹ 23.79 lacs (previous year ₹ 112.25 lacs)
 Ceebeegee Investments Co. Pvt. Ltd. of ₹ Nil (Previous year ₹ 87 lacs)
- 4 Interest paid on Deposit of ₹ 245.84 lacs (Previous year ₹ 216.58 lacs) includes:
 Mr. V. R. Garware of ₹ 8.15 lacs (Previous year ₹ 5.62 lacs)
 Late Shri R. B. Garware of ₹ 148.67 lacs (Previous year ₹ 8.46 lacs)
 Garware Capital Markets Ltd. of ₹ 73.13 lacs (Previous year ₹ 63.55 lacs)
 Manmit Investments & Trading Co. Pvt. Ltd. of ₹ 7.57 lacs (Previous year ₹ 6.64 lacs)
 Moonshine Investments and Trading Co. Pvt. Ltd. of ₹ 4.15 lacs (Previous year ₹ 3.07 lacs)
 RSDV Investments Pvt. Ltd. of ₹ Nil (Previous year ₹ 90.34 lacs)
 RSDV Finance and Trading Co. Pvt. Ltd. of ₹ Nil (Previous year ₹ 3.58 lacs)
 Sanand Investment & Trading Co. Pvt. Ltd. of ₹ 0.39 lacs (Previous year ₹ 1.83 lacs)
 Starshine Investments and Trading Co. Pvt. Ltd. of ₹ 0.28 lacs (Previous year ₹ 1.30 lacs)
 Garware Securities Broking Ltd. of ₹ Nil (Previous year ₹ 0.06 lacs)
 Suramex Exim Pvt. Ltd. of ₹ Nil (Previous year ₹ 3.96 lacs)
 Gurukrupa Investments and Trading Co. Pvt. Ltd. of ₹ 0.73 lacs (Previous year ₹ 0.30 lacs)
 VMIR Investment Ltd. earlier known as Garware Utzon (Cordage) Ltd. of ₹ 1.23 lacs (Previous year ₹ 11.51 lacs)
 Sukukar Holdings & Trading Co. Pvt. Ltd. of ₹ 0.36 lacs (Previous year ₹ 1.70 lacs)
 VRG Investments Ltd. earlier known as Garware Indus Consulting Ltd. of ₹ 1.17 lacs (Previous year ₹ 10.73 lacs)
 Ceebeegee Investments Co. Pvt. Ltd. of ₹ Nil lacs (Previous year ₹ 3.93 lacs)
- 5 Payment to Key management personnel includes;-
 Mr. V. R. Garware ₹ 312.97 lacs (Previous year ₹ 200.93 lacs)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

39. EARNING PER SHARE (EPS)

EPS computed in accordance with Accounting Standard 20 "Earning Per Share"

Basic Earning Per Share are calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity Shares outstanding during the period. For the purpose of calculating diluted Earning Per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of Shares outstanding during the period are adjusted for the effects of all dilutive potential Equity Shares.

(₹ in lacs)

	31st March 2015	31st March 2014
BASIC AND DILUTED EPS		
Net Profit attributable to Equity Shareholders	4305.49	2666.19
Basic EPS (in ₹)	19.68	12.13
Diluted EPS (in ₹)	19.67	11.40

40. DISCLOSURE IN RELATION TO DERIVATIVE INSTRUMENTS

(a) No. of Contracts	25	11
(b) Purpose	Hedging	Hedging
(c) Net un-hedged exposure	₹ 1130.17 lacs	₹ 3059.11 lacs

41. OPERATING LEASE

Operating lease payments are recognised as Expenses in the Statement of Profit and Loss on a straight-line basis over the lease term.

(a) Future Lease Rental Payment		
i) Not later than one year.	0.05	0.05
ii) Later than one year not later than five years.	Nil	Nil
iii) Later than five years.	Nil	Nil
(b) Lease Payment recognised in the Statement of Profit and Loss	0.05	0.05
(c) General Description of the Leasing Arrangement :		
i) Leased Assets : Twisting Machine with Spindles and related equipments.		
ii) Future lease rental payment are determined on the basis of lease rent and use of leased Machine for processing operation of third party.		
iii) At the expiry of the lease term, the Company will negotiate for extension of lease / formation of Joint Venture to carry out the activities.		

42. EXPENDITURE INCURRED ON R&D ACTIVITIES ARE AS FOLLOWS

	31st March 2015	31st March 2014	31st March 2013
Research and Development Equipments	443.12	205.33	108.17
Research and Development Revenue Expenditure	381.23	289.87	226.59

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

43. CONTINGENT LIABILITIES

- Disputed Excise Duty ₹ 27.57 lacs (Previous year ₹ 27.57 lacs).
- Bank Guarantees for ₹ 1503.90 lacs (Previous year ₹ 1,498.71 lacs), in the ordinary course of business, against which the Company has issued counter guarantees for the overall bank limits of ₹ 13,500 lacs (Previous year ₹ 13,500 lacs).
- Disputed amount of Sales Tax Liability ₹ 196.68 lacs (Previous year ₹ 196.68 lacs).
- Export Sales Bills Discounted with the Banks ₹ 2373.80 lacs (Previous year ₹ 3016.05 lacs).
- The interest portion on delayed payment of Octroi Liability amounting to ₹ 21.64 lacs (Previous year ₹ 21.64 lacs) is under dispute.
- The Income Tax Liability due to the department's appeals at higher levels (Supreme Court) amounting to ₹ 208 lacs (Previous year ₹ 208 lacs).

44. DISCLOSURES UNDER THE MICRO, SMALL & MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

- An amount of ₹ 47.94 lacs (31st March, 2014, ₹ 94.10 lacs) and ₹ NIL (31st March, 2013 ₹ Nil) was due and outstanding to Suppliers as at the end of the year on account of Principal and Interest respectively.
- No interest was paid during the year.
- No interest outstanding at the end of the year where principal amount has been paid off to the supplier but interest amount is outstanding on 31st March, 2015.
- No amount of interest was accrued and unpaid at the end of the year.

The above information and that given in Note 10 - 'Trade Payable' regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified, on the basis of the information available with the Company. This has been relied upon by the Auditors.

45. ESTIMATED AMOUNT OF CONTRACTS REMAINING TO BE EXECUTED ON CAPITAL ACCOUNT AND NOT PROVIDED FOR NET OF ADVANCES ₹ 92.74 LACS (PREVIOUS YEAR ₹ 31.61 LACS)

46. INTEREST IN FIRM / JOINT VENTURES

- The Company has entered into a partnership agreement (Sopan D. Patil & GWRL JV) in which the Company holds 40% share in profit / loss to execute Geo Synthetics Work - Contract value worth ₹ 577.31 lacs. During the year ended 31st March, 2015, the said partnership has incurred a loss of ₹ 0.02 lacs (Previous year ₹ 0.58 lac).

(₹ in lacs)

	31st March 2015	31st March 2014
Current Assets	15.29	15.30
Non-current Assets	19.82	19.81
Current Liabilities	24.53	24.87
Non-current Liabilities	13.21	12.84
Equity, Reserve & Surplus	(2.63)	(2.60)
Revenue	-	-
Cost of Materials consumed	-	47.85
Employee benefit expenses	-	-
Other expenses	(0.02)	(48.43)
Profit / (loss) before Tax	(0.02)	(0.58)
Income-tax expenses	-	-
Profit / (loss) after Tax	(0.02)	(0.58)

- The Company's Joint Venture with Waste Management Pacific Pty Ltd. (WMPL), (a company incorporated under the law of Australia) to carry out the business of Environmental Engineering through 'Garware Environmental Services Pvt. Ltd.' Joint Venture has become Wholly Owned Subsidiary of the Company w.e.f 28.11.2012, on acquisition of Shares held by WMPL.

47. These Financial Statements have been prepared in the format prescribed under Section 133 of Companies Act 2013 ('Act') read along with Rule 7 of the Company (Accounts) Rules, 2014, the provisions of the Act (to the extend notified) and guidelines issued by the Security and Exchange Board of India (SEBI). Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.



GARWARE-WALL ROPES LIMITED
(Consolidated)

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GARWARE-WALL ROPES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of Garware-Wall Ropes Limited ('the Company') and its Subsidiary, which comprise the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant Accounting Policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated Financial Statements to give a true and fair view of the Consolidated Financial position, Consolidated Financial performance and Consolidated Cash Flows of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read along with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Consolidated Financial Statements that give a true and fair view and are free from material mis-statement, whether due to fraud or error.

Auditor's Responsibility

- I. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
- II. We have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made thereunder.
- III. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material mis-statement.
- IV. An audit involves, performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material mis-statement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the Auditor considers Internal Financial Control relevant to the Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate Internal Financial Controls System over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the Accounting Policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.
- V. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Opinion

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

1. In the case of the Consolidated Balance sheet, of the state of affairs of the Company as at 31st March, 2015,
2. In the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date ; and
3. In the case of the Consolidated Cash Flow Statement, of the cash flows for the year on that date.

For **Patki & Soman**
Chartered Accountants

S. M. Patki
Partner

M. No. 037315

F. R. No. 107830W

Pune,
26th May, 2015

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2015

		(₹ in lacs)	
	Note No.	As at 31st March 2015	As at 31st March 2014
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	2,188.21	2,197.23
(b) Reserves and Surplus	4	28,877.97	25,351.16
		31,066.18	27,548.39
(2) Non-Current Liabilities			
(a) Long-term Borrowings	5	405.98	1,178.49
(b) Deferred Tax Liabilities (Net)	6	2,247.01	2,025.01
(c) Other Long-term Liabilities	7	148.89	326.53
(d) Long-term Provisions	8	237.56	158.28
		3,039.44	3,688.31
(3) Current Liabilities			
(a) Short-term Borrowings	9	2,754.55	4,498.59
(b) Trade Payables	10	6,631.13	6,407.51
(c) Other Current Liabilities	11	8,654.14	5,981.74
(d) Short-term Provisions	12	17,781.10	11,807.73
		35,820.92	28,695.57
TOTAL		69,926.54	59,932.27
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	13	15,587.56	14,507.68
(ii) Intangible Assets	13	996.57	761.17
(iii) Capital Work-in-Progress	13	676.83	743.79
		17,260.96	16,012.64
(b) Non-current Investments	14	921.41	945.45
(c) Long-term Loan and Advances	15	1,179.70	1,149.21
(d) Other non-current Assets	16	556.57	101.42
		19,918.64	18,208.72
(2) Current Assets			
(a) Inventories	17	13,719.69	12,682.60
(b) Trade Receivables	18	18,207.76	14,254.22
(c) Cash and Cash Equivalents	19	1,105.51	940.99
(d) Short-term Loans and Advances	20	16,974.94	13,845.74
		50,007.90	41,723.55
TOTAL		69,926.54	59,932.27

III. NOTES FORMING PART OF THE FINANCIAL STATEMENT I-47

As per our Report of even date

For **PATKI & SOMAN**
Chartered Accountants,

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

M. V. GARWARE
Director
DIN. 06948274

(S. M. PATKI)
Partner
M. No. 037315
F. R. No. 107830W

SUNIL AGARWAL
Company Secretary
M. No. FCS 6407

R. M. TELANG
Director
DIN. 00092103

S. P. KULKARNI
Director
DIN. 00006914

Pune,
26th May, 2015

S. H. BAMNE
VP Corporate (CFO)

ASHISH GOEL
Director
DIN. 00147449

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2015

	Note No.	For the year ended 31st March 2015	(₹ in lacs) For the year ended 31st March 2014
I. REVENUE:			
(a) Revenue from Operations	21	78,660.02	68,879.40
Less: Excise Duty		436.77	422.62
		78,223.25	68,456.78
(b) Other Income (Net)	22	382.48	410.44
Total Revenue		78,605.73	68,867.22
II. EXPENSES:			
(a) Cost of Materials Consumed	23	34,827.14	28,440.70
(b) Purchase of Traded Goods	24	2,237.09	2,588.03
(c) (Increase)/Decrease in inventories of Finished Goods, Work-in-Progress and Traded Goods	25	(718.34)	604.94
(d) Employee Benefit Expense	26	8,424.09	6,379.98
(e) Operation and Other Expenses	27	25,511.72	24,209.74
Total Expenses		70,281.70	62,223.39
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (I - II)		8,324.03	6,643.83
(f) Depreciation and Amortisation Expenses	13	1,238.56	1,439.34
(g) Finance Costs	28	1,024.83	1,282.97
III. PROFIT BEFORE TAX		6,060.64	3,921.52
IV. TAX EXPENSES			
(a) Current Tax		1,519.94	1,022.08
(b) Deferred Tax		222.00	210.65
(c) Wealth Tax		9.51	8.50
(d) Adjustment for excess / (short) provision of earlier years		(2.84)	4.54
V. a) Profit after Tax for the year		4,312.03	2,675.75
Share of profit / (loss) of Associate		(0.13)	(0.12)
b) Profit after Tax for the year after share of Associates		4,311.90	2,675.63
VI. EARNINGS PER EQUITY SHARE			
(i) Basic (₹)		19.71	12.18
(ii) Diluted (₹)		19.70	11.44
Face Value per Equity Share (₹)		10.00	10.00

VII. NOTES FORMING PART OF THE FINANCIAL STATEMENT I-47

As per our Report of even date

 For **PATKI & SOMAN**
 Chartered Accountants,

(S. M. PATKI)
 Partner
 M. No. 037315
 F. R. No. 107830W

 Pune,
 26th May, 2015

SUNIL AGARWAL
 Company Secretary
 M. No. FCS 6407

S. H. BAMNE
 VP Corporate (CFO)

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

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

		(₹ in lacs)
	For the year ended 31st March 2015	For the year ended 31st March 2014
I. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	6,060.65	3,921.52
Adjustments for :		
Depreciation and Amortisation	1,238.56	1,439.34
Finance Cost	1,024.83	1,282.96
Interest Income	(34.25)	(78.77)
Dividend Income	(0.64)	(1.15)
(Profit) / Loss on Sale of Fixed Assets	19.47	(1.44)
Operating Profit before Working Capital Changes	8,308.62	6,562.46
Trade Receivables, Loans and Advances and other Assets	(6,154.80)	(3,087.68)
Inventories	(1,037.09)	(503.26)
Trade and other Payables	7,744.18	5,479.41
Cash generated from Operations	8,860.91	8,450.93
Direct Taxes paid	(1,416.51)	(546.46)
Net Cash provided by Operating Activities	7,444.40	7,904.47
II. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(2,620.09)	(2,051.44)
Proceeds from Sale of Fixed Assets	66.24	49.08
Purchase / Sale of Investments	23.90	(17.17)
Interest received	24.16	64.53
Dividend received	0.64	1.15
Net Cash provided by / (used in) Investing Activities	(2,505.15)	(1,953.85)
III. CASH FLOW FROM FINANCING ACTIVITIES		
Repayments of Long-term Borrowings	(1,302.69)	(1,644.60)
Finance Cost	(1,007.74)	(1,273.07)
Short-term Borrowings	(1,744.04)	(2,369.85)
Dividend paid including Dividend Tax	(654.71)	(692.17)
Buyback of Equity Shares	(65.55)	(1,046.02)
Net Cash from Financing Activities	(4,774.73)	(7,025.71)
Net Increase / (Decrease) in Cash & Cash Equivalents	164.52	(1,075.09)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

	For the year ended 31st March 2015	(₹ in lacs) For the year ended 31st March 2014
Cash & Cash Equivalents (Opening Balance):	940.99	2,016.08
Cash & Cash Equivalents (Closing Balance):	1,105.51	940.99
Net Increase/ (Decrease) in Cash & Cash Equivalents	164.52	(1,075.09)

IV. NOTES FORMING PART OF THE FINANCIAL STATEMENT I-47

As per our Report of even date

For **PATKI & SOMAN**
Chartered Accountants,

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

M. V. GARWARE
Director
DIN. 06948274

(S. M. PATKI)
Partner
M. No. 037315
F. R. No. 107830W

SUNIL AGARWAL
Company Secretary
M. No. FCS 6407

R. M. TELANG
Director
DIN. 00092103

S. P. KULKARNI
Director
DIN. 00006914

Pune,
26th May, 2015

S. H. BAMNE
VP Corporate (CFO)

ASHISH GOEL
Director
DIN. 00147449



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

I CORPORATE INFORMATION

Garware-Wall Ropes Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed at two Stock Exchanges in India. 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 solutions to the infrastructure industries which include coastal protection, land filling, etc. The Company caters to both domestic and international markets.

2 SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation

The Financial Statements of the Company have been prepared in accordance with Generally Accepted Accounting Principle in India (Indian GAAP). The Company has prepared these Financial Statement to comply in all material respects with the Accounting Standards notified under Section 133 of Companies Act, 2013 ('Act') read along with Rule 7 of the Company (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Security and Exchange Board of India (SEBI). The Financial Statements have been prepared on an accrual basis and under the historical cost convention, except for assets acquired before and revalued during the year ended 30th September, 1985.

The Accounting Policies adopted in the preparation of Financial Statement are consistent with those of previous year, except for the change in Accounting Policy explained below.

b. Use of estimates

The preparation of Financial Statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Fixed Assets

Fixed Assets are stated at cost of acquisition (subject to revaluation during the year ended 30th September, 1985) less accumulated depreciation. Cost includes all expenses incurred to bring the assets to its present location and condition.

d. Depreciation / Amortisation

Depreciation / Amortisation other than on leasehold land and capital work-in-progress is charged so as to write-off the cost of the assets, on the following basis:

Type of Asset	Method	For the year ended 31st March, 2015	For the year ended 31st March, 2014 Deprn in %
Freehold Buildings	Written down value	30 years	5.00%
Factory Buildings	Written down value	60 years	10.00%
Plant and Machinery	Straight-Line	25 years	5.28% - 11.31%
Electrical Installations	Straight-Line	10 years	7.07%
Furniture & Fixtures	Straight-Line	10 years	6.33%
Office Equipments	Straight-Line	3 / 5 years	4.75% - 16.21%
Vehicles	Straight-Line	8 years	9.5% - 11.31%
Helicopter	Straight-Line	20 years	5.60%
Technical Knowhow	Straight-Line	10 years	10 years
Product Development	Straight-Line	10 years	10 years
Computer Software	Straight-Line	10 years	5 years

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

e. Basis of Preparation

At each Balance Sheet date, the management reviews the carrying amounts of its Assets included in each unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of impairment loss. Impairment Loss recognised for the year, charged to Statement of Profit and Loss, amounting to ₹ 17.48 lacs (Previous year Nil)

f. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long-term investments are valued at cost less provision, if any, for permanent diminution in the value other than temporary diminution in value. Current investments are valued at the lower of the cost or market value as on the date of the Balance Sheet.

g. Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of various categories of inventories is arrived at as follows :

- a) Stores, spare, fuel & packing materials and raw material - 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 cost 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.

h. Revenue Recognition

Sales exclude amounts recovered towards Sales Taxes and value added taxes (VAT). Domestic Sales are recognised on dispatch of goods from Factory. Export Sales are recognised based on date of Bill of Lading and or Multi Modal Transport Documents on customer's acceptance. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Revenue from Project Contracts and services rendered are recognised on the basis of percentage of completion method when works are rendered and related costs are incurred.

Unbilled revenue represents revenues recognised in excess of the amounts billed as at the balance sheet date.

Income from sale of scrap is accounted for on realisation.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

Dividend income is recognised when the company's right to receive dividend is established.

i. Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Foreign Currency denominated Current Assets and Current Liabilities at the Balance Sheet date are translated at the exchange rate prevailing on the date of the Balance Sheet. Exchange rate differences resulting from foreign exchange transactions settled during the period, including year-end translation of Current Assets and Liabilities are recognised in the Statement of Profit & Loss, other than those exchange differences arising in relation to liabilities incurred for acquisition of Fixed Assets, which are adjusted to the carrying value of the underlying Fixed Assets.

In respect of forward exchange contracts, except in case of Fixed Assets, the differences between the forward rate and the exchange rate at the inception of the forward exchange contract are recognised as income / expense over the life of the contract.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

Hedging instruments are initially measured at fair value, and are remeasured at subsequent reporting dates. Changes in the fair value of these instruments are designated and effective as hedges of future cash flows and are recognised directly in shareholders' funds and the ineffective portion is recognised immediately in the Statement of Profit and Loss.

j. Research and Development

- i) Research costs are expended 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.

Amortisation 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 recognized in the Statement of Profit and Loss. During the period of development, the asset is tested for impairment annually.

- ii) The Company has in-house R & D facilities at Chinchwad and Wai plant both recognised by The Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India (DSIR). It would be endeavour of the Company to achieve the development of new products - Ropes, Nettings and Technical Textiles for various new applications.
 - a) Develop new products to tap new market / customers.
 - b) Developing next generation products for future economic benefit.
 - c) Developing import substitutes with optimising cost and value benefit.
 - d) Improve customer satisfaction with maximizing benefits of the products.

k. Employee Benefits

- i) Defined Contribution Plan

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

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.

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.

l. Borrowing Costs

Borrowing Costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which those are incurred.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

m. Taxation

- (a) Current Income-Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India and tax Laws prevailing in the respective tax jurisdictions where the Company operates.
- (b) Deferred Tax Expenses or Benefit is recognised on timing difference being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Asset and Liabilities are remeasured using the tax rates and tax laws that have been enacted or substantively enacted on the Balance Sheet date.

n. Provisions and Contingent Liabilities

A provision is recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. A Contingent Liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A Contingent Liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a Contingent Liability but discloses its existence in the Financial Statements.

o. Government Grants and Subsidy

Grants and Subsidies from the Government are recognised when there is 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.

p. Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present Earning Before Interest, Tax, Depreciation and Amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Company measures EBITDA on the basis of profit / (loss) from continuing operation. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	(₹ in lacs)	
	As at 31st March 2015	As at 31st March 2014
3. SHARE CAPITAL		
(a) Authorised Share Capital		
i) 5,00,00,000 Equity Shares of ₹ 10/- each (31st March, 2014 : 5,00,00,000 Equity Shares of ₹ 10/- each)	5,000.00	5,000.00
ii) 1,00,00,000 Unclassified Shares of ₹ 10/- each (31st March, 2014 : 1,00,00,000 Unclassified Shares of ₹ 10/- each)	1,000.00	1,000.00
	6,000.00	6,000.00
(b) Issued, Subscribed and Fully Paid-up		
2,18,82,060 Equity Shares of ₹ 10/- each (31st March, 2014 : 2,19,72,253 Equity Shares of ₹ 10/- each)	2,188.21	2,197.23
	2,188.21	2,197.23

Note: During the year 2014-15, the Company has bought back 90,193 Equity Shares of ₹ 10/- each under the Buy Back Scheme (Previous year 17,36,097)

	As at 31st March 2015		As at 31st March 2014	
	Number of Shares	Amount Rupees	Number of Shares	Amount Rupees
Equity Shares				
Opening Balance	21,972,253	219,722,530	23,708,350	237,083,500
Changes during the year	(90,193)*	(901,930)	(1,736,097)	(17,360,970)
Closing Balance	21,882,060	218,820,600	21,972,253	219,722,530

* During the year 2014-15, the Company has bought back 90,193 Equity Shares of ₹ 10/- each under the Buy Back Scheme (Previous Year 17,36,097 Equity Shares)

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

	As at 31st March 2015	As at 31st March 2014
Equity Shares		
Late Shri Ramesh B. Garware **	3612053* 16.51%	3,612,053* 15.86%
Garware Capital Markets Limited	3,473,437 15.87%	3,453,911 15.17%

* 9.99% (Previous year 9.95%) shares are held on behalf of a Partnership Firm.

** Mr. V. R. Garware informed that as per the Will of Late Mr. R. B. Garware, who died on 7th February, 2014, the shares standing in the name of Mr. R. B. Garware are bequeathed to him and same are yet to be transmitted in his name. Pending transmission of the said shares in the name of Mr. V. R. Garware, they continue to be registered in the name of Late Mr. R. B. Garware.

d) Shares allotted as fully paid up by way of Bonus Shares (during 5 years preceding 31st March, 2015): Nil

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	As at 31st March 2015	(₹ in lacs) As at 31st March 2014
4. RESERVES AND SURPLUS		
(a) Capital Reserve	72.23	72.23
(b) Capital Redemption Reserve	182.63	173.62
(c) Share Premium		
Share Premium Account	7,597.37	7,597.37
Share Premium Related to Forfeited Share	102.74	102.74
(d) Revaluation Reserve		
(i) Balance as per last Financial Statement	6.93	7.97
(ii) Less: Transfer to Statement of Profit and Loss	1.04	1.04
	<u>5.89</u>	<u>6.93</u>
(e) General Reserve		
(i) Balance as per last Financial Statement	2,688.05	3,467.07
(ii) Transfer to Capital Redemption Reserve A/c	(56.52)	(1,046.02)
(iii) Transferred from Statement of Profit and Loss	430.55	267.00
(iv) Unplanned Depreciation	(62.67)	-
	<u>2,999.41</u>	<u>2,688.05</u>
(f) Surplus in Statement of Profit and Loss		
(i) Balance as per last Financial Statement	15,104.50	13,389.94
Add : Profit for the year	4,311.90	2,675.63
Less : Appropriations		
(ii) Proposed final Dividend on Equity Shares	656.46	593.25
(iii) Tax on Dividend	131.28	100.82
(iv) Transfer to General Reserve	430.55	267.00
	<u>18,198.11</u>	<u>15,104.50</u>
(g) Hedging Reserve Account (Refer note no (i))		
(i) Balance as per last Financial Statement	(394.28)	(290.09)
(ii) (Deductions) / Additions during the year (net)	113.87	(104.19)
	<u>(280.41)</u>	<u>(394.28)</u>
Total	<u><u>28,877.97</u></u>	<u><u>25,351.16</u></u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	As at 31st March 2014	(₹ in lacs) As at 31st March 2013
5. LONG-TERM BORROWINGS		
TERM LOANS		
- From Banks and Financial Institutions		
1. IDBI Bank Term Loan under TUFs		
(i) Balance as per last Financial Statement	-	52.70
(ii) Current Maturity transfer to other Current Liability	-	52.70
	-	-
2. CITI Bank ECB Term Loan		
(i) Addition during the year	1,217.92	1,956.78
(ii) Current Maturity transfer to other Current Liability	811.94	778.29
	405.98	1,178.49
3. HDFC Rupee Term Loan		
(i) Addition during the year	-	625.00
(ii) Current Maturity transfer to other Current Liability	-	625.00
	-	-
Balance as on reporting date	1,217.92	2,634.48
Less: Current Maturity transfer to other Current Liability	811.94	1,455.99
Total	405.98	1,178.49

Notes :

- 1) IDBI Bank Term Loan under TUFs Loan is repayable in 20 quarterly instalments of ₹ 52.70 lacs each along with interest from 31st July, 2009. This loan is secured by way of charge on specific assets financed by the Bank.
- 2) CITI Bank ECB term loan is repayable in 16 quarterly instalments of ₹156.25 lacs each along with interest from 26th December 2012. This loan is secured by way of hypothecation of the whole of the movable fixed assets, comprising plant & machinery, computers, furniture and fixtures, machinery spares, tools & accessories and other assets, both present & future on first charge on pari-passu basis with others.
- 3) HDFC Bank Rupee Term Loan is repayable in 12 quarterly instalments of ₹ 208.33 lacs each along with interest from 4th January, 2012. This loan is secured by way of hypothecation of the Movable Properties including Plant & Machinery, Machinery Spares, Tools & Accessories and other Movables both present & future on first charge on pari-passu basis with others.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	As at 31st March 2015	As at 31st March 2014
(₹ in lacs)		
6. DEFERRED TAX LIABILITIES (NET)		
(a) Deferred Tax Liability		
Depreciation and Amortisation	2,393.10	2,106.84
	<u>2,393.10</u>	<u>2,106.84</u>
(b) Deferred Tax Asset		
(i) Employee Benefits	83.90	66.55
(ii) Provision for Doubtful Debts	15.28	15.28
(iii) Others	46.91	-
	<u>146.09</u>	<u>81.83</u>
Deferred Tax liabilities (Net)	<u>2,247.01</u>	<u>2,025.01</u>
7. OTHER LONG-TERM LIABILITIES		
Deposits from Customers and Contractors	148.89	326.53
Total	<u>148.89</u>	<u>326.53</u>
8. LONG-TERM PROVISIONS		
Provision for Employee Benefits	237.56	158.28
Total	<u>237.56</u>	<u>158.28</u>
9. SHORT-TERM BORROWINGS		
Secured Loans		
Loans repayable on demand		
- From banks		
1. Cash Credit, Rupee Loan and Rupee Packing Credit	447.35	280.03
2. Packing Credit in Foreign Currency Loan	865.79	2,896.09
Unsecured Loans		
Loans repayable on demand		
- From bank		
2. Loan from Promoter *	1,441.41	1,322.47
Total	<u>2,754.55</u>	<u>4,498.59</u>

Note:

The above secured Loans are availed from Consortium Bankers, viz., Bank of India, Bank of Baroda, IDBI Bank Ltd., HDFC Bank Ltd., CITI Bank N.A, DBS Bank Ltd. and The Hongkong and Shanghai Banking Corporation Ltd., which are secured by a first charge, pari passu, interest 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. The cash credit and packing credit (rupee and foreign currency loan) loan is repayable on demand.

* The said deposits were held by Late Shri R. B. Garware, and the same will be repaid on production of Probate of the Will dated 6th April, 2012 of Late Shri R. B. Garware.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	(₹ in lacs)	
	As at 31st March 2015	As at 31st March 2014
10. TRADE PAYABLES		
Trade Payables	6,631.13	6,407.51
Total	6,631.13	6,407.51
11. OTHER CURRENT LIABILITIES		
(a) Current maturity of Long-Term Debt	811.94	1,455.99
(b) Other Payables	6,738.40	3,603.44
(c) Interest accrued but not due on borrowing	21.33	14.33
(d) Advance received from Customers	950.05	878.13
(e) Unpaid Dividend	132.42	29.85
Total	8,654.14	5,981.74
Other Payables includes:		
(i) Fair value of foreign exchange forward contract secured against Trade Receivables	6,290.43	3,343.74
(ii) Statutory Liabilities	338.41	59.66
12. SHORT-TERM PROVISIONS		
(a) Provision for Employee Benefits	263.78	287.00
(b) Others		
(i) Taxation	6,790.98	5,269.53
(ii) Proposed Dividend	656.46	593.25
(iii) Tax on Proposed Dividend	131.28	100.82
(iv) Other provisions	9,938.60	5,557.13
Total	17,781.10	11,807.73

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015
13 FIXED ASSETS

3 FIXED ASSETS											
Description	GROSS BLOCK			DEPRECIATION					NET BLOCK		
	Gross Block as at 1st April 2014	Additions	Deletions/ Adjustments	Gross Block as at 31st March 2015	Accumulated as at 1st April 2014	Deletions / Adjustment	Unplanned Depreciation	Depreciation/ Amortisation for the year	Accumulated as at 31st March 2015	Value as at 31st March 2015	Value as at 31st March 2014
(a) TANGIBLE FIXED ASSETS											
Leasehold Land	168.62	53.88	-	222.50	-	-	-	-	-	222.50	168.62
Buildings	4,201.32	613.48	-	4,814.80	2,328.61	-	-	184.78	2,513.39	2,301.41	1,872.71
Plant and Machinery	23,027.70	835.13	23.07	23,839.76	13,163.35	15.47	-	501.02	13,648.90	10,190.86	9,864.35
R&D Equipments	1,573.80	443.12	94.16	1,922.76	624.30	83.04	-	18.22	559.48	1,363.28	949.50
Electrical Installations	828.16	94.85	7.52	915.49	521.11	5.98	0.99	66.48	582.60	332.89	307.05
Furniture and Fixtures	507.72	8.09	-	515.81	309.46	-	3.64	54.97	368.07	147.74	198.26
Office Equipments	1,157.85	75.27	189.16	1,043.96	841.40	158.65	57.38	123.85	863.98	179.98	316.45
Vehicles	1,150.25	170.89	49.98	1,271.16	481.44	34.50	0.66	143.86	591.46	679.70	668.81
Helicopter	670.36	15.65	-	686.01	508.43	-	-	8.38	516.81	169.20	161.93
TOTAL	33,285.78	2,310.36	363.89	35,232.25	18,778.10	297.64	62.67	1,101.56	19,644.69	15,587.56	14,507.68
31st March, 2014	32,098.27	1,291.80	104.29	33,285.78	17,574.25	56.65	-	1,260.50	18,778.10	14,507.70	14,524.03
(b) INTANGIBLE ASSETS											
Technical Knowhow	45.96	-	-	45.96	45.96	-	-	-	45.96	-	-
Product Development	1,453.60	-	-	1,453.60	791.85	-	-	108.23	900.08	553.52	661.75
Computer Software	317.00	373.44	-	690.44	217.58	-	-	29.81	247.39	443.05	99.42
TOTAL	1,816.56	373.44	-	2,190.00	1,055.39	-	-	138.04	1,193.43	996.57	761.17
31st March, 2014	1,765.61	50.95	-	1,816.56	875.51	-	-	179.88	1,055.39	761.17	890.10
(c) CAPITAL WORK- IN-PROGRESS											
	743.79	676.83	743.79	676.83	-	-	-	-	-	676.83	743.79
31st March, 2014	35.11	743.79	35.11	743.79	-	-	-	-	-	743.79	35.11
Grand Total											
	35,846.13	3,360.63	1,107.68	38,099.08	19,833.49	297.64	62.67	1,239.60	20,838.12	17,260.96	16,012.64
31st March, 2014	33,898.99	2,086.55	139.40	35,846.14	18,449.76	56.65	-	1,440.38	19,833.49	16,012.66	15,449.24

Notes:

- Depreciation has been provided on Straight Line Method except in the case of Buildings, which are depreciated on Written Down Value Method, at the rates specified in Part C of the Schedule II of the Companies Act, 2013.
- Cost of Buildings includes ₹ 500/- being the cost of shares held in Co-operative Housing Society.
- No amount is written off on Leasehold land.
- Depreciation has been provided on Straight Line Method single shift in case of Site equipments.
- The Company, in compliance with "As 26" on Intangible Assets, has recognized the intangible assets acquired during the year on Computer Software ₹ 373.44 lacs (Previous Year ₹ 50.95 lacs). Taking into consideration the clarification issued by the Institute of Chartered Accountants of India dated 7th October, 2003, the expenses that have already been recognized as "Deferred Revenue Expenditure" up to 1st April, 2004, are being continued to be amortized over the remaining period.
- In accordance with the transitional provision under Note 7 (b) to part C of the Schedule II of the Companies Act, 2013, the Company has recognised an amount of ₹ 62.67 lacs (Net of deferred tax ₹ 21.30 lacs) in the opening retained earnings, pertaining to assets whose balance useful life was Nil, as at 1st April, 2014, pursuant to such adoption.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

(₹ in lacs)

14. NON-CURRENT INVESTMENTS

1. INVESTMENTS IN EQUITY INSTRUMENT

a) In Associate Companies :

Shares of Garware Meditech Private Limited

5,000 (31st March, 2014 : 5000) Equity Shares of ₹10/- each, fully paid

Equity investments in Associate Companies (Includes Goodwill of ₹ 0.30 lacs (Previous year 0.09 lacs) arising on the acquisition)

b) In Other Companies :

Shares of Cosmos Co-operative Bank Limited

15,805 (31st March, 2014 : 15,805) Equity Shares of ₹ 20/- each, fully paid

Shares of Gujarat Filament Corporation Limited

50 (31st March, 2014 : 50) Equity Shares of ₹ 10/- each, fully paid

Shares of Intermedia Interactive Solutions Pvt. Limited

8,90,680 (31st March, 2014 : 8,90,680) Equity Shares of ₹ 10/- each, fully paid

Shares of Garware Marine Industries Limited (Quoted)

50,000 (31st March, 2014 : 50,000) Equity Shares of ₹ 10/- each, fully paid

Shares of Garware Polyester Limited (Quoted)

1,46,350 (31st March, 2014 : 1,46,350) Equity Shares of ₹ 10/- each, fully paid

2. INVESTMENTS IN GOVERNMENT AND TRUST SECURITIES

7 Year National Savings Certificates.

Out of this, National Saving Certificates for Face value of ₹ 0.16 lacs (31st March, 2014 ₹ 0.16 lacs)

deposited with Sales Tax Authorities

Sardar Sarovar Narmada Nigam Ltd. Bond

3. FIXED DEPOSIT IN BANK

(Including Interest accrued and receivable)

Total investment

Less:

Aggregate provision for diminution in value of investment

Contingency reserve, for possible permanent decline in the value of Investments

Total

Aggregate Value of Quoted Investments (₹ in lacs)

Aggregate Market Value of Quoted Investments (₹ in lacs)

Aggregate Value of Unquoted Investments (₹ in lacs)

**As at
31st March 2015**

**As at
31st March 2014**

0.16

0.28

3.16

3.16

0.01

0.01

807.11

807.11

5.00

5.00

319.62

319.62

11.10

40.56

17.50

17.50

72.75

67.21

1,236.41

1,260.45

315.00

315.00

921.41

945.45

324.62

324.62

164.90

98.60

894.38

923.84

Note : The Company has set aside from its General Reserve, as reserve amounting to ₹ 315 lacs in FY 2000-01 for contingencies that may arise, in the event there is a diminution in the value of investments, of a permanent nature, in the future.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	(₹ in lacs)	
	As at 31st March 2015	As at 31st March 2014
15. LONG-TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
(i) Security Deposits	478.41	431.22
(ii) Other Loans and Advances	701.29	717.99
Total	1,179.70	1,149.21
Other Loans and Advances includes :		
Advance to a Partnership Firm i.e. Sopan D. Patil & GWRL	13.21	12.84
Advances to Employees	136.76	99.25
16. OTHER NON-CURRENT ASSETS		
Other Non-Current Assets *	556.57	101.42
Total	556.57	101.42
* Other Non-Current Assets include deposits such as PCMC Octroi, MSEB, Gas, Rajashtan VAT, etc.		
17. INVENTORIES		
(i) Stores, Spares, Fuel and Packing Materials	1,188.56	994.28
(ii) Raw Materials	4,136.43	4,011.96
(iii) Work-in-Progress	2,725.18	3,190.29
(iv) Finished Goods (Including Goods-in-Transit ₹ 811.85 lacs, Previous Year ₹ 139.50 lacs)	5,101.09	4,027.64
(v) Traded Goods	568.43	458.43
Total	13,719.69	12,682.60
Inventories are carried at the lower of cost and net realisable value.		
18. TRADE RECEIVABLES (Unsecured, considered good unless other wise specified)		
(a) Trade Receivables for more than six months from due date		
Considered Good	1,306.21	1,322.48
Considered Doubtful	44.93	44.93
	1,351.14	1,367.41
Less: Provision for Doubtful Debts	44.93	44.93
	1,306.21	1,322.48
(b) Other Receivables		
Considered Good	16,901.55	12,931.74
Total	18,207.76	14,254.22

Unbilled revenue as at 31st March, 2015, amounting to ₹ 1603.96 lacs (31st March, 2014 : ₹ 1437.97 lacs) primarily comprises of the revenue recognised in relation to efforts made on construction contracts.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	(₹ in lacs)	
	As at 31st March 2015	As at 31st March 2014
19. CASH AND CASH EQUIVALENTS		
(a) Cash and Cash Equivalents		
(i) Balances with Banks		
- In Current Accounts	913.27	853.02
- In Deposit Accounts with maturity less than 3 months	-	-
(ii) Cash on hand	10.19	7.44
	<u>923.46</u>	<u>860.46</u>
(b) Other Bank balances		
(i) Earmarked balances with Banks	132.42	29.85
(ii) Bank Deposits above 3 months	49.63	50.68
	<u>182.05</u>	<u>80.53</u>
Total	<u>1,105.51</u>	<u>940.99</u>
20. SHORT-TERM LOANS AND ADVANCES		
Advances recoverable in cash or in kind or for value to be received	10,461.55	8,696.53
Advance Tax (including refunds receivable)	6,420.14	5,001.88
Deposits	16.34	119.31
Balance with Excise and Customs Authorities	76.91	28.02
Total	<u>16,974.94</u>	<u>13,845.74</u>
Advances recoverable in cash or in kind or for value to be received includes:		
Advances given to Creditors	1,373.35	1,213.21
Advances to Employees	15.13	76.22
21. REVENUE FROM OPERATIONS	For the year ended 31 March 2015	For the year ended 31 March 2014
(i) Manufactured Goods	73,533.92	63,862.93
(ii) Traded Goods	2,378.19	3,431.07
(iii) Contracts for Supply & Installation	2,747.91	1,585.40
(Tax deducted at source ₹ 76.39 lacs; Previous year ₹ 75.07 lacs)		
Total	<u>78,660.02</u>	<u>68,879.40</u>
Less:		
Excise Duty	436.77	422.62
Net Revenue	<u>78,223.25</u>	<u>68,456.78</u>

Note:

- A. Disclosure pursuant to Accounting Standard "AS 7 - Construction Contracts", the Construction Work-in-Progress (Fibre & Industrial Product & Project Segment) amounts to ₹ 6389.89 lacs (31st March, 2014 ₹ 4107.01 lacs).
- B. For these Construction Contracts, the progress payments received, advances and retentions on account of Contracts are ₹ 4387.50 lacs, ₹ 289.59 lacs and ₹ 258.04 lacs (31st March, 2014 ₹ 2081.92 lacs, ₹ 218.82 lacs and ₹ 115.14 lacs) respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	(₹ in lacs)	
	For the year ended 31st March 2015	For the year ended 31st March 2014
22. OTHER INCOME		
Sale of Scrap	180.31	190.61
Interest- Gross		
From Banks (Tax deducted at source ₹ 1.84 lacs, Previous year ₹ 11.32 lacs)	12.48	47.04
From Other	21.77	31.73
	<u>34.25</u>	<u>78.77</u>
Dividend	0.64	1.15
Miscellaneous Receipts	186.75	138.47
Profit/(Loss) on sale of Fixed Assets	(19.47)	1.44
Total	<u><u>382.48</u></u>	<u><u>410.44</u></u>
23. COST OF MATERIAL CONSUMED		
Raw Material Consumed		
Opening Stock	4,011.96	2,897.30
Add : Purchases (Net of Credits)	34,951.61	29,555.36
Less : Closing Stock	4,136.43	4,011.96
Total	<u><u>34,827.14</u></u>	<u><u>28,440.70</u></u>
24. PURCHASE OF TRADED GOODS		
Purchase of Traded Goods	2,237.09	2,588.03
Total	<u><u>2,237.09</u></u>	<u><u>2,588.03</u></u>
25. (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS		
(a) Opening Stock		
Work-in-Progress	3,190.29	3,068.27
Finished Goods	4,027.64	4,678.25
Traded Goods	458.43	534.78
	<u>7,676.36</u>	<u>8,281.30</u>
(b) Closing Stock		
Work-in-Progress	2,725.18	3,190.29
Finished Goods	5,101.09	4,027.64
Traded Goods	568.43	458.43
	<u>8,394.70</u>	<u>7,676.36</u>
Net (Increase) / Decrease	<u><u>(718.34)</u></u>	<u><u>604.94</u></u>
26. EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages and Bonus	7,285.11	5,289.36
Contribution to Provident and other Funds	308.42	281.93
Gratuity	102.78	96.91
Superannuation	35.36	38.86
Staff Welfare	692.42	672.92
Total	<u><u>8,424.09</u></u>	<u><u>6,379.98</u></u>
Salaries, Wages and Bonus includes :		
Salary Expenses towards R&D	194.52	144.51

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

	(₹ in lacs)	
	For the year ended 31st March 2015	For the year ended 31st March 2014
27. OPERATING AND OTHER EXPENSES		
Stores and Spares consumed	3,251.62	4,223.43
Packing Materials consumed	592.81	756.51
Power, Fuel and Water Charges	3,198.86	3,932.06
Processing and Testing Charges	4,270.27	5,116.33
Installation Contract related expenses	1,134.47	535.34
Administrative, Selling and General Expenses		
Advertisement & Sales Promotion expenses	390.28	356.93
Rent	299.75	230.22
Rates, Taxes and Octroi	81.80	203.23
Insurance	166.05	163.20
Transport and Forwarding Charges	5,435.24	3,579.21
	<u>6,373.12</u>	<u>4,532.79</u>
Repairs and Maintenance		
Buildings	59.42	36.74
Plant and Machinery	795.17	697.34
Others	317.29	438.70
	<u>1,171.88</u>	<u>1,172.78</u>
Travelling Expenses	803.10	702.18
Discount and Commission on Sales	2,619.70	1,965.21
Bad Debts	13.55	62.90
Legal and Professional Charges	537.05	594.05
Auditors' Remuneration		
Audit Fees	7.61	7.31
Fees for other Services	2.25	1.30
Out of Pocket Expenses	0.28	0.57
	<u>10.14</u>	<u>9.18</u>
Establishment and other miscellaneous expenses*	1,662.74	1,396.10
Exchange (Gain) / Loss (net)	(132.99)	(671.70)
Directors' Fees	5.40	5.40
Cost Capitalised on Machines	-	(122.82)
Total	<u><u>25,511.72</u></u>	<u><u>24,209.74</u></u>
*Operating and other expenses includes :		
R&D Revenue Expenses	186.71	145.36
Corporate Social Responsibility (CSR) Expenses	30.88	-

28. FINANCE COSTS

Interest expenses:

- Term Loans	454.07	641.97
- Cash Credit / Overdraft	320.45	412.11
- Bank Charges	250.31	228.89

Total	<u><u>1,024.83</u></u>	<u><u>1,282.97</u></u>
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015
29. EMPLOYEE BENEFITS :

The Company operates a gratuity defined plan for its employees. Under the gratuity plan, every employee who has completed at least five (5) years of service gets a gratuity on departure @ fifteen (15) days of last drawn salary for each completed year of service. The scheme is funded with insurance companies in the form of qualifying insurance policy.
 (₹ in lacs)

Defined Benefit Plans	Gratuity	
	31st March 2015	31st March 2014
I. Change in Obligation		
1. Liability at the beginning of the year	850.23	879.73
2. Interest Cost	72.70	71.03
3. Current Service Cost	58.55	67.23
4. Past Service Cost (Non Vested Benefit)	-	-
5. Past Service Cost (Vested Benefit)	-	-
6. Benefit Paid	(49.06)	(68.58)
7. Actuarial (Gain) / Loss on Obligation	37.19	(99.18)
Liability at the end of the year	969.61	850.23
II. Fair Value of Plan Assets		
1. Fair Value of Plan Assets at the beginning of the year	874.82	799.63
2. Expected Return of Plan Assets	72.47	59.96
3. Contributions	93.11	84.18
4. Benefit Paid	(49.06)	(68.58)
5. Actuarial Gain / (Loss) on Plan Assets	83.11	(0.37)
Fair Value of Plan Assets at the end of the year	1,074.45	874.82
Total Actuarial Gain / (Loss) to be Recognised	(120.30)	99.55
III. Actual Return of Plan Assets		
1. Expected Return of Plan Assets	72.47	59.96
2. Actuarial Gain / (Loss) on Plan Assets	83.11	(0.37)
Actual Return on Plan Assets	155.58	59.59
IV. Amount Recognised in the Balance Sheet		
1. Liability at the end of the year	(969.61)	(850.23)
2. Fair Value of Plan Assets at the end of the year	1,074.45	874.82
3. Difference	104.84	24.59
4. Unrecognised Past Service Cost		
Amount Recognised in the Balance Sheet	104.84	24.59
V. Expenses Recognised in the Income Statement		
1. Current Service Cost	58.55	67.23
2. Interest Cost	72.70	71.03
3. Expected Return on Plan Assets	(72.47)	(59.96)
4. Net Actuarial (Gain) / Loss to be Recognised	120.30	(99.55)
5. Past Service Cost (Non Vested Benefit) Recognised	-	-
6. Past Service Cost (Vested Benefit) Recognised	-	-
7. Effect of Curtailment or Settlements	-	-
Expenses Recognised in Statement of Profit and Loss	179.08	(21.25)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

(₹ in lacs)

Defined Benefit Plans	Gratuity	
	31st March 2015	31st March 2014
VI. Balance Sheet Reconciliation		
1. Opening Net Liability	(24.59)	80.10
2. Expense as above	179.08	(21.25)
3. Employee Contribution	(93.11)	(84.18)
4. Effect of Curtailment or Settlements	-	-
Amount Recognised in Balance Sheet	61.38	(25.33)
VII. Actuarial Assumptions		
1. Discount Rate Current	8.00%	8.00%
2. Rate of Return on Plan Assets Current	8.00%	8.00%
3. Salary Escalation Current	7.00%	7.00%

Note: Employer's Contribution includes payments made by the Company directly to its past employees.

Broad Category of Plan Assets relating to Gratuity as a Percentage of total Plan Assets

The Company's Gratuity Fund is managed by Life Insurance Corporation of India and HDFC Standard Life Insurance. The Plan Assets under the Fund are deposited under approved securities.

30. OPENING AND CLOSING STOCKS OF FINISHED GOODS

(₹ in lacs)

Products	Opening Stock		Closing Stock	
	As at 31st March 2014	As at 31st March 2013	As at 31st March 2015	As at 31st March 2014
i) Twines, Ropes & Yarns	1,171.39	2,164.68	1,473.02	1,171.39
ii) Nettings	2,348.91	2,881.52	3,269.56	2,348.91
iii) Woven Fabric	227.90	342.18	34.62	227.90
iv) Metal Gabions	30.96	38.15	22.46	30.96
v) Coated Fabric	248.47	371.91	301.43	248.47
Total	4,027.63	5,798.44	5,101.09	4,027.63

31. SALES

Product & Services

	For the year ended 31st March 2015	For the year ended 31st March 2014
i) Twines, Ropes & Yarns	28,627.97	26,658.71
ii) Nettings	41,402.13	35,006.22
iii) Woven Fabric	953.81	1,113.88
iv) Metal Gabions	760.74	520.76
v) Coated Fabric	2,269.11	1,768.95
Sub Total	74,013.76	65,068.52
vi) Machineries and Parts (Nos.)	-	6.44
vii) Traded Goods (including Supplied under Contract)	4,646.25	3,804.44
Total	78,660.01	68,879.40

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

		(₹ in lacs)
	For the year ended 31st March 2014	For the year ended 31st March 2013
32. VALUE OF IMPORTS ON C.I.F. BASIS		
Raw Materials	8,751.02	9,123.35
Traded Goods, Stores, Spares, etc.	2,339.38	1,352.01
Capital Goods	643.67	110.78
Total	11,734.07	10,586.14

33. RAW MATERIALS CONSUMED

High Density Polyethylene	16,174.80	12,024.23
Polypropylene	14,158.55	10,754.68
Nylon	3,017.34	4,174.07
Polyester Yarn	1,305.94	1,398.96
G.I. Wire	170.51	88.75
Total	34,827.14	28,440.69

34. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, STORES AND SPARES CONSUMED

	(₹ in lacs)	Percentage
	For the year ended 31st March 2015	For the year ended 31st March 2014
(i) Raw materials		
Imported	8,751.02	9,123.35
Indigenous	26,076.12	19,317.34
Total	34,827.14	28,440.69
(ii) Stores, Spares, etc.		
Imported	992.85	171.47
Indigenous	2,258.77	4,051.96
Total	3,251.62	4,223.43

35. EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

	For the year ended 31st March 2015	For the year ended 31st March 2014
a. Marketing & Travelling Expenses	480.83	485.31
b. Commission on Exports	84.46	28.65
c. Subscriptions	5.19	6.48
d. Advertisement & Sales Promotion	20.83	19.48
e. Interest & Finance Charges	190.68	211.99
f. Overseas Branch Office Expenses	311.72	296.20
Total	1,093.71	1,048.11

36. EARNINGS IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

FOB Value of Exports	33,946.01	32,715.82
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

37. SEGMENT REPORTING

- (a) 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 in 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.
- (b) 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.
- (c) 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.
- (d) 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.

(₹ in lacs)

i) Primary Segment Report

Particulars	Year 2014-2015				Year 2013-2014			
	Synthetic Cordage	Fibre and Industrial Products and Projects	Eliminations	Total	Synthetic Cordage	Fibre and Industrial Products and Projects	Eliminations	Total
REVENUE								
Gross External Sales	64,536.34	14,123.67		78,660.01	57,765.01	11,114.40		68,879.41
Inter-segment Sales	700.41	2,019.84	(2,720.25)	-	271.79	2,187.66	(2,459.45)	-
Less : Excise Duty	140.25	296.52	-	436.77	35.65	386.98	-	422.63
Total Revenue	65,096.50	15,846.99	(2,720.25)	78,223.24	58,001.15	12,915.08	(2,459.45)	68,456.78
RESULT								
Segment Result	7,829.46	976.81		8,806.27	6,600.10	456.55		7,056.65
Unallocated Corporate expenses (net of income)				1,755.83				1,932.20
Operating Profit				7,050.44				5,124.45
Finance Costs				1,024.82				1,282.97
Interest & Dividend Income				34.89				79.92
Profit from Ordinary Activities				6,060.51				3,921.40
Income Tax				1,748.61				1,245.76
Extraordinary Items				-				-
Net Profit				4,311.90				2,675.64
OTHER INFORMATION								
Segment Assets	44,628.80	11,349.25		55,978.05	37,387.19	11,143.78		48,530.97
Unallocated Corporate Assets				13,948.50				11,401.30
Total Assets				69,926.55				59,932.27
Segment Liabilities	15,993.19	2,675.38		18,668.57	11,025.38	2,653.94		13,679.32
Unallocated Corporate Liabilities				51,257.98				46,252.95
Total Liabilities				69,926.55				59,932.27
Capital Expenditure	2,583.76	169.66		2,753.42	1,338.78	201.91		1,540.69
Unallocated Capital Expenditure				607.21				545.85
Total Capital Expenditure				3,360.63				2,086.54
Depreciation	986.10	196.36		1,182.46	1,118.07	271.68		1,389.75
Unallocated Depreciation on Corporate Assets				57.12				50.63
Total Depreciation				1,239.58				1,440.38
Other non-cash expenses				-				-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

ii) Secondary Segment Report

(₹ in lacs)

Particulars	Year 2014-2015				Year 2013-2014			
	India	Outside India	Eliminations	Total	India	Outside India	Eliminations	Total
Gross Sales	40,135.38	38,524.63		78,660.01	35,043.86	33,835.55		68,879.41
Less : Excise Duty	436.77	-		436.77	422.63	-		422.63
Net Sales	39,698.61	38,524.63		78,223.24	34,621.22	33,835.55		68,456.78
Fixed Assets	17,260.75	0.15		17,260.90	16,010.50	2.08		16,012.58
Capital Expenditure	3,360.63	-		3,360.63	2,086.55	-		2,086.55

iii) Notes :

The business segments viz. 'Synthetic Cordage' and 'Fibre and Industrial Products' and Projects' are considered as 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 Projects. 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.

38. TRANSACTIONS WITH RELATED PARTIES

(I) List of Related Parties and Relationship:

A. Associates Companies

- I. Garware Meditech Pvt. Limited

B. Subsidiary / Joint Venture Companies

- I. Garware Environmental Services Pvt. Ltd.

C. Enterprises Owned or Significantly Influenced by Key Management Personnel or Their Relatives

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. Sukukar Holdings & Trading Company Pvt. Ltd.
8. VMIR Investment Ltd.
9. VRG Investments Ltd.
10. Garware Infrastructure Pvt. Ltd.
11. Suramex Exim Pvt. Ltd.
12. Ramesh Trading Company
13. Sunita Trading Company

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

14. Garware Research Institute
15. Vimlabai Garware Research Institute
16. Consolidated Agricultural & Dairy Farming Co. Pvt. Ltd.
17. Garware Beststretch Ltd. (upto 25.9.2014)
18. Garware Holdings Limited (upto 25.9.2014)
19. Garware Motors Ltd. (upto 25.9.2014)
20. Gartex Industries Ltd. (upto 25.9.2014)
21. Garware Apparel Pvt. Ltd. (upto 25.9.2014)
22. Diya Trading Co. (upto 25.9.2014)
23. Vayu Trading Co. (upto 25.9.2014)

D. Directors - Key Management Personnel

Mr. V. R. Garware

E. Relatives of Key Management Personnel

Mrs. M. V. Garware

Mrs. Diya Garware Ibanez

(II) Following are the transactions with the related parties mentioned in A, B & C above:

(₹ in lacs)

Sr. No.	Nature of Transaction	Associate Companies		Companies/ other organisations under the control of Directors		Directors - Key Management Personnel		Relatives of Key Management Personnel having significant influence over the Company by reason of voting power		Total	
		2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
1	Purchase of Goods / Services	-	6.63	-	-	-	-	-	-	-	6.63
2	Rent of Flat	-	-	-	-	84.00	63.00	-	-	84.00	63.00
3	Deposits received	-	-	1,117.82	3,462.83	-	1,382.50	-	-	1,117.82	4,845.33
4	Deposits refunded	-	-	1,117.82	3,462.83	-	118.00	-	-	1,117.82	3,580.83
5	Interest paid on deposits	-	-	97.17	269.16	-	14.08	148.67	-	245.84	283.24
6	Directors' Remuneration										
a)	Mr. V. R. Garware	-	-	-	-	312.97	200.93	-	-	312.97	200.93
7	Directors' Sitting Fees	-	-	-	-	-	-	5.40	1.40	5.40	1.40
8	Balance payable (Principal)	0.18	0.18	-	-	1,264.50	1,264.50	-	-	1,264.68	1,264.68
9	Balance payable (Interest)	-	-	-	-	215.33	66.66	-	-	215.33	66.66

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

(III) Disclosure in Respect of Material Related Party Transactions during the year :

- 1 Purchase of Good / Services include Purchase from Garware Bestrech Ltd. of ₹ Nil (Previous year ₹ 6.63 lacs).
- 2 Rent paid to Mr. V. R. Garware of ₹ 84 Lacs (Previous year ₹ 63 lacs) for the Flat taken on Leave & License.
- 3 Deposit received of ₹ 1117.82 lacs and refunded of ₹ 1135.28 lacs (Previous year Deposit Received of ₹ 4845.33 lacs and refunded of ₹ 3580.83) includes deposits from :-
 Mr. V. R. Garware of ₹ 108.90 lacs (Previous year ₹ 91 lacs)
 Late Shri R. B. Garware of ₹ Nil and paid of ₹ Nil (Previous year received of ₹ 1291.50 and paid of ₹ 27 lacs)
 Garware Capital Markets Ltd. of ₹ 802.13 lacs (Previous year ₹ 664.50 lacs)
 Manmit Investments & Trading Co. Pvt. Ltd. of ₹ 79.50 lacs (Previous year ₹ 66.70 lacs)
 Moonshine Investments and Trading Co. Pvt Ltd. of ₹ 49.64 lacs (Previous year ₹ 35 lacs)
 RSDV Investments Pvt. Ltd. of ₹ Nil (Previous year ₹ 2183 lacs)
 RSDV Finance and Trading Co. Pvt. Ltd. of ₹ Nil (Previous year ₹ 80.50 lacs)
 Sanand Investment & Trading Co. Pvt. Ltd. of ₹ 7.42 lacs (Previous year ₹ 21.20 lacs)
 Starshine Investments and Trading Co. Pvt. Ltd. of ₹ 5.44 lacs (Previous year ₹ 15.28 lacs)
 Garware Securities Broking Ltd. of ₹ Nil (Previous year ₹ 3.50 lacs)
 Suramex Exim Pvt. Ltd. of ₹ Nil (Previous year ₹ 49.70)
 Gurukrupa Investment and Trading Co. Pvt. Ltd. of ₹ 9.19 lacs (Previous year ₹ 5.20 lac)
 VMIR Investment Ltd. earlier known as Garware Utzon (Cordage) Ltd. of ₹ 24.89 lacs (Previous year ₹ 119.50 lacs)
 Sukukar Holdings & Trading Co. Pvt. Ltd. of ₹ 6.92 lacs (Previous year ₹ 19.50 lacs)
 VRG Investments Ltd. earlier known as Garware Indus Consulting Ltd. of ₹ 23.79 lacs (previous year ₹ 112.25 lacs)
 Ceebeeggee Investments Co. Pvt. Ltd. of ₹ Nil (Previous year ₹ 87 lacs)
- 4 Interest paid on Deposit of ₹ 245.84 lacs (Previous year ₹ 216.58 lacs) includes:
 Mr. V. R. Garware of ₹ 8.15 lacs (Previous year ₹ 5.62 lacs)
 Late Shri R. B. Garware of ₹ 148.67 lacs (Previous year ₹ 8.46 lacs)
 Garware Capital Markets Ltd. of ₹ 73.13 lacs (Previous year ₹ 63.55 lacs)
 Manmit Investments & Trading Co. Pvt. Ltd. of ₹ 7.57 lacs (Previous year ₹ 6.64 lacs)
 Moonshine Investments and Trading Co. Pvt. Ltd. of ₹ 4.15 lacs (Previous year ₹ 3.07 lacs)
 RSDV Investments Pvt. Ltd. of ₹ Nil (Previous year ₹ 90.34 lacs)
 RSDV Finance and Trading Co. Pvt. Ltd. of ₹ Nil (Previous year ₹ 3.58 lacs)
 Sanand Investment & Trading Co. Pvt. Ltd. of ₹ 0.39 lacs (Previous year ₹ 1.83 lacs)
 Starshine Investments and Trading Co. Pvt. Ltd. of ₹ 0.28 lacs (Previous year ₹ 1.30 lacs)
 Garware Securities Broking Ltd. of ₹ Nil (Previous year ₹ 0.06 lacs)
 Suramex Exim Pvt. Ltd. of ₹ Nil (Previous year ₹ 3.96 lacs)
 Gurukrupa Investments and Trading Co. Pvt. Ltd. of ₹ 0.73 lacs (Previous year ₹ 0.30 lacs)
 VMIR Investment Ltd. earlier known as Garware Utzon (Cordage) Ltd. of ₹ 1.23 lacs (Previous year ₹ 11.51 lacs)
 Sukukar Holdings & Trading Co. Pvt. Ltd. of ₹ 0.36 lacs (Previous year ₹ 1.70 lacs)
 VRG Investments Ltd. earlier known as Garware Indus Consulting Ltd. of ₹ 1.17 lacs (Previous year ₹ 10.73 lacs)
 Ceebeeggee Investments Co. Pvt. Ltd. of ₹ Nil lacs (Previous year ₹ 3.93 lacs)
- 5 Payment to Key management personnel includes:-
 Mr. V. R. Garware ₹ 312.97 lacs (Previous year ₹ 200.93 lacs)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

39. EARNING PER SHARE (EPS)

EPS computed in accordance with Accounting Standard 20 "Earning Per Share"

Basic Earning Per Share are calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity Shares outstanding during the period. For the purpose of calculating diluted Earning Per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of Shares outstanding during the period are adjusted for the effects of all dilutive potential Equity Shares.

(₹ in lacs)

	31st March 2015	31st March 2014
BASIC AND DILUTED EPS		
Net Profit attributable to Equity Shareholders	4305.49	2666.19
Basic EPS (in ₹)	19.71	12.18
Diluted EPS (in ₹)	19.70	11.44

40. DISCLOSURE IN RELATION TO DERIVATIVE INSTRUMENTS

(a) No. of Contracts	25	11
(b) Purpose	Hedging	Hedging
(c) Net un-hedged exposure	₹ 1130.17 lacs	₹ 3059.11 lacs

41. OPERATING LEASE

Operating lease payments are recognised as an Expenses in the Statement of Profit and Loss on a straight-line basis over the lease term.

(a) Future Lease Rental Payment		
i) Not later than one year.	0.05	0.05
ii) Later than one year not later than five years.	Nil	Nil
iii) Later than five years.	Nil	Nil
(b) Lease Payment recognised in the Statement of Profit and Loss	0.05	0.05
(c) General Description of the Leasing Arrangement :		
i) Leased Assets : Twisting Machine with Spindles and related equipments.		
ii) Future lease rental payment are determined on the basis of lease rent and use of leased Machine for processing operation of third party.		
iii) At the expiry of the lease term, the Company will negotiate for extension of lease / formation of Joint Venture to carry out the activities.		

42. EXPENDITURE INCURRED ON R&D ACTIVITIES ARE AS FOLLOWS

	31st March 2015	31st March 2014	31st March 2013
Research and Development Equipments	443.12	205.33	108.17
Research and Development Revenue Expenditure	381.23	289.87	226.59

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2015

43. CONTINGENT LIABILITIES

- (i) Disputed Excise Duty ₹ 27.57 lacs (Previous year ₹ 27.57 lacs).
- (ii) Bank Guarantees for ₹ 1503.90 lacs (Previous year ₹ 1,498.71 lacs), in the ordinary course of business, against which the Company has issued counter guarantees for the overall bank limits of ₹ 13,500 lacs (Previous year ₹ 13,500 lacs).
- (iii) Disputed amount of Sales Tax Liability ₹ 196.68 lacs (Previous year ₹ 196.68 lacs).
- (iv) Export Sales Bills Discounted with the Banks ₹ 2373.80 lacs (Previous year ₹ 3016.05 lacs).
- (v) The interest portion on delayed payment of Octroi Liability amounting to ₹ 21.64 lacs (Previous year ₹ 21.64 lacs) is under dispute.
- (vi) The Income Tax Liability due to the department's appeals at higher levels (Supreme Court) amounting to ₹ 208 lacs (Previous year ₹ 208 lacs).

44. DISCLOSURES UNDER THE MICRO, SMALL & MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

- (a) An amount of ₹ 47.94 lacs (31st March, 2014 ₹ 94.10 lacs) and ₹ NIL (31st March, 2013 ₹ Nil) was due and outstanding to Suppliers as at the end of the year on account of Principal and Interest respectively.
- (b) No interest was paid during the year.
- (c) No interest outstanding at the end of the year where principal amount has been paid off to the supplier but interest amount is outstanding on 31st March, 2015.
- (d) No amount of interest was accrued and unpaid at the end of the year.

The above information and that given in Note 10 - 'Trade Payable' regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified, on the basis of the information available with the Company. This has been relied upon by the Auditors.

45. ESTIMATED AMOUNT OF CONTRACTS REMAINING TO BE EXECUTED ON CAPITAL ACCOUNT AND NOT PROVIDED FOR NET OF ADVANCES ₹ 92.74 LACS (PREVIOUS YEAR ₹ 31.61 LACS)

46. INTEREST IN FIRM / JOINT VENTURES

- A. The Company has entered into a partnership agreement (Sopan D. Patil & GWRL JV) in which the Company holds 40% share in profit / loss to execute Geo Synthetics Work - Contract value worth ₹ 577.31 lacs. During the year ended 31st March, 2015, the said partnership has incurred a loss of ₹ 0.02 lacs (Previous year ₹ 0.58 lac).

(₹ in lacs)

	31st March 2015	31st March 2014
Current Assets	15.29	15.30
Non-current Assets	19.82	19.81
Current Liabilities	24.53	24.87
Non-current Liabilities	13.21	12.84
Equity, Reserve & Surplus	(2.63)	(2.60)
Revenue	-	-
Cost of Materials consumed	-	47.85
Employee benefit expenses	-	-
Other expenses	(0.02)	(48.43)
Profit / (loss) before Tax	(0.02)	(0.58)
Income-tax expenses	-	-
Profit / (loss) after Tax	(0.02)	(0.58)

- B. The Company's Joint Venture with Waste Management Pacific Pty Ltd. (WMPL), (a company incorporated under the law of Australia) to carry out the business of Environmental Engineering through 'Garware Environmental Services Pvt. Ltd.' Joint Venture has become Wholly Owned Subsidiary of the Company w.e.f 28.11.2012, on acquisition of Shares held by WMPL.

47. These Financial Statements have been prepared in the format prescribed under Section 133 of Companies Act 2013 ('Act') read along with Rule 7 of the Company (Accounts) Rules, 2014, the provisions of the Act (to the extend notified) and guidelines issued by the Security and Exchange Board of India (SEBI). Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Form AOC-I:

Statement containing the salient features of the Financial Statement of Subsidiary / Joint Venture pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read along with Rule 5 of Companies (Accounts) Rules, 2014)

Part - A

(₹ in lacs)

Sr. No.	Particulars	
1.	Name of the Subsidiary	Garware Environmental Services Pvt. Ltd.
2.	Reporting period for the Subsidiary	1st April, 2014 to 31st March, 2015
3.	Reporting currency as on the last date of the relevant Financial Year in the case of Foreign Subsidiaries	Rupees in lacs
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	20.67
7.	Total Assets	130.16
8.	Total Liabilities	130.16
9.	Investments	-
10.	Turnover	10.09
11.	Profit Before Tax	9.49
12.	Provision for Tax	2.94
13.	Profit After Tax	6.55
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

Sr. No.	Name of Associate Company	
1.	Latest Audited Balance Sheet Date	Garware Meditech Pvt. Ltd.
2.	Shares of Associate held by the Company on the year end	31st March, 2015
	No.	5,000 Shares
	Amount of Investment in Associates	₹ 0.50 lacs
	Extend of Holding %	50%
3.	Description of how there is significant influence	Chairman same in both companies
4.	Reason why the Associate is not Consolidated	Consolidated
5.	Net worth attributable to Shareholding as per latest Balance Sheet	₹ 0.14 lacs
6.	Loss for the year	
	i) Considered in Consolidation	₹ (0.13) lacs
	ii) Not considered in Consolidation	-

Progress Through The Years

(Standalone)

(₹. in Lacs)

	31.3.06	31.3.07	31.3.08	31.03.09	31.03.10	31.03.11	31.03.12	31.03.13	31.03.14	31.03.15
COMPANY OWNED										
1. FIXED ASSETS (NET)	8,868.41	10,654.50	12,824.56	13,272.38	14,411.74	15,574.99	16,985.21	15,449.16	16,012.58	17,260.92
2. INVESTMENTS	1,771.30	1,771.30	1,771.30	1,762.98	1,697.60	892.18	911.96	916.95	933.46	904.00
3. NET CURRENT ASSETS ^Ø	12,985.22	15,180.39	16,584.53	17,601.04	15,987.40	20,405.98	22,977.38	23,160.21	19,694.59	19,049.52
TOTAL ASSETS (NET)	23,624.93	27,606.19	31,180.39	32,636.40	32,096.74	36,873.15	40,874.55	39,526.32	36,640.63	37,214.44
COMPANY OWED										
1. LOAN FUNDS	8,565.34	*10,339.56	*11,382.00	10,574.11	8,652.16	11,621.06	14,033.21	11,043.33	7,133.07	3,972.47
2. COMPANY'S NET WORTH -										
- EQUITY SHARE CAPITAL	1,996.44	\$ 2,071.44	@ 2,171.24	** 2,370.84	2,370.84	2,370.84	2,370.84	2,370.84	***2,197.23	## 2,188.21
- RESERVES AND SURPLUS ^Ω	11,616.22	13,681.61	16,051.69	18,107.40	19,350.96	21,104.29	22,671.54	24,297.79	25,285.32	28,806.75
3. DEFERRED TAX LIABILITY	1,446.93	1,513.58	1,575.46	1,584.05	1,722.78	1,776.96	1,798.96	1,814.36	2,025.01	2,247.01
TOTAL CAPITAL EMPLOYED	23,624.93	27,606.19	31,180.39	32,636.40	32,096.74	36,873.15	40,874.55	39,526.32	36,640.63	37,214.44
INCOME	26,641.10	34,270.18	40,869.15	44,694.83	45,444.97	50,366.94	58,416.39	60,880.36	69,275.60	79,032.41
RAW MATERIAL AND STOCK CONSUMED	11,105.61	15,389.72	17,302.31	20,010.60	20,481.25	21,927.07	25,181.95	26,468.38	31,633.68	36,345.89
SALARIES AND WAGES	3,033.11	3,586.38	4,658.14	5,188.45	5,523.82	6,536.65	7,936.04	7,915.59	6,379.98	8,424.09
OPERATING AND OTHER EXPENSES	9,017.57	10,501.06	12,665.79	14,413.50	14,171.95	16,171.09	18,575.28	19,707.50	24,209.35	25,511.12
INTEREST	725.25	892.85	1,431.95	1,292.82	1,074.45	891.58	1,660.62	1,448.01	1,282.96	1,024.83
EXCISE DUTY	388.66	451.97	851.56	673.55	296.98	235.35	255.23	368.44	422.62	436.77
PROFIT BEFORE DEPRECIATION AND TAX	2,370.90	3,448.20	3,959.40	3,115.91	3,896.52	4,605.20	4,807.27	4,972.44	5,347.01	7,289.71
DEPRECIATION	858.34	943.55	1,101.92	1,230.16	1,292.42	1,483.98	1,601.92	1,632.44	1,439.33	1,238.55
PROFIT BEFORE TAX	1,512.56	2,504.65	2,857.48	1,885.75	2,604.10	3,121.22	3,205.35	3,340.00	3,907.68	6,051.16
TAX	26.56	282.00	437.79	265.84	666.06	677.95	804.78	872.62	1,241.49	1,745.67
PROFIT AFTER TAX	1,486.00	2,222.65	2,419.69	1,619.91	1,938.04	2,443.27	2,400.57	2,467.38	2,666.19	4,305.49
DIVIDEND OUTGO [?]	500.81	605.87	635.06	693.44	693.44	688.88	688.86	693.44	694.07	787.74
EARNING RETAINED IN BUSINESS	985.19	1,616.78	1,784.63	926.47	1,244.60	1,754.39	1,711.71	1,773.94	1,972.12	3,517.75
EARNING PER SHARE (₹)	7.44	11.08	11.68	6.92	8.17	10.31	10.13	10.41	12.13	19.68
DIVIDEND PAID PER EQUITY SHARE (₹)	2.20	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.70	3.00
BOOK VALUE OF EQUITY SHARE (₹)	68.10	75.98	83.87	86.32	91.57	98.97	105.59	112.45	125.08	141.65
(Without Revaluation)										
FOB VALUE OF EXPORTS	9,138.67	11,081.52	12,615.70	14,415.98	14,522.30	17,784.50	24,584.47	25,414.56	32,715.82	33,946.01

* Includes Application moneys of Convertible Warrants.

\$ 7,50,000 Equity Shares against Convertible Warrants.

@ 9,98,000 Equity Shares against Convertible Warrants.

** 19,96,000 Equity Shares against Convertible Warrants.

Ω The figures of Reserves and Surplus have been calculated after deduction of miscellaneous expenditure to the extent not written off or adjusted and includes revaluation reserve ₹ 15.27 lacs for 31.03.06, ₹ 14.23 lacs for 31.03.07, ₹ 13.19 lacs for 31.03.08, ₹ 12.15 lacs for 31.03.09, ₹ 11.10 lacs for 31.03.10, ₹ 10.06 lacs for 31.03.11, ₹ 9.02 lacs for 31.03.12, ₹ 7.98 lacs for 31.03.13, ₹ 6.93 lacs for 31.03.14, and ₹ 5.89 lacs for 31.03.15 respectively.

? Dividend Outgo includes Tax on Dividend, where applicable.

Ø Includes both current and non-current assets and liabilities.

*** 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.

90,193 Equity Shares bought back by the Company during the period from 1st April, 2014 to 9th April, 2014 under the Buyback Scheme.



NOTES

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NOTES

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GARWARE-WALL ROPES LIMITED

Award for Innovation in Export

Garware-Wall Ropes received the '2nd Most Innovative Exporter' trophy of the ECGC-D&B Indian Exporters' Excellence Awards, instituted jointly by ECGC Ltd (formerly Export Credit Guarantee Corporation of India Limited) and Dun & Bradstreet (D&B), for recognizing the contribution of Exporters to the Indian Economy. The award was presented by Smt. Nirmla Sitharaman, Minister of State (Independent Charge) for Commerce & Industry.



GLOBAL REACH

Garware-Wall Ropes delivers innovative, application-focused solutions
in more than 75 countries across the globe.



GARWARE-WALL ROPES LIMITED

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