



**Adding Value. Enhancing Performance.**

# 39th ANNUAL GENERAL MEETING

**Day & Date:**

Wednesday, 10th August, 2016

**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.

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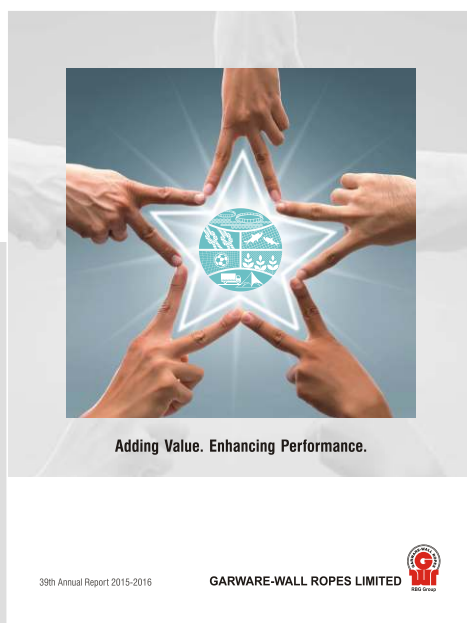
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**Consolidated Financials**

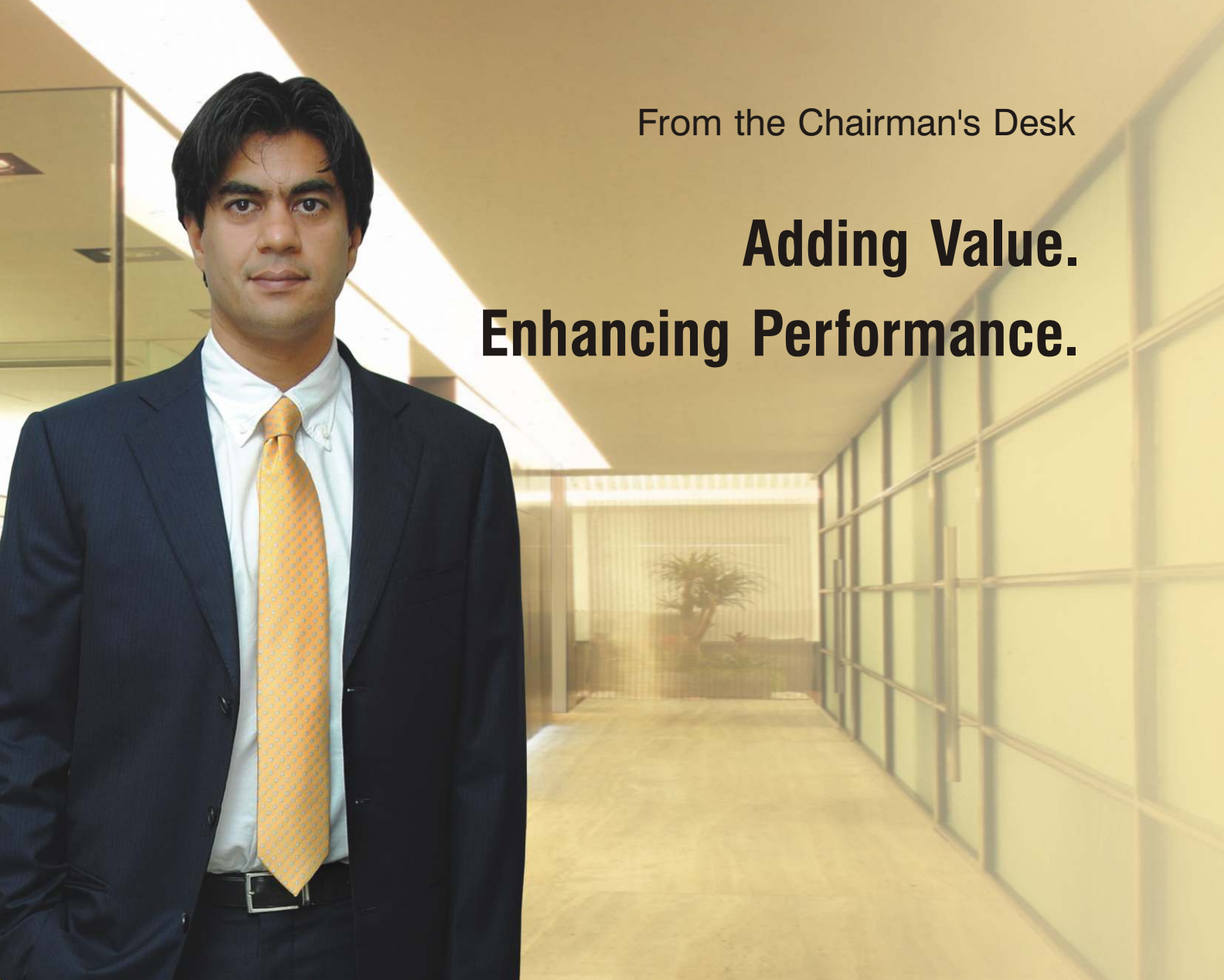
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## GARWARE-WALL ROPES LIMITED



**Garware-Wall Ropes Limited (GWRL) recorded impressive performance in financial year 2015-16. In the year under review the Company added value across several dimensions: customer engagements, returns to shareholders, internal human capital, application-focused technological innovation and contribution to society at large. Initiatives in these areas have enriched the Company's relations with multiple stakeholders and provide a strong base for moving towards new horizons.**



From the Chairman's Desk

# **Adding Value. Enhancing Performance.**

Dear Shareholders,

It is my privilege to present the Annual Report of Garware-Wall Ropes Limited (GWRL) for the financial year 2015-16.

I am pleased to inform you that in a challenging external environment, your Company recorded impressive performance, maintaining its record of growth and improving profitability significantly. Your Company achieved its highest-ever turnover, at ₹ 829.20 crores. Profit after tax stood at ₹ 61.88 crores, 43.7% 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 ₹ 3.30 (33%) per share.

Your Company's strong performance was the result of strategic plans executed with clarity, cohesiveness and commitment. The tangible outcomes of the efforts were that your Company successfully entered promising new geographies, deepened its engagements with customers, and launched unique, value-added products. Your Company attained new levels in operational efficiencies and strengthened internal bonding. Your Company also strengthened its financial status and enhanced its brand image.

In the year under review, the Indian economy was marked by reasonable macro-economic stability. The inflation rate was moderate despite a weak monsoon for the second consecutive year. A sharp



drop in international crude oil prices, a stable government at the centre and effective central bank measures supported a healthy growth rate. However, slow growth in key sectors like agriculture remained a matter of concern.

The global macroeconomic environment continued to be in a state of flux with recession in key developed economies, soft commodity prices, geo-political tensions and volatility in financial markets. Fluctuations in crude oil prices affected the economies of oil producing nations in North America and Europe, which are major markets for some of our products.

“

**Your Company's strong performance was the result of strategic plans executed with clarity, cohesiveness and commitment. The tangible outcomes of the efforts were that your Company successfully entered promising new geographies, deepened its engagements with customers, and launched unique, value-added products.**

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Your Company could weather these challenges by continuing with its drive to move away from price sensitive markets to high-value propositions that provide distinctive, long-term benefits that are appreciated by customers. In some segments like aquaculture, your Company offered paradigm-shifting products. Development of country-specific and end-use specific products helped us improve market shares and export revenues. The balanced share of export and domestic revenues and increasing penetration in new market segments like agriculture, geo-synthetics and coated fabrics also helped your Company improve its profitability.

In all our efforts, our people were key drivers. We continued to invest in enriching the capabilities of our people and the satisfaction they derive from their work. Leadership skills of our managers were honed, and several measures were taken to strengthen relationships within and across teams.

Your Company remained committed to the role of a responsible corporate citizen. Our corporate social responsibility initiatives contributed towards protection of the environment, improvement in school facilities, and access to advanced health equipment.

Looking at the near future, the prospects of the Indian economy are encouraging. Improved investor confidence and policy reforms are expected to fuel a high growth rate. However, outside domestic frontiers, the situation will remain challenging. Slow growth in advanced economies, low commodity prices, weak global trade, and reduced capital flows are forecasted. Geo-political tensions in some regions can also substantially dampen global economic growth.

With its expertise in strategic planning and dynamic responsive mechanisms, your Company is well positioned to address these challenges. Your Company's healthy financial status also allows it to consider strategic investments in different geographies and product segments. We will continue to strive with a strong focus on profit margins and brand value.

I would like to take this opportunity to thank all our stakeholders for their continued support, which has helped the Company achieve consistent, profitable and responsible growth. I look forward to your continued support in our quest to set new benchmarks and cross new horizons.

With warm regards,

**V. R. Garware**

Chairman & Managing Director



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## Expanding Customer Engagements

In FY 2015-16 GWRL expanded and enriched its portfolio of customer engagements in international and domestic markets. The South American market was tapped with smartly packaged applications that met customer needs at competitive prices. In North Europe, the Company's presence was deepened with products that met demanding specifications. A potentially very rewarding foray was made in Mediterranean markets with a novel solution for cost-effective harvesting of an important aquaculture species in the region. In the domestic market, the Company set a new benchmark for safety nets in the construction sector with a product that has been highly appreciated by leading players in the industry. In the agriculture sector, the Company promoted its solutions for protected cultivation with an array of initiatives, including efforts to increase farmer awareness, development of a strong fabricator and distributor network, appointment of village representatives, setting up of model green houses, deployment of agronomists to give expert advice on crop management, and participation in high-visibility exhibitions. For the fisheries sector, the Company devised products for optimizing efficiency of each section of trawls. All these efforts led to addition of new customers and reinforcement of relations with existing customers.



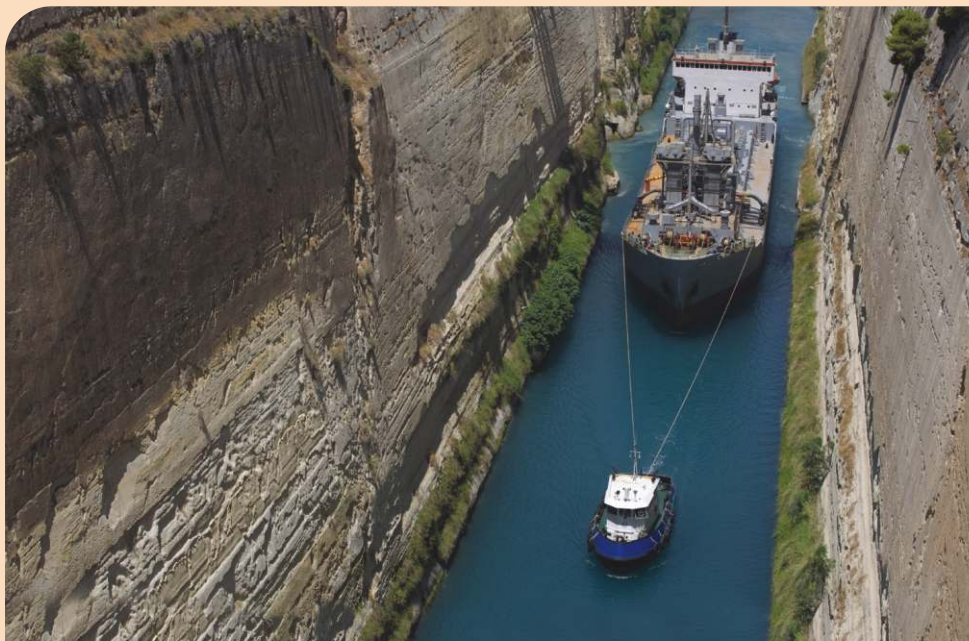


## Leveraging Technological Innovation



Application-based R&D is the bedrock of GWRL's mission, realized by paying keen attention to customer needs and expectations, and using expertise in technical textiles to engineer novel products that deliver multiple benefits. The highlight of the Company's efforts in this direction in FY 2015-16 was X2, a next-gen material used in the manufacture of ropes for towing, mooring and fishing. Lighter than ropes conventionally used for these applications, X2 ropes provide greater ease of handling with high strength and durability. X2 ropes make operations easier on ships and boats, and are also very useful in aquaculture.

Other GWRL innovations included a highly reliable rope to lower and raise submersible water pumps, a strong and relatively lightweight rope to string transmission cables across broad rivers, and pond lining that can prevent seepage and withstand pressures in large and deep water-harvesting structures. The Company is currently working on some other cutting-edge technology areas with revolutionary potential in the domain of technical textiles.







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## Strengthening Human Resources

GWRL's people are its most valuable asset. In FY 2015-16 the quality of this asset was enriched through multiple efforts aimed at developing capabilities, strengthening bonds, and ensuring high cohesiveness towards common goals. Leadership and managerial competencies of staff were developed through programmes led by expert faculty. Technical skills of workmen were enriched, and the Company also enhanced the capabilities of their families through programmes such as career counseling for children and health camps for women.

Another significant initiative is supporting and developing subcontractor units according to the International Labour Organization's SCORE (Sustaining Competitive and Responsible Enterprises) model. Units nurtured according to this model around the Company's plant at Wai provide a good source of sustainable employment to a large number of local women in such a way that they enjoy the freedom to take care of their family responsibilities as well.





## Fulfilling Social Responsibilities



As a responsible corporate citizen serving core sectors of the economy, GWRL contributes directly and indirectly to the well-being of people in many ways. Its products provide employment and increase incomes of scores of families, and increase safety and reduce hardship at work sites. The Company also directly helps people at locations where it has a major presence. Through its networking with fishermen societies, it provides educational materials and scholarships to their children and food grains support to their families during lean seasons. E-learning modules have been supplied to schools attended by fishermen children, leading to improved attendance and academic performance. Three 'happy schools' have been developed: the schools have a secure boundary, clean drinking water, toilets for boys and girls, a library, play equipment, and e-learning facilities. Five more schools are being developed on these lines.

GWRL also helped a local hospital to install a coronary care unit and dialysis machine. Hundreds of people are using these facilities at concessional rates. A 100-year-old public hall in Wai has been turned into a fine auditorium with first-rate acoustics. The Company continues to be involved in other CSR activities like large-scale tree plantation.







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## Delivering Higher Value for Shareholders

Since its inception GWRL has been highly conscious of its responsibilities towards its valued shareholders. Continuous efforts to expand market reach coupled with tight internal controls on parameters of cost, quality and performance have ensured that the Company has an enviable record of growth and dividend payment. In FY 2015-16, the Company's financial position was further strengthened. Despite lower raw material rate, there was increase in net sales and steep rise in profit after tax through value-added propositions. Compared to the previous year, ROCE improved by 18.7% and EPS increased by 43.7%. The Company also recorded impressive growth in EBITDA and net cash-generation from operation.



Enjoying virtually debt-free status and healthy cash reserves, GWRL is in a good position to make strategic investments for sustaining and accelerating its growth track-record. The even distribution of revenues across international and domestic market segments and presence across industry sectors gives the Company a strong cushion to weather regional, seasonal and industry-specific fluctuations in demand.

## Corporate Information

### Founder Chairman

- Late Shri. B. D. Garware

### Chairman Emeritus

- Late Shri. R. B. Garware

### Board of Directors

- V. R. Garware - Chairman & Managing Director
- Ms. M. V. Garware
- R. M. Telang
- S. P. Kulkarni
- Ashish Goel
- 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





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## Directors' Report

(For the Financial Year ended 31st March, 2016)

**To The Members,**

Your Directors have pleasure in presenting the Thirty-Ninth Annual Report along with Audited Financial Statements of the Company for the year ended 31st March, 2016.

### ■ FINANCIAL SUMMARY:

#### Particulars

	(₹ in lacs)	
	Year ended 2015-2016	Year ended 2014-2015
Profit subject to Depreciation & Taxation	<b>10,014.72</b>	7,289.71
Less: Depreciation, net of transfer from Revaluation Reserve	<b>1,310.49</b>	1,238.55
Profit Before Tax	<b>8,704.23</b>	6,051.16
Less: Provision for Taxation		
Current Tax	<b>2,021.00</b>	1,517.00
Deferred Tax	<b>583.00</b>	222.00
Wealth Tax	—	9.51
Previous year excess / (short) tax provision	<b>(87.40)</b>	(2.84)
Profit After Tax	<b>6,187.63</b>	4,305.49
Add: Profit brought forward from the previous year	<b>18180.27</b>	15,093.07
Amount available for Appropriation	<b>24367.90</b>	19,398.56
APPROPRIATIONS		
Proposed Dividend	<b>722.10</b>	656.46
Tax on Proposed Dividend	<b>147.00</b>	131.28
General Reserve	<b>870.43</b>	430.55
Balance in the Statement of Profit & Loss	<b>22628.37</b>	18,180.27
	<b>24367.90</b>	19,398.56

### ■ 2015-2016 THE YEAR UNDER REVIEW:

Your Company earned revenue of ₹ 829.20 crores for the year ended 31st March, 2016, as against ₹ 786.60 crores of previous year. Domestic Sales amounted to ₹ 449.04 crores, and the Export Sales amounted to ₹ 380.16 crores for the year ended 31st March, 2016.

In the year under review, the Indian economy was marked by reasonable macro-economic stability. The inflation rate was moderate despite a weak monsoon for the second consecutive year. A sharp drop in international crude oil prices, a stable government at the centre and effective central bank measures supported a healthy growth rate. However, slow growth in key sectors like agriculture remained a matter of concern.

The global macroeconomic environment continued to be in a state of flux with recession in key developed economies, soft commodity prices, geo-political tensions and volatility in financial markets. Fluctuations in crude oil prices affected the economies of oil producing nations in North America and Europe, which are major markets for some of our products.

In such challenging external environment, your Company recorded impressive performance, maintaining its record of

growth and improving profitability significantly. Your Company earned Net Profit After Tax of ₹ 61.88 crores, 43.7% higher than the figure recorded in the previous year. Your Board of Directors has recommended a dividend at ₹ 3.30 (33%) per share. Your Company's strong performance was the result of strategic plans executed with clarity, cohesiveness and commitment. Your Company's relentless focus on quality culture and operational excellence will ensure maximization of all current and new opportunities.

### ■ OPERATIONS:

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

### ■ RESERVE:

Your Company proposes to carry ₹ 870.43 lacs (Previous year ₹ 430.55 lacs) to General Reserve and retain ₹ 22,628.37 lacs in the Statement of Profit and Loss.

### ■ DIVIDEND:

Your Directors have recommended a Dividend of ₹ 3.30 (33%) per share for the year 2015-2016 for your consideration. The proposed Dividend will absorb an amount of ₹ 869.10 lacs (including Dividend Tax).

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

#### ■ **DEPOSITS:**

During the year under review, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read along with the Companies (Acceptance of Deposits) Rules, 2014.

#### ■ **CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There was no change in the nature of business of your Company during the Financial Year ended 31st March, 2016.

#### ■ **MATERIAL CHANGES AND COMMITMENTS 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, 2016 and the date of this Directors' Report i.e. 26th May, 2016.

#### ■ **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Pursuant to provisions of Companies Act, 2013 read along with Article 96 of the Articles of Association of the Company, Ms. Mayuri V. Garware is due to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

The Board of Directors at its meeting held on 26th May, 2016, after due consideration of the recommendation made by the Nomination & Remuneration Committee of the Board has resolved to re-appoint Mr. V. R. Garware (DIN 00092201) as a Managing Director to be designated as Chairman and Managing Director ("CMD") of the Company for a period of five (5) years from 1st December, 2016 to 30th November, 2021 subject to the approval of the Members at the ensuing Annual General Meeting of the Company. The resolution pertaining to his re-appointment is mentioned at Item No. 6 of the Notice of the ensuing Annual General Meeting of the Company.

The details of Director being recommended for re-appointment as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are contained in the accompanying Notice, which forms part of this Annual Report.

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

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

#### ■ **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.

#### ■ **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, 2016, the applicable Accounting Standards have been followed;
2. For the Financial Year ended 31st March, 2016, 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, 2016;
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.

#### ■ **ANNUAL EVALUATION BY THE BOARD:**

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.

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

A separate meeting of Independent Directors was held on 12th February, 2016, 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.

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

There were four (4) meetings of the Board of Directors held during the year, details of which are given in the annexed "Corporate Governance Report".





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### ■ 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 are given in the annexed "Corporate Governance Report".

### ■ STATUTORY AUDITORS:

Pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read along with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation of the Audit Committee, 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 of the Company till the conclusion of the 40th Annual General Meeting of the Company 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 40th 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 provisions of Companies (Cost Records and Audit) Rules, 2014, notified on 30th June, 2014 and as amended vide Notification dated 31st December, 2014, the Cost Audit for the Financial Year 2015-16, was applicable to the Company. M/s. Joshi Apte & Associates, Cost Accountants, (Firm Registration No. 000240) were appointed as Cost Auditor for conducting an audit of Cost Accounting Records maintained by the Company, for the Financial Year 2015-16.

The Audit Report for the Cost Accounting records maintained by the Company for the Financial Year 2015-16, is under preparation and the same will be filed with the Central Government within the prescribed time limit.

M/s. Joshi Apte & Associates, Cost Accountants, (Firm Registration No. 000240) were re-appointed as Cost Auditor for conducting an audit of Cost Accounting Records maintained by the Company, for the Financial Year 2016-17.

### ■ SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read along 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, 2016.

The Secretarial Auditor has submitted its Report in Form No. MR-3 for the Financial Year ended 31st March, 2016 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 Loan nor provided any Guarantee and not made any Investment during the Financial Year 2015-16, attracting the provisions of Section 186 of the Companies Act, 2013 read along with the Companies (Meetings of Board and its Powers) Rules, 2014.

### ■ RELATED PARTY TRANSACTIONS:

All the transactions with Related Parties entered during the Financial Year 2015-16 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 Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

### ■ REMUNERATION POLICY:

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

Nomination & Remuneration Committee of the Board had further laid down the criteria to identify the persons, who are qualified to become Directors and may be appointed as Senior Management of the Company as well as criteria for determining qualification, positive attributes and independence of a Director.

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

### ■ RISK MANAGEMENT POLICY:

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

Risk Management involve 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):**

Pursuant to the provisions of Section 135 of the Companies Act, 2013, read along with the Companies (Corporate Social Responsibility Policy), Rules, 2014, your 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**".

#### ■ **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, 2016, in Form No. MGT-9, is set out in "**Annexure 4**" forming part of this report.

#### ■ **PERSONNEL:**

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

#### ■ **PARTICULARS OF EMPLOYEES:**

The information required pursuant to the provisions of Section 197 of the Companies Act, 2013, read along with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in "**Annexure 5**" forming part of this report.

#### ■ **DETAILS OF EMPLOYEE WELFARE TRUST SET UP FOR THE BENEFIT OF 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.

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

Pursuant to the provisions of Regulation 31(2)(b) of the SEBI (Share Based Employee Benefits) Regulations, 2014 ["SEBI (SBES) Regulations, 2014"], General Employee Welfare Scheme of the Company i.e. 'GWRL Managerial Staff Welfare Trust Scheme' ("Scheme"), as existed prior to enactment of SEBI (SBES) Regulations, 2014, was aligned with the provisions of SEBI (SBES) Regulations, 2014, during the year under review.

Relevant disclosures as required by Regulation 14 of SEBI SBES Regulations, 2014 are uploaded on the Company's website: <http://www.garwareropes.com/stock-exchange.html>.

#### ■ **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 admit 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 2015-16 under the said Act.

#### ■ **SUBSIDIARY AND ASSOCIATE:**

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

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

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

#### ■ **CONSOLIDATED FINANCIAL STATEMENTS:**

Pursuant to the provisions of Section 129 of the Companies Act, 2013 read along with the Companies (Accounts) Rules, 2014, the Company has prepared a Consolidated Financial Statement of the Company, its Subsidiary and Associate in the same form and manner as that of the Company, which shall be laid before the ensuing Annual General Meeting of the Company along with the laying of the Company's Standalone Financial Statement.

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

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the Audited Financial Statements of the Company, Consolidated Financial Statements along with relevant documents and separate Audited Financial Statements in respect of its Subsidiary and Associate is also placed on the Company's website: [www.garwareropes.com/financial-reports.html](http://www.garwareropes.com/financial-reports.html).

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

#### ■ **CORPORATE GOVERNANCE:**

Pursuant to Regulation 34 read along with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance



## Adding Value. Enhancing Performance.

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.

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

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

### ■ ACKNOWLEDGMENT:

Your Directors gratefully acknowledge the support given by the Customers, Dealers, Distributors, Suppliers, Bankers, various

departments of the Central and State Governments, Local Authorities and also the Members of the Company.

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

On behalf of the Board of Directors,

**V. R. GARWARE**

Chairman & Managing Director  
DIN 00092201

Pune,  
26th May, 2016

## ANNEXURE I TO DIRECTORS' REPORT 2015-16

### Secretarial Audit Report - Form No. MR-3

(For the Financial Year ended 31st March, 2016)

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

To,  
The Members,  
Garware-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, 2016** 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, 2016** 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 (upto 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015);

- (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 (Share Based Employee Benefits) Regulations, 2014 **(not applicable to the Company during the Audit Period);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the Company during the Audit Period);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(not applicable to the Company during the Audit Period);** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(not applicable to the Company during the Audit Period);**
- (vi) No law is specifically applicable to the Company.

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

- (i) Secretarial Standards issued by 'The Institute of Company Secretaries of India' effective from 1st July, 2015;
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s) till 30th November, 2015; and the provision of Sub Regulation (4) of the Regulation 23 and Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable from 2nd September, 2015;
- (iii) The Listing Agreement entered into by the Company with Stock Exchange(s) pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from 1st December, 2015.

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 has declared the result for Postal Ballot on 20th April, 2015 whereby the Company has adopted a new set of Articles of Association.

For **SVD & Associates**  
Company Secretaries

**S. V. Deulkar**  
Partner

FCS No: 1321  
C P No: 965

Pune  
26th May, 2016

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



**'ANNEXURE A'**

To,  
The Members,  
Garware-Wall Ropes Limited,  
Plot No. 11, Block D-I, MIDC, Chinchwad, Pune-411019

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

**Management's Responsibility**

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

**Auditor's Responsibility**

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

**Disclaimer**

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

For **SVD & Associates**  
Company Secretaries

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

Pune  
26th May, 2016

**ANNEXURE 2 TO DIRECTORS' REPORT 2015-16**

**The Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2015-16**

[Pursuant to the provisions of Section 135 & Schedule VII of the Companies Act, 2013 read along with Companies (Corporate Social Responsibility Policy), Rule, 2014, and forming part of the Directors Report for the year ended 31st March, 2016].

**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, Promoting Education / Skill Development and Promoting Research and Development in Agriculture, Horticulture / Aquaculture / Fisheries etc., while constituting its CSR Policy.

The major focus area of CSR Policy are Promoting Education / Skill Development, Promoting Research and Development in Agriculture, Horticulture / Aquaculture / Fisheries etc., 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 / 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
2	Mr. S. P. Kulkarni	Member	Independent - Non-Executive
3	Mr. V. R. Garware	Member	Executive
4	Ms. M. V. Garware	Member	Non-Executive

**iii. Average net profit of the Company for last three (3) Financial Years: ₹ 34,11.42 lacs.**

**iv. Prescribed CSR Expenditure: ₹ 68.23 lacs.**

**v. Details of CSR spent during the Financial Year:**

a. Total amount to be spent for the Financial Year 2015-16: ₹ 68.23 lacs.

b. Amount unspent, if any: ₹ 43.23 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 03 nos of Schools by way of infrastructure	Education	1. Local Area 2. Dist. Satara, Maharashtra 1. Local Area 2. Dist. Satara, Maharashtra 1. Local Area 2. Dist. Satara, Maharashtra	15.00	15.00	15.00	Through Rotary Club of Pune Westside Charitable Trust, Pune
2.	Support to 12 nos of Schools by way of e-learning and play equipment etc.	Education	1. Local Area 2. Dist. Satara, Maharashtra	10.00	10.00	10.00	
			<b>Total</b>	<b>25.00</b>	<b>25.00</b>	<b>25.00</b>	

**vi.** Your Company's continues to work towards overall social improvement by arranging awareness programme for protected cultivation for farmers, tree plantation drives to make contribution towards environmental sustainability, scholarships programme for children of fisherman community etc. These initiatives were taken beyond the ambit of the definition of CSR under the Companies Act, 2013. The Company exercises prudence in selecting projects and implementation partners for fulfilling its CSR objectives by ensuring strong governance, due-diligence and monitoring framework in focused area to ensure that the expenditure deliver optimum results. Based on this, the Company was able to spend CSR amount of Rupees twenty five (₹25) lacs during the year.

Your Company is committed to widen its geographical reach and deepen its CSR impact in the subsequent years by investing in focused critical developmental issues faced by communities served by it.





## Adding Value. Enhancing Performance.

### vii. Responsibility Statement of the CSR Committee:

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

**V.R. Garware**

Chairman and Managing Director  
DIN: 00092201

**R. M. Telang**

Chairman, CSR Committee  
DIN: 00092103

### ANNEXURE 3 TO DIRECTORS' REPORT 2015-16

#### 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) for Boiler Feed Water Pump and Doubler Machine, low power LED Tube Lights & LED Lamp 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 250 Watt highbay light fitting by 90 Watt LED fitting, existing 72 Watt light by 40 Watt LED fitting, existing 180 Watt Mercury Vapour Lamps by 60 Watt LED Lamp, Old Motors of Ratera Braider machine by new motors;

c) Replacement of

- Steam trap;
- Gear Pump of Extruder and
- Extruder Screws.

d) Increasing the output of the extruder by installing spooler units, and

e) Arresting Air Leakages.

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 conservation equipments:

(₹ in lacs)

LED Lamps for Energy Saving	16.68
LED Tube Fittings	2.25
160 KVA UPS for PLSC Servo Fishnet Machine	15.43
Electrical Installation / LED Lights / Distribution Panel	4.12
75 KVA Automatic Voltage Controller	5.52
Screws for Extruder Machines and Extrusion Machines	9.91
AC Drive for Extruders	11.09
Screen Changer for JP Extrusion Machine and Extrusion Machine	9.13
Gear Pumps for JP Extrusion Machine, SML Machine and Starlinger Machine	19.97

**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	421.89
b) Revenue / Recurring	484.92
Total (a+b)	906.81
Total of R & D as a percentage of Revenue from Operations	1.09%

**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. The Company has earned net foreign exchange of ₹ 28,313.44 lacs during the year. Your Company is a Government recognized '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:	38,016.09
Total value of exports	38,016.09
B. Total Foreign Exchange used:	
a) Import of raw materials stores & spares, traded goods and capital goods	8,013.52
b) Expenditure in foreign currencies for business travel, subscription, professional fees, commission on export sales and overseas branch expenses, etc.	1,689.13
	9,702.65

On behalf of the Board of Directors

**V. R. GARWARE**

Chairman & Managing Director

DIN: 00092201

Pune,  
26th May, 2016



#### **ANNEXURE 4 TO DIRECTORS' REPORT 2015-16**

##### **Extract of Annual Return as on the Financial Year ended 31st March, 2016 - Form No. MGT-9**

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

#### **I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	L25209MH1976PLC018939
ii.	Registration Date	01/04/1976
iii.	Name of the Company	Garware-Wall Ropes Limited
iv.	Category/Sub-Category of the Company	Company Limited by Shares
v.	Address of the Registered office and contact details	Plot No. 11, Block D-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	56.48%
2	Twines, Ropes & Yarns	1394 / 2030	37.97%

#### **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	100.00%	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	
<b>(A)</b>	<b>Promoter and Promoter Group</b>									
<b>(1)</b>	<b>Indian</b>									
(a)	Individuals / Hindu Undivided Family	3631711	0	3631711	16.60	3631711	0	3631711	16.60	0.00
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	7437220	0	7437220	33.99	7448653	0	7448653	34.04	0.05
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total (A)(1)</b>	<b>11068931</b>	<b>0</b>	<b>11068931</b>	<b>50.59</b>	<b>11080364</b>	<b>0</b>	<b>11080364</b>	<b>50.64</b>	<b>0.05</b>
<b>(2)</b>	<b>Foreign</b>									
(a)	NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>11068931</b>	<b>0</b>	<b>11068931</b>	<b>50.59</b>	<b>11080364</b>	<b>0</b>	<b>11080364</b>	<b>50.64</b>	<b>0.05</b>
<b>(B)</b>	<b>Public Shareholding</b>									
<b>(1)</b>	<b>Institutions</b>									
(a)	Mutual Funds / UTI	950	350	1300	0.01	950	350	1300	0.01	0.00
(b)	Financial Institutions / Banks	3949	1286	5235	0.02	13893	1286	15179	0.07	0.05
(c)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(d)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Insurance Companies	713248	150	713398	3.26	340269	150	340419	1.56	(1.70)
(g)	Foreign Institutional Investors	945099	0	945099	4.32	619864	0	619864	2.83	(1.49)
(h)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total (B)(1)</b>	<b>1663246</b>	<b>1786</b>	<b>1665032</b>	<b>7.61</b>	<b>974976</b>	<b>1786</b>	<b>976762</b>	<b>4.46</b>	<b>(3.15)</b>
<b>(2)</b>	<b>Non-Institutions</b>									
(a)	Bodies Corporate	977152	5247	982399	4.49	1053313	5247	1058560	4.84	0.35
(b)	Individuals									
i.	Individual shareholders holding nominal share capital upto ₹ 1 lacs	4182504	718142	4900646	22.39	4437161	662420	5099581	23.30	0.91
ii.	Individual shareholders holding nominal share capital in excess of ₹ 1 lacs	2173717	0	2173717	9.93	2438966	0	2438966	11.15	1.22
(c)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0.00
(d)	Any Other (specify)									
i.	NRI	141957	2878	144835	0.66	278449	2878	281327	1.28	0.62
ii.	GWRL Managerial Staff Welfare Trust	546500	400000	946500	4.33	546500	400000	946500	4.33	0.00
	<b>Sub-Total (B)(2)</b>	<b>8021830</b>	<b>1126267</b>	<b>9148097</b>	<b>41.80</b>	<b>8754389</b>	<b>1070545</b>	<b>9824934</b>	<b>44.90</b>	<b>3.10</b>
	<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>9685076</b>	<b>1128053</b>	<b>10813129</b>	<b>49.41</b>	<b>9729365</b>	<b>1072331</b>	<b>10801696</b>	<b>49.36</b>	<b>(0.05)</b>
	<b>TOTAL (A)+(B)</b>	<b>20754007</b>	<b>1128053</b>	<b>21882060</b>	<b>100.00</b>	<b>20809729</b>	<b>1072331</b>	<b>21882060</b>	<b>100.00</b>	<b>0.00</b>
<b>(C)</b>	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
	<b>Grand Total (A+B+C)</b>	<b>20754007</b>	<b>1128053</b>	<b>21882060</b>	<b>100.00</b>	<b>20809729</b>	<b>1072331</b>	<b>21882060</b>	<b>100.00</b>	<b>0.00</b>



## Adding Value. Enhancing Performance.

### 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	16.51	0.00	3612053	16.51	0.00	0.00
2	Garware Capital Markets Ltd.	3473437	15.87	0.00	3483617	15.92	0.00	0.05
3	Gurukrupa Investments & Trading Co. Pvt. Ltd.	85870	0.39	0.00	87123	0.40	0.00	0.01
4	Manmit Investment & Trading Co. Pvt. Ltd.	288885	1.32	0.00	288885	1.32	0.00	0.00
5	Moonshine Investments & Trading Co. Pvt. Ltd.	459695	2.10	0.00	459695	2.10	0.00	0.00
6	Sanand Investments & Trading Co. Pvt. Ltd.	275032	1.26	0.00	275032	1.26	0.00	0.00
7	Starshine Investments & Trading Co. Pvt. Ltd.	201720	0.92	0.00	201720	0.92	0.00	0.00
8	Sukukar Holdings & Trading Co. Pvt. Ltd.	256600	1.17	0.00	256600	1.17	0.00	0.00
9	Garware Research Institute	2300	0.01	0.00	2300	0.01	0.00	0.00
10	Vimlabai Garware Research Institute	590070	2.70	0.00	590070	2.70	0.00	0.00
11	VRG Investments Limited	881400	4.03	0.00	881400	4.03	0.00	0.00
12	VMIR Investment Limited	922211	4.21	0.00	922211	4.21	0.00	0.00
13	Vayu Ramesh Garware	19658	0.09	0.00	19658	0.09	0.00	0.00
	<b>Total</b>	<b>11068931</b>	<b>50.58</b>	<b>0.00</b>	<b>11080364</b>	<b>50.64</b>	<b>0.00</b>	<b>0.06</b>
(*) The term "encumbrance" has the same meaning as assigned to it in Regulation 28(3) of the SAST Regulations, 2011.								
(**) As informed by Mr. V. R. Garware, the shares standing in the name of Late Shri 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 Shri 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	<b>Garware Capital Markets Limited</b>					
	At the beginning of the year	3473437		15.87	3473437	15.87
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	(on 17.2.2016)	(+) 1835	0.01	3475272	15.88
		(on 23.2.2016)	(+) 345	0.00	3475617	15.88
		(on 24.2.2016)	(+) 8000	0.04	3483617	15.92
	At the end of the year	3483617		15.92		
2	<b>Gurukrupa Investments &amp; Trading Co. Pvt. Ltd.</b>					
	At the beginning of the year	85870		0.39	85870	0.39
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	(on 06.4.2015)	(+)1253	0.01	87123	0.40
	At the end of the year	87123		0.40		



3	<b>Manmit Investments &amp; Trading Co. Pvt. Ltd.</b>				
	At the beginning of the year	288885	1.32	288885	1.32
	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		
4	<b>Moonshine Investments &amp; Trading Co. Pvt. Ltd.</b>				
	At the beginning of the year	459695	2.10	459695	2.10
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	No Change		459695	2.10
	At the end of the year	459695	2.10		
5	<b>Sanand Investments &amp; Trading Co Pvt Ltd</b>				
	At the beginning of the year	275032	1.26	275032	1.26
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	No Change		275032	1.26
	At the end of the year	275032	1.26		
6	<b>Starshine Investments &amp; Trading Co Pvt Ltd</b>				
	At the beginning of the year	201720	0.92	201720	0.92
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	No Change		201720	0.92
	At the end of the year	201720	0.92		
7	<b>Sukukar Holdings &amp; Trading Co Pvt Ltd</b>				
	At the beginning of the year	256600	1.17	256600	1.17
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	No Change		256600	1.17
	At the end of the year	256600	1.17		
8	<b>Garware Research Institute</b>				
	At the beginning of the year	2300	0.01	2300	0.01
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	No Change		2300	0.01
	At the end of the year	2300	0.01		
9	<b>Vimlabai Garware Research Institute</b>				
	At the beginning of the year	590070	2.70	590070	2.70
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	No Change		590070	2.70
	At the end of the year	590070	2.70		



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10	<b>VRG Investments Limited</b>				
	At the beginning of the year	881400	4.03	881400	4.03
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	No Change		881400	4.03
	At the end of the year	881400	4.03		
11	<b>VMIR Investment Limited</b>				
	At the beginning of the year	922211	4.21	922211	4.21
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	No Change		922211	4.21
	At the end of the year	922211	4.21		
12	<b>Vayu Ramesh Garware</b>				
	At the beginning of the year	19658	0.09	19658	0.09
	Date wise Increase / Decrease in Promoters Share Holding during the year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)]	No Change		19658	0.09
	At the end of the year	19658	0.09		
13	<b>*Ramesh Bhalchandra Garware</b>				
	At the beginning of the year	3612053	16.51	3612053	16.51
	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		
<p>* As informed by Mr. V. R. Garware, the shares standing in the name of Late Shri 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 Shri R. B. Garware.</p>					

### 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
	For Each of the Top 10 Shareholders				
1	<b>GWRL Managerial Staff Welfare Trust</b>				
	At the beginning of the year	946500	4.33	946500	4.33
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	No Change		946500	4.33
	At the end of the year (or on the date of separation, if separated during the year)	946500	4.33		
2	<b>Garware Polyester Limited</b>				
	At the beginning of the year	400300	1.83	400300	1.83
	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	<b>Vinodchandra Mansukhlal Parekh</b>				
	At the beginning of the year		256568	1.17	256568
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	(on 25.9.2015)	(+)256568	1.17	513136
		(on 30.9.2015)	(-)256568	1.17	256568
	At the end of the year (or on the date of separation, if separated during the year)		256568	1.17	
4	<b>General Insurance Corporation Of India</b>				
	At the beginning of the year		405269	1.85	405269
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	(on 24.7.2015)	(-)25662	0.12	379607
		(on 31.7.2015)	(-)24338	0.11	355269
		(on 21.8.2015)	(-)15000	0.07	340269
	At the end of the year (or on the date of separation, if separated during the year)		340269	1.56	
5	<b>Pranav Kumarpal Parekh</b>				
	At the beginning of the year		118734	0.54	118734
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].		No Change		118734
	At the end of the year (or on the date of separation, if separated during the year)		118734	0.54	
6	<b>Vinodchandra Mansukhlal Parekh-HUF</b>				
	At the beginning of the year		108097	0.49	108097
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].		No Change		108097
	At the end of the year (or on the date of separation, if separated during the year)		108097	0.49	
7	<b>Manoj Bharadia</b>				
	At the beginning of the year		100000	0.46	100000
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	(on 25.9.2015)	(+)100000	0.46	200000
		(on 30.9.2015)	(-)100000	0.46	100000
	At the end of the year (or on the date of separation, if separated during the year)		100000	0.46	
8	<b>India Insight Value Fund</b>				
	At the beginning of the year		50099	0.23	50099
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	(on 14.8.2015)	(+)10500	0.05	60599
		(on 21.8.2015)	(+)2100	0.01	62699
		(on 28.8.2015)	(+)13500	0.06	76199
		(on 11.9.2015)	(+)3000	0.01	79199
		(on 26.2.2016)	(+)2322	0.01	81521
		(on 4.3.2016)	(+)1500	0.01	83021
	At the end of the year (or on the date of separation, if separated during the year)		83021	0.38	



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9	<b>Lashit Lallubhai Sanghvi</b>				
	At the beginning of the year		80000	0.37	80000 0.37
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase/Decrease [Sale (-) / Purchase (+)].	(on 25.9.2015)	(+)80000	0.37	160000 0.73
		(on 30.9.2015)	(-)80000	0.37	80000 0.37
	At the end of the year (or on the date of separation, if separated during the year)		80000	0.37	
10	<b>Jitendra Mansukhlal Parekh</b>				
	At the beginning of the year		68767	0.31	68767 0.31
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase/Decrease [Sale (-) / Purchase (+)].	(on 6.5.2015)	(-)68767	0.31	0 0.00
		(on 8.5.2015)	(+)68767	0.31	68767 0.31
	At the end of the year (or on the date of separation, if separated during the year)		68767	0.31	

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	<b>Directors</b>				
1	<b>Vayu Ramesh Garware</b>				
	At the beginning of the year	19658	0.09	19658	0.09
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase/Decrease [Sale (-) / Purchase (+)].	No Change		19658	0.09
	At the end of the year	19658	0.09		
2	<b>Mayuri Vayu Garware</b>				
	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	<b>Ramesh Manjnath Telang</b>				
	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	<b>Shrikant Pandharinath Kulkarni</b>				
	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	<b>Ashish Dhurvendra Goel</b>				
	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		
6	<b>M. V. Subbarao</b>				
	At the beginning of the year	1500	0.00	1500	0.00
	Date wise Increase / Decrease in Share holding during the Year specifying the reasons for Increase / Decrease [Sale (-) / Purchase (+)].	No Change		1500	0.00
	At the end of the year	1500	0.00		
	<b>Key Managerial Personnel (KMP)</b>				
1	<b>Sanjay Harishchandra Bamne</b>				
	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		
2	<b>Sunil Agarwal</b>				
	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		





## Adding Value. Enhancing Performance.

### vi) Indebtedness's

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

(₹ in lacs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial Year</b>				
i) Principal Amount	2,531.06	1,441.41	-	3,972.47
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2,531.06</b>	<b>1,441.41</b>	<b>-</b>	<b>3,972.47</b>
<b>Change in Indebtedness during Financial Year</b>				
Addition	-	1,758.62	-	1,758.62
Reduction	685.64	1,758.62	-	2,444.26
<b>Net Change</b>	<b>(685.64)</b>	<b>-</b>	<b>-</b>	<b>(685.64)</b>
<b>Indebtedness at the end of the Financial Year</b>				
i) Principal Amount	1,845.42	1,441.41	-	3,286.83
ii) Interest due but not paid	-	130.00	-	130.00
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1,845.42</b>	<b>1,571.41</b>	<b>-</b>	<b>3,416.83</b>

### vii. Remuneration of Directors and Key Managerial Personnel (KMP)

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

(₹ in lacs)

Sr.No.	Particulars of Remuneration	Name of MD / WTD / Manager
		Mr. V. R. Garware, Chairman & Managing Director
1.	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	117.51
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	72.86
	(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	270.00
5.	Others, please specify	-
	<b>Total</b>	<b>460.37</b>
	<b>Ceiling as per the Act</b>	5% of the Net Profit payable to Chairman & Managing Director ( ₹ 460.85 lacs)

**B. Remuneration to other Directors:**

(₹ in lacs)

Sr.No.	Particulars of Remuneration	Name of Director			Total Amount
1.	<b>Independent Directors</b>	R. M. Telang	S. P. Kulkarni	Ashish Goel	
	● Fee for attending Board / Committee Meetings	2.00	2.00	0.60	<b>4.60</b>
	● Commission	-	-	-	-
	● Others, Please specify	-	-	-	-
	<b>Total (1)</b>				<b>4.60</b>
2.	<b>Other Non-Executive Directors</b>	M. V. Garware	M. V. Subbarao		
	● Fee for attending Board / Committee Meetings	0.80	0.60		<b>1.40</b>
	● Commission	-	-		-
	● Others, Please specify	-	-		-
	<b>Total (2)</b>				<b>1.40</b>
	<b>Total (B)=(1 + 2)</b>				<b>6.00</b>
	<b>Total Managerial Remuneration</b>				<b>460.37</b>
	<b>Overall Ceiling as per the Act</b>	<b>N.A.</b> (only Sitting Fees is paid)			

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

(₹ in lacs)

Sr.No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross Salary:	18.14*	39.47	57.61
	(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	-	-	-
	<b>Total</b>	<b>18.14*</b>	<b>39.47</b>	<b>57.61</b>

\* Mr. Sunil Agarwal was designated as Company Secretary w.e.f. 14th April, 2015.

**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)
<b>A. Company</b>					
Penalty					
Punishment			None		
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment			None		
Compounding					
<b>C. Other Officers in Default</b>					
Penalty					
Punishment			None		
Compounding					



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### ANNEXURE 5 TO DIRECTORS' REPORT 2015-16

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

#### Part A

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

Sr. No.	Requirement	Disclosure																		
1.	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2015-16.	<table><tr><th>Name of the Director / KMP</th><th>Ratio per Median Remuneration of the Employees</th><th>% Increase in Remuneration</th></tr><tr><td>Mr. V. R. Garware, Chairman &amp; Managing Director</td><td>139.93</td><td>55.85 %</td></tr></table>	Name of the Director / KMP	Ratio per Median Remuneration of the Employees	% Increase in Remuneration	Mr. V. R. Garware, Chairman & Managing Director	139.93	55.85 %												
Name of the Director / KMP	Ratio per Median Remuneration of the Employees	% Increase in Remuneration																		
Mr. V. R. Garware, Chairman & Managing Director	139.93	55.85 %																		
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year 2015-16; (as compared to last year).	<table><tr><td>Mr. S. H. Bamne, Chief Financial Officer</td><td>12.00</td><td>-</td></tr><tr><td>Mr. Sunil Agarwal, Company Secretary</td><td>*</td><td>*</td></tr></table> <p>* Since this information is for part of the year, the same is not comparable. For this purpose, Sitting Fees paid to the Directors have not been considered as remuneration.</p>	Mr. S. H. Bamne, Chief Financial Officer	12.00	-	Mr. Sunil Agarwal, Company Secretary	*	*												
Mr. S. H. Bamne, Chief Financial Officer	12.00	-																		
Mr. Sunil Agarwal, Company Secretary	*	*																		
3.	The percentage increase in the median remuneration of employees in the Financial Year 2015-16.	4.39%																		
4.	The number of permanent employees on the roll of the Company as on 31st March, 2016.	1,190																		
5.	The explanation on the relationship between average increase in remuneration and the Company's performance.	The average increase in remuneration per employee is in line with normal pay revisions, which is linked to individual performance and the Company's performance. Average remuneration is increased by 10.25% as compared to the previous year, and during the year, Profit After Tax is increased by 43.7% as compared to Previous Year 2014-15.																		
6.	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.	<table><tr><th>S. No.</th><th>Particulars</th><th>Amount (₹ In Lacs)</th></tr><tr><td>1.</td><td>Revenue from Operations</td><td>82,920.35</td></tr><tr><td>2.</td><td>Profit Before Tax (PBT)</td><td>8,704.23</td></tr><tr><td>3.</td><td>Aggregate Remuneration of Key Managerial Personnel (KMP)</td><td>517.98</td></tr><tr><td>4.</td><td>Remuneration of KMP (as % of revenue)</td><td>0.62%</td></tr><tr><td>5.</td><td>Remuneration of KMP (as % of PBT)</td><td>5.95%</td></tr></table>	S. No.	Particulars	Amount (₹ In Lacs)	1.	Revenue from Operations	82,920.35	2.	Profit Before Tax (PBT)	8,704.23	3.	Aggregate Remuneration of Key Managerial Personnel (KMP)	517.98	4.	Remuneration of KMP (as % of revenue)	0.62%	5.	Remuneration of KMP (as % of PBT)	5.95%
S. No.	Particulars	Amount (₹ In Lacs)																		
1.	Revenue from Operations	82,920.35																		
2.	Profit Before Tax (PBT)	8,704.23																		
3.	Aggregate Remuneration of Key Managerial Personnel (KMP)	517.98																		
4.	Remuneration of KMP (as % of revenue)	0.62%																		
5.	Remuneration of KMP (as % of PBT)	5.95%																		
7.	Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current Financial Year and previous Financial Year and percentage increase over decrease in the market quotations of the Shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current Financial Year and previous Financial Year.	<table><tr><th>Financial Year Ended</th><th>Closing Price NSE (in ₹)</th><th>Market Capitalizations (In ₹ Crores )</th><th>Price Earnings Ratio</th></tr><tr><td>31st March, 2016</td><td>338.60</td><td>736.99</td><td>11.91</td></tr><tr><td>31st March, 2015</td><td>181.65</td><td>397.49</td><td>9.23</td></tr></table> <p>33.8 times increase in the market quotation of the Shares in comparison to the rate at which the company came out with IPO in the year 1978. (not adjusted for Bonus).</p>	Financial Year Ended	Closing Price NSE (in ₹)	Market Capitalizations (In ₹ Crores )	Price Earnings Ratio	31st March, 2016	338.60	736.99	11.91	31st March, 2015	181.65	397.49	9.23						
Financial Year Ended	Closing Price NSE (in ₹)	Market Capitalizations (In ₹ Crores )	Price Earnings Ratio																	
31st March, 2016	338.60	736.99	11.91																	
31st March, 2015	181.65	397.49	9.23																	

Sr. No.	Requirement	Disclosure
8.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average percentile increase in remuneration of the employee and percentile increase in remuneration of Managerial Personnel is in line with normal pay revisions, which is linked to individual performance and the Company's performance.
9.	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company.	% Increase in Revenue from operations in 2015-16 as compared to 2014-15: 5.41% % Increase in Profit Before Tax in 2015-16 as compared to 2014-15: 43.84% % Increase in Remuneration of Mr. V. R. Garware, Chairman & Managing Director of the Company in 2015-16 as compared to 2014-15: 55.85% Information in case of Company Secretary is for part of the year, therefore, not comparable.
10.	The key parameters for any variable component of remuneration availed by the Directors.	Managing Director is entitled for commission as per provisions of Section 197 read along with Schedule V of the Companies Act, 2013 and guiding principles laid down in Remuneration Policy of the Company. Other Directors being Non-Executive Directors have been paid Sitting Fees for attending the meeting of the Board and Committee thereof.
11.	The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year.	NIL
12.	Affirmation that the remuneration is as per the Remuneration Policy of the Company.	The Company affirms that remuneration is as per the Remuneration Policy of the Company.

## PART B

The statement containing names and other particulars of employees as per Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. The Annual Report is being sent to all the Members of the Company excluding the aforesaid statement. In terms of first proviso of Section 136 of the Companies Act, 2013, the said statement is open for inspection at the Registered Office of the Company during working hours of the Company up to the date of the ensuing Annual General Meeting of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary and the same will be provided free of cost to the Member.



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### ANNEXURE TO DIRECTORS' REPORT 2015-16: CORPORATE GOVERNANCE REPORT

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

#### I. MANDATORY REQUIREMENTS

##### 1) PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company continues to be committed to high standards of Corporate Governance. Your Company's philosophy on Corporate Governance aims at adopting and 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 by the provisions of the SEBI (LODR) Regulations, 2015.

##### 2) BOARD OF DIRECTORS

i. Composition: The Board of Directors of the Company as on 31st March, 2016, consisted of:

Sr. No.	Name of Director	DIN	Designation	Position	Relationship between Directors inter-se
1	Mr. V. R. Garware	00092201	Chairman & Managing Director	Promoter - Executive	Relative of Ms. M. V. Garware
2	Ms. M. V. Garware	06948274	Director	Promoter - Non-Executive	Relative of Mr. V. R. Garware
3	Mr. R. M. Telang	00092103	Director	Independent - Non-Executive	
4	Mr. S. P. Kulkarni	00006914	Director	Independent - Non-Executive	
5	Mr. Ashish Goel	00147449	Director	Independent - Non-Executive	
6	Mr. M.V. Subbarao	02099059	Director	Non- Independent - Non-Executive	

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

- Four meetings of the Board were held during the Financial Year - on 26th May, 2015, 10th August, 2015, 5th November, 2015, and 12th February, 2016.

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, 2016*			No. of Equity Shares held as on 31st March, 2016
				Other Boards	Other Board Committees**		
					Chairman	Member	
Mr. V. R. Garware	4	N.A.	Yes	4***	---	---	19,658
Ms. M. V. Garware	3	60,000	Yes	---	---	---	0
Mr. R. M. Telang	4	80,000	Yes	---	---	---	0
Mr. S. P. Kulkarni	4	80,000	Yes	---	---	---	0
Mr. Ashish Goel	3	60,000	Yes	---	---	I	0
Mr. M. V. Subbarao ****	3	60,000	Yes	---	---	---	1,500

\* 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 Mr. M. V. Subbarao as an Additional Director with effect from 26th May, 2015.

##### 3) INDEPENDENT DIRECTORS

Your Company has appointed Independent Directors, who are having experience in their respective field / profession and meet the criteria of independence according to Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and Section 2(47), 149(6) of the Companies Act, 2013 and the Rules made thereunder, as amended from time



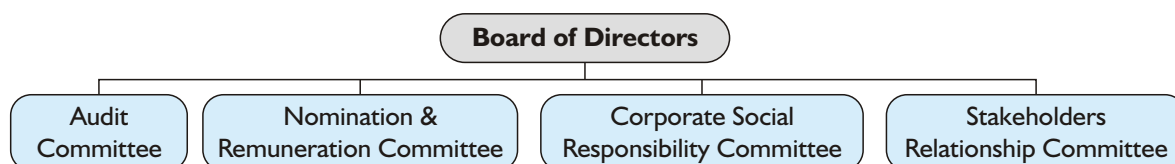
to time. The Company has appointed Independent Directors and issued appointment letters to them. The terms and conditions of their appointment are on the Company's website: <http://www.garwareropes.com/Terms-Appointment-Independent-Directors.html>. On 12th February, 2016, a separate Meeting of the Independent Directors of the Company, was held, inter alia to:

- Review the performance of Non-Independent Directors and the Board of Directors 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 of Independent Directors held on Friday, 12th February, 2016.

#### 4) COMMITTEES OF BOARD OF DIRECTORS

The Board at present has four (04) Committees.



##### A) AUDIT COMMITTEE

###### i. Constitution:

Terms of Reference of the Audit Committee have been set out in accordance with the requirements of Regulation 18 read along with Part C of Schedule II of the SEBI (LODR) Regulations, 2015 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

###### iii. Meetings and Attendance:

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

- Four (04) meetings of the Audit Committee were held during the Financial Year - on 26th May, 2015, 10th August, 2015, 4th November, 2015 and 11th February, 2016.

Name of the Member	No. of Meetings attended	Sitting Fees paid (₹)
Mr. S. P. Kulkarni	4	80,000
Mr. R. M. Telang	4	80,000
Mr. V. R. Garware	4	N.A.

The Statutory Auditors of the Company attended all four (04) meetings. The Company Secretary acted as Secretary to the Audit Committee.

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

###### i. Constitution:

Terms of Reference of the Nomination & Remuneration Committee have been set out in accordance with the requirements of Regulation 19 read along with Paragraph A of Part D of Schedule II of the SEBI (LODR)



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Regulations, 2015, and Section 178 of the Companies Act, 2013 and Rules made thereunder, as amended from time to time. Further, in terms of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the Nomination & Remuneration Committee of the Company is authorized to administer and superintend the General Employee Welfare Scheme "GWRL Managerial Staff Welfare Trust Scheme", acting as Compensation Committee in terms of the said Regulations.

### 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	Ms. 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:

Two (02) meetings of the Nomination & Remuneration Committee were held during the Financial Year on 26th May, 2015 and 20th October, 2015.

Name of the Member	No. of Meetings attended	Sitting Fees paid ( ₹ )
Mr. S. P. Kulkarni	2	40,000
Mr. R. M. Telang	2	40,000
Mr. V. R. Garware	2	N.A.
Ms. M. V. Garware	1	20,000

### iv. Performance Evaluation Criteria of Independent Directors:

Nomination & Remuneration Committee of the Board had laid down the criteria for evaluation of the Board 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.

Based on the such 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 (excluding the director being evaluated) as well as done the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Stakeholder Relationship Committee.

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

### v. Remuneration Policy and Remuneration of Directors

#### a) Remuneration Policy

The salient aspects of Remuneration Policy are present here in below.

The Company's Remuneration Policy is guided by the set of principles as envisaged under Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 (erstwhile Listing Agreement).

The Policy provides broad frame work relating to the remuneration for the Directors, Key Managerial Personnel (KMP) and Senior Management. The guiding principles of the Policy are that Remuneration and other terms of employment would be competitive and attractive in order to ensure that the Company can attract, retain and motivate competent professionals, who would work towards achieving Company's Mission, as set out in Company's "Mission and Value Statement".

The Policy is framed with an objective that in determination of the remuneration packages / scales of pay, due consideration is given to pay and other employment conditions prevailed in the technical textile

industry and other comparable manufacturing organizations in around the place of work and there is a proper balance between the fixed and variable (i.e. incentive) pay with a aim to reward the short-term and long-term performance taking into consideration the overall performance of the Company and achievements of Key Result Areas (KRAs) / Balance Score Card Objectives / Targets, as mutually agreed in advance between the concerned Executive and his supervising personnel.

**b) Remuneration of Directors**

**i. Non-Executive Directors:**

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

**ii. Executive Director:**

Mr. V. R. Garware, Chairman & Managing Director is the Executive Director. Mr. V. R. Garware was reappointed as Chairman & Managing Director for a further period of five (05) 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 the 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, had 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 along 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. Terms of Reference of the CSR Committee have been set out in accordance with the requirements of Section 135 of the Companies Act, 2013 and Rules made thereunder, as amended from time to time.



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### 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	Ms. M. V. Garware	Member	Non-Executive Director

### iii. Meetings and Attendance:

Meeting of the CSR Committee was held on 20th October, 2015. 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 Rules made thereunder and Regulation 20 read along with Paragraph B of Part D of Schedule II of the SEBI (LODR) Regulations, 2015, the Board of Directors of the Company had re-constituted "Stakeholder Relationship Committee" in place of erstwhile "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 Financial Statements, 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, Ten (10) meetings of the "Stakeholder Relationship Committee" were held.

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 Three (03) complaint received, all were resolved to the satisfaction of the Shareholders. Other communications received were also replied / resolved satisfactorily.

vi. There were no unresolved / unattended communications / complaints of Shareholders pending as of 31st March, 2016.

vii. There were no pending Share Transfers as of 31st March, 2016.

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 fifteen (15) days.

ix. Mr. Sunil Agarwal, Company Secretary, is appointed as a Compliance Officer.

## 5) GENERAL BODY MEETINGS

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

Date	Time	Venue of the Meetings
Tuesday, 3rd September, 2013	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.
Thursday, 25th September, 2014	10.30 a.m.	
Wednesday, 2nd September, 2015	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.

One Special Resolution was passed at the Annual General Meeting held on Wednesday, 2nd September, 2015, to appoint Mr. Ashish Goel as an Independent Director of the Company for a term of five (5) consecutive years with effect from the date of 38th Annual General Meeting or till the date of the 43rd Annual General Meeting, whichever is earlier.

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, was 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).

Postal Ballot was conducted in accordance with the procedure set out in Section 110 of the Companies Act, 2013, (“the Act”) read along with Companies (Management and Administration) Rules, 2014, Clause 35(B) of the Listing Agreement.

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





## **6) FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The Company familiarises its Independent Directors with their role, rights, responsibilities in the Company, nature of the industry in which the company operates, business model of the Company etc. As per the requirements of Regulation 34 (3) read along with Part C of Clause V of the SEBI (LODR) Regulations, 2015 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 Materiality of Related Party Transaction and dealings with Related Party Transactions including a revised Policy as amended and aligned as per the provisions of the Companies Act, 2013, the Companies (Meeting of Board and Its Power) Rules, 2014 and the SEBI (LODR) Regulations, 2015 and the same has been displayed on the Company's website: <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**

- i. There were no materially significant related-party transactions, which had potential conflict with the interest of the Company at large.
- ii. The Company has complied with the requirements of the Listing Agreements with Stock Exchanges as well as Regulations and Guidelines of SEBI. Consequently, no penalties were imposed or strictures passed against the Company by SEBI or Stock Exchanges or any Statutory Authorities during the last three (03) years on any matter related to Capital Market.
- iii. The Board of Directors have adopted a Vigil Mechanism Policy, which is applicable to all full-time employees and Directors of the Company for reporting their genuine concerns, which covers malpractice, unethical behavior, fraud or suspected fraud, manipulation, misappropriation of monies and violation of the Companies Codes. The said Vigil Mechanism Policy also provides adequate safeguards against victimization of persons who use such mechanism and provisions for direct access to the Chairperson of the Audit Committee, in appropriate and exceptional cases. None of the employees has been denied access to the Audit Committee 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>.
- iv. The Board of Directors has adopted a Code of Conduct for all Board Members and Senior Management of the Company, which came into effect from 1st January, 2006. A copy of the same has been displayed on the Company's website: <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 Company has complied with all mandatory requirements of the SEBI (LODR) Regulations, 2015.
- xi. The Company is not having any material subsidiary as defined under Regulation 16 (c) of the SEBI (LODR) Regulations, 2015.
- xii. The Company is exposed to commodity price risk and foreign currency exchange risk in the course of its business. The Company did not engage in commodity price risk hedging activities. The Company's foreign currency exchange exposures are monitored on a daily basis under the expert guidance of experienced and reputed consultants. A formal foreign exchange policy had been adopted by the Board thereby providing the treasury with a broad operating framework with stress on keeping risks low as far as possible and within a specified limit. The Board also review foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement, if material in its quarterly meeting.

## 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, Quarterly Shareholding Patterns are displayed on the Company's website: <http://www.garwareropes.com/shareholding-pattern.html>. Presentation on Financial Statements and official news releases are also submitted to Stock Exchange(s) for public dissemination before its release. During the year under review, no presentation was made to institutional investors or to the analysts.
- ii. A Management Discussion and Analysis Report is enclosed separately as part of this Annual Report.

## 10) GENERAL SHAREHOLDER INFORMATION

### i. 39th Annual General Meeting

- Day, Date and Time Wednesday, 10th August, 2016, 10.30 a.m.
- Venue Auto Cluster Auditorium,  
Auto Cluster Development and Research Institute Limited,  
H-Block, Plot No. C-181, Off Old Pune-Mumbai Highway,  
Chinchwad, Pune - 411 019.

### ii. Financial Calendar

Financial reporting for

- Quarter ending 30th June, 2016 by 15th August, 2016
- Quarter ending 30th September, 2016 by 15th November, 2016
- Quarter ending 31st December, 2016 by 15th February, 2017
- Quarter ending 31st March, 2017 by 30th May, 2017

### iii. Book Closure Date

From Thursday, 4th August, 2016 to Wednesday, 10th August, 2016 (both days inclusive).

### iv. Dividend Payment Date

Wednesday, 10th August, 2016 onwards.

### v. Listing of Equity Shares

The Equity Shares of the Company are listed on:

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



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### vi. Stock Code / Symbol

BSE Limited

National Stock Exchange of India Limited

Code No.: 509557

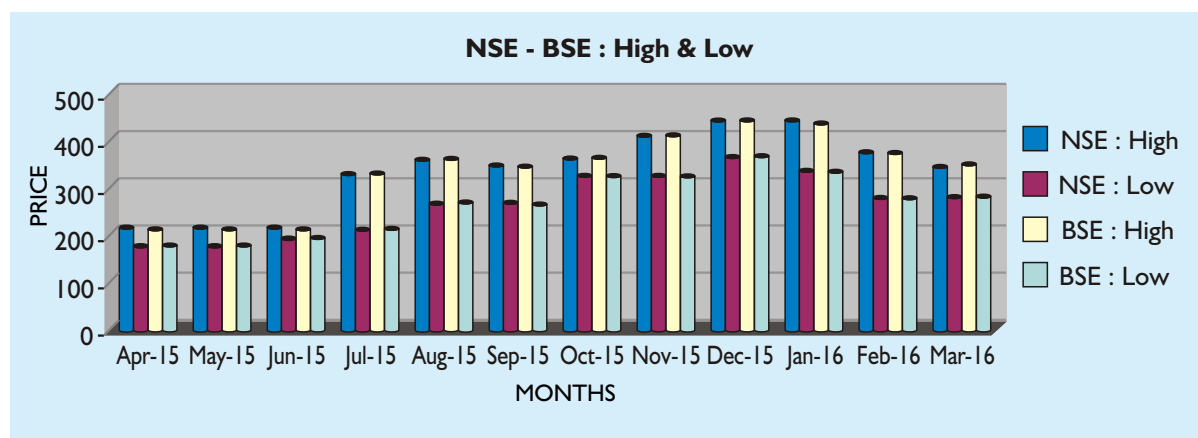
Symbol: GARWALLROP

### vii. Stock Market Data

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

Months	GWRL Share Price ( ₹ )				BSE		NSE	
	At BSE		At NSE		S&P Sensex		CNX Nifty	
	High	Low	High	Low	High	Low	High	Low
Apr 2015	212.40	175.00	209.45	174.00	29094.61	26897.54	8844.80	8144.75
May 2015	207.70	172.00	204.50	172.00	28071.16	26423.99	8489.55	7997.15
Jun 2015	215.40	190.00	213.60	189.30	27968.75	26307.07	8467.15	7940.30
Jul 2015	324.90	204.20	324.80	205.50	28578.33	27416.39	8654.75	8315.40
Aug 2015	353.00	260.10	353.00	258.00	28417.59	25298.42	8621.55	7667.25
Sep 2015	344.00	263.50	344.80	263.15	26471.82	24833.54	8055.00	7539.50
Oct 2015	365.30	324.00	366.75	325.75	27618.14	26168.71	8336.30	7930.65
Nov 2015	398.40	324.00	399.00	320.60	26824.30	25451.42	8116.10	7714.15
Dec 2015	436.00	363.70	436.50	368.00	26256.42	24867.73	7979.30	7551.05
Jan 2016	438.00	333.50	429.90	331.25	26197.27	23839.76	7972.55	7241.50
Feb 2016	371.00	270.00	369.25	271.20	25002.32	22494.61	7600.45	6825.80
Mar 2016	340.00	283.80	344.80	281.95	25479.62	23133.18	7777.60	7035.10

(Source: BSE website: [www.bseindia.com](http://www.bseindia.com) & NSE website: [www.nseindia.com](http://www.nseindia.com))



### viii. Share Transfer Agent

LINK INTIME INDIA PRIVATE LIMITED

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

Tel. No.: (020) 2616 1629, 2616 0084; Fax No.: (020) 2616 3503; Email: [pune@linkintime.co.in](mailto: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, 2016.**

Distribution of Shareholding (Rupees)				Report Type = All (NSDL + CDSL + Physical)				
Sr. No.	Shareholding of Nominal Value of ₹ 10/- each			No. of Shareholders	% to Total Shareholders	No. of Shares	Nominal Value (in ₹)	% of Nominal Value
	From	-	To					
1	1	to	5,000	12321	81.91	1629763	16297630	7.45
2	5,001	to	10,000	1378	9.16	1046044	10460440	4.78
3	10,001	to	20,000	724	4.81	1047006	10470060	4.78
4	20,001	to	30,000	199	1.32	495321	4953210	2.26
5	30,001	to	40,000	85	0.57	306437	3064370	1.40
6	40,001	to	50,000	61	0.41	285091	2850910	1.30
7	50,001	to	1,00,000	126	0.84	928938	9289380	4.25
8	1,00,001	and	Above	148	0.98	16143460	161434600	73.77
Total				15042	100.00	21882060	218820600	100.00

(ii) **Pattern of Shareholding as on 31st March, 2016.**

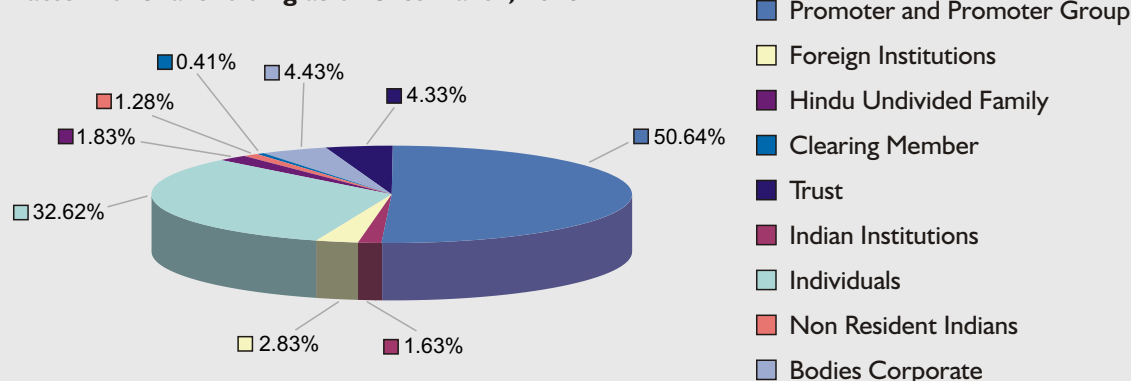
Category Code	Category of Shareholder	Shareholding details			
		Number of Share holders	Total number of Shares held	Number of Shares held in Dematerialised Form	As a % of (A+B)
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>				
(1)	Indian Promoters	13	11,080,364	11,080,364	50.64
(2)	Foreign Promoters	-	-	-	-
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>13</b>	<b>11,080,364</b>	<b>11,080,364</b>	<b>50.64</b>
<b>(B)</b>	<b>Public Shareholding</b>				
(1)	<b>Institutions</b>				
(a)	Indian Institutions	14	356,898	355,112	1.63
(b)	Foreign Institutions	25	619,864	619,864	2.83
	<b>Sub-Total (B)(1)</b>	<b>39</b>	<b>976,762</b>	<b>1,663,246</b>	<b>4.46</b>
(2)	<b>Non-Institutions</b>				
(a)	Individuals	13985	7,13,7791	6,475,371	32.62
(b)	Trust	1	1,050	1,050	0.00
(c)	Hindu Undivided Family	303	399,706	399,706	1.83
(d)	Non Resident Indians (Non Repat)	86	55,540	52,862	0.25
(e)	Non Resident Indians (Repat)	218	225,787	225,587	1.03
(f)	Clearing Member	97	90,033	90,033	0.41
(g)	Bodies Corporate	279	968,527	963,280	4.43
	<b>Sub-Total (B)(2)</b>	<b>14969</b>	<b>8,878,434</b>	<b>8,207,889</b>	<b>40.57</b>
	<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>15008</b>	<b>9,855,196</b>	<b>9,182,865</b>	<b>45.04</b>
<b>(C)</b>	<b>Non-Promoter-Non Public Shareholding</b>				
(a)	GWRL Managerial Staff Welfare Trust	1	946500	546500	4.33
	<b>Total Non-Promoter-Non Public Shareholding (C)</b>	<b>1</b>	<b>946,500</b>	<b>546,500</b>	<b>4.33</b>
	<b>TOTAL (A)+(B)+(C)</b>	<b>15022</b>	<b>21,882,060</b>	<b>20,809,729</b>	<b>100.00</b>

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



## Adding Value. Enhancing Performance.

**Pattern of Shareholding as on 31st March, 2016**



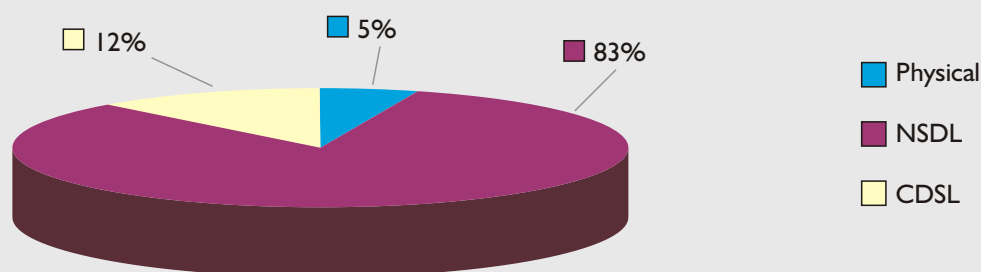
### xi. Dematerialisation of Shares and Liquidity

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. 95.10% 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. Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity

There were no GDRs / ADRs / Warrants outstanding as on 31st March, 2016.



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

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

**xv. Plant Locations**

Plot No. 11, Block D-I, MIDC, Chinchwad, Pune - 411 019, Maharashtra. Tel. No.: (020) 3078 0000	Plot No. C-1/13, 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, Amli - 396 230. Tel. No.: (0260) 2640 867
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\* Operation was consolidated with its Plant situate at Wai, Dist. Satara with effect from the month of May, 2016.

**xvi. Address for Correspondence**

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

Company Secretary Garware-Wall Ropes Limited Plot No. 11, Block D-I, MIDC, Chinchwad, Pune - 411 019, Maharashtra Tel. No.: (020) 3078 0177 Email: <a href="mailto:secretarial@garwareropes.com">secretarial@garwareropes.com</a>	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: <a href="mailto:pune@linkintime.co.in">pune@linkintime.co.in</a>
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**xvii. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015.**

**II. NON-MANDATORY REQUIREMENTS**

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

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



### **III. REPORT OF CORPORATE GOVERNANCE**

This Chapter of the Annual Report together with the information given under "Management Discussion and Analysis" constitutes a detailed compliance report on Corporate Governance during 2015-2016.

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

In accordance with the provision of Regulation 34(3), read along with Clause D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, V. R. Garware, Chairman and Managing Director of the Company hereby declare that all Board Members and Senior Management Personnel of the Company have given the affirmation for the year 2015-2016 on compliance with Code of Conduct of the Company as applicable to them respectively.

For **Garware-Wall Ropes Ltd.**

Pune,  
30th April, 2016

**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, 2016, as stipulated in Regulation 34(3), read along with Clause E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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, 2016

**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 integrated manufacturing facilities in Pune and Wai, 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, manufacturing plants and many others.

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 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 2015-16

FY 2015-16 was a volatile year with uncertainty being the hallmark of the global economy. Fluctuations in crude oil prices affected the economies of key oil producing nations like Norway, UK, Canada and USA, resulting in lower demand for aquaculture products. However, increased sales of value-added products and good growth in sports goods sector offset the slowdown seen in the aquaculture industry.

In the domestic market, your Company recorded good volume and value growth across all businesses namely, fisheries, industrial products, agriculture and coated fabrics. With a fillip in the domestic infrastructure industry, our geo textile business saw a robust demand for its products and many key projects were executed during the year.

Your Company improved its financial performance through very good execution of its profitable growth strategy based on three pillars: innovation, geographic expansion and operational excellence.

### Opportunities and Threats

In the coming Financial Year, your Company sees good growth prospects despite a challenging outlook in the international market. With uncertainty in crude prices likely to continue, we expect the demand for aquaculture products to be as it was in recent years. However, our expansion into new markets and growth in innovative, value-added products are poised to boost our overall performance in international markets.

In the domestic market, we expect the momentum to continue. With prediction of a good and well spread-out monsoon and the resultant positive boost to the economy, we foresee high growth in our various business lines, especially agriculture. However, a likely increase in polymer prices can have a dampening effect on consumption and affect demand.

Your Company's relentless focus on quality culture and operational excellence will ensure maximization of all



## Adding Value. Enhancing Performance.

current and new opportunities. With automation in key aspects of manufacturing, the resultant efficiencies will add to improvement in overall productivity.

### Company's Performance in FY 2015-16

Your Company registered total revenue of ₹ 829.20 crores for the year ended 31st March, 2016, an increase of 5.4% over the previous year's revenue. Export revenue accounted for 45.8% of the total revenue. Profit after tax in the year under review was ₹ 61.88 crores, registering an increase of 43.7% over the previous year.

Profitability was aided by lower cost of raw materials and interest. Growth in the domestic market and value added products aided growth in margins. Several initiatives were undertaken to improve productivity and efficiency in operations.

### Key Financial Indicators

- The Operating Profit Ratio of the Company is 9.67%.
- The Current Ratio of the Company is 1.43.
- The Company has a total Debt-Equity Ratio of 0.12:1.

### 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 45.8% 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.

### Internal Control Systems

Implementation of a SAP enterprise solution has resulted in better internal controls and aided in faster decision making. With use of more IT tools like mobile applications and automatic order generation, your Company is embracing the digital age and this is resulting in better

channel-partner connect and faster turnaround times as well as lower manual interface.

Elaborate systems for managing inventory, procurement, assets have been made more robust, ensuring coordination of manufacturing with customers' requirements. All this has led to better quality, lower delivery lead times and effective cost controls. Moreover, it has led to reduction in cycle time for developing new products, thereby aiding their faster introduction in markets.

### Human Resources Management

Human capital is the key ingredient to the success of your Company. With various activities like Fun at Work, interactive team-bonding workshops, and a revamped reward and recognition system, your Company's employees are today living up to your Company's mission and values. A balanced score card and a scientific performance management system coupled with various training workshops for professional and personal enhancement have increased motivation of employees. All these have resulted in more engaged and productive employees and this is seen in improved scores in the engagement survey done by Great Places to Work.

#### 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 Standalone Financial Statements**

We have audited the accompanying Standalone Financial Statements of Garware-Wall Ropes Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2016, 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 that 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 Standalone 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. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material 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. 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 Standalone Financial Statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the 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, 2016,
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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.





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

- (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of accounts as required by law, have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the Books of Accounts.
- (d) 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 and Companies (Accounting Standards) Amendment Rules, 2016.
- (e) On the basis of the written representations received from the Directors as on 31st March, 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements.
  - ii) The Company has made provision, as at 31st March, 2016 as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year 31st March, 2016.

For **Patki & Soman**  
Chartered Accountants

**S. M. Patki**  
Partner

M. No. 037315

F. R. No. 107830W

Pune,  
26th May, 2016

### ANNEXURE A 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, 2016, we report that:

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- b) 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.
- c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the Financial Statement and accruing to information and explanation given by the management, the title deeds of immovable properties are held in the name of the Company.
- ii) a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

- b) 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.
- c) 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) According to the information and explanation given to us, the Company has not granted secured and unsecured loans to companies, firms & other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv) In our opinion and according to the information and explanations given to us, there are no loans, guarantees and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act 2013, are applicable and hence not commented upon.
- v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits from the public.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of Cost Records under Section 148(I) of the Companies Act, 2013, related to the manufacture of products, and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the same.
- 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, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.
- b) According to the information and explanations given to us, there are no undisputed amount payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.
- c) According to the records of the Company, the dues outstanding of income tax, sales tax, value added tax, excise duty and statutory dues on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Forum where Dispute is Pending	Period to which Amount relates	Amount ( ₹ 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
			2003-04	114.00
Total				432.24



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- viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any banks. Further, the Company does not have any debentures and loan from Financial Institution or Government.
- ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanation given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans and hence, reporting under Clause (ix) is not applicable to the Company and hence not commented upon.
- x) Based on our audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanation given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of Clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations given by the management, transactions with related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Financial Statements, as required by the applicable Accounting Standards.
- xiv) According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company

For **Patki & Soman**  
Chartered Accountants

**S. M. Patki**  
Partner

M. No. 037315  
F. R. No. 107830W

Pune,  
26th May, 2016

### ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the Internal Financial Controls over Financial Reporting of Garware-Wall Ropes Limited ("the Company") as of 31st March, 2016, in conjunction with our audit of the standalone Financial Statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds

and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over Financial Reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls system over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31st March, 2016, based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Patki & Soman**  
Chartered Accountants

**S. M. Patki**  
Partner

Pune,  
26th May, 2016

M. No. 037315  
F. R. No. 107830W



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### BALANCE SHEET AS AT 31st MARCH, 2016

			(₹ in lacs)
	Note No.	As at 31st March 2016	As at 31st March 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	2,188.21	2,188.21
(b) Reserves and Surplus	4	34,289.27	28,812.64
		<b>36,477.48</b>	<b>31,000.85</b>
<b>(2) Non-Current Liabilities</b>			
(a) Long-term Borrowings	5	-	405.98
(b) Deferred Tax Liabilities (Net)	6	2,830.01	2,247.01
(c) Other Long-term Liabilities	7	623.32	148.89
(d) Long-term Provisions	8	272.46	237.56
		<b>3,725.79</b>	<b>3,039.44</b>
<b>(3) Current Liabilities</b>			
(a) Short-term Borrowings	9	2,983.06	2,754.55
(b) Trade Payables	10	5,210.45	6,631.13
(c) Other Current Liabilities	11	9,705.18	8,653.92
(d) Short-term Provisions	12	22,934.77	17,771.84
		<b>40,833.46</b>	<b>35,811.44</b>
<b>TOTAL</b>		<b>81,036.73</b>	<b>69,851.73</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	13	19,034.32	15,587.52
(ii) Intangible Assets	13	890.01	996.57
(iii) Capital Work-in-Progress	13	20.16	676.83
		<b>19,944.49</b>	<b>17,260.92</b>
(b) Non-current Investments	14	893.06	904.00
(c) Long-term Loan and Advances	15	1,188.24	1,179.70
(d) Other non-current Assets	16	628.07	556.57
		<b>22,653.86</b>	<b>19,901.19</b>
<b>(2) Current Assets</b>			
(a) Inventories	17	12,546.28	13,719.69
(b) Trade Receivables	18	19,884.58	18,207.76
(c) Cash and Cash Equivalents	19	8,322.33	1,057.10
(d) Short-term Loans and Advances	20	17,629.68	16,965.99
		<b>58,382.87</b>	<b>49,950.54</b>
<b>TOTAL</b>		<b>81,036.73</b>	<b>69,851.73</b>

### III. NOTES FORMING PART OF THE FINANCIAL STATEMENTS 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

Pune,  
26th May, 2016

**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

**M. V. SUBBARAO**  
Director  
DIN. 02099059



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2016

	Note No.	For the year ended 31st March 2016	(₹ in lacs) For the year ended 31st March 2015
<b>I. REVENUE:</b>			
(a) Revenue from Operations	21	82,920.35	78,660.02
Less: Excise Duty		438.31	436.77
		82,482.04	78,223.25
(b) Other Income (Net)	22	623.32	391.86
<b>Total Revenue</b>		<b>83,105.36</b>	<b>78,615.11</b>
<b>II. EXPENSES:</b>			
(a) Cost of Materials Consumed	23	31,787.69	34,827.14
(b) Purchase of Traded Goods	24	1,709.20	2,237.09
(c) (Increase)/Decrease in inventories of Finished Goods, Work-in-Progress and Traded Goods	25	800.36	(718.34)
(d) Employee Benefit Expense	26	9,279.29	8,424.09
(e) Operating and Other Expenses	27	28,641.41	25,530.59
<b>Total Expenses</b>		<b>72,217.95</b>	<b>70,300.57</b>
<b>Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (I - II)</b>		<b>10,887.41</b>	<b>8,314.54</b>
(f) Depreciation and Amortisation Expenses	13	1,310.49	1,238.55
(g) Finance Costs	28	872.69	1,024.83
<b>III. PROFIT BEFORE TAX</b>		<b>8,704.23</b>	<b>6,051.16</b>
<b>IV. TAX EXPENSES</b>			
(a) Current Tax		2,021.00	1,517.00
(b) Deferred Tax		583.00	222.00
(c) Wealth Tax		-	9.51
(d) Adjustment for excess / (short) provision of earlier years		(87.40)	(2.84)
<b>V. PROFIT AFTER TAX FOR THE YEAR</b>		<b>6,187.63</b>	<b>4,305.49</b>
<b>VI. EARNINGS PER EQUITY SHARE</b>			
(i) Basic (₹)		28.28	19.68
(ii) Diluted (₹)		28.28	19.68
Face Value per Equity Share (₹)		10.00	10.00

VII. NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-47

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, 2016

**S. H. BAMNE**  
VP Corporate (CFO)

**ASHISH GOEL**  
Director  
DIN. 00147449

**M. V. SUBBARAO**  
Director  
DIN. 02099059



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## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2016

		(₹ in lacs)
	For the year ended 31st March 2016	For the year ended 31st March 2015
<b>I. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	8,704.23	6,051.16
Adjustments for :		
Depreciation and Amortisation	1,310.49	1,238.55
Finance Cost	872.69	1,024.83
Interest Income	(313.37)	(24.16)
Dividend Income	(0.05)	(0.64)
(Profit) / Loss on Sale of Fixed Assets	-	19.47
<b>Operating Profit before Working Capital Changes</b>	<b>10,573.99</b>	<b>8,309.21</b>
Trade Receivables, Loans and Advances and other Assets	(1,919.85)	(6,150.12)
Inventories	1,173.41	(1,037.09)
Trade and other Payables	3,647.43	7,741.13
<b>Cash generated from Operations</b>	<b>13,474.98</b>	<b>8,863.13</b>
Direct Taxes paid	(516.17)	(1,413.57)
<b>Net Cash provided by Operating Activities</b>	<b>12,958.81</b>	<b>7,449.56</b>
<b>II. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(4,054.09)	(2,620.09)
Proceeds from Sale of Fixed Assets	60.04	66.24
Purchase / Sale of Investments	10.94	29.46
Interest received	313.37	24.16
Dividend received	0.05	0.64
<b>Net Cash provided by / (used in) Investing Activities</b>	<b>(3,669.69)</b>	<b>(2,499.59)</b>
<b>III. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayments of Long-term Borrowings	(625.01)	(1,302.69)
Finance Cost	(887.14)	(1,017.83)
Short-term Borrowings	228.51	(1,744.04)
Dividend paid including Dividend Tax	(740.25)	(654.71)
Buyback of Equity Shares	-	(65.55)
<b>Net Cash from / (used in) Financing Activities</b>	<b>(2,023.89)</b>	<b>(4,784.82)</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>7,265.23</b>	<b>165.15</b>

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2016**

	For the year ended 31st March 2016	(₹ in lacs) For the year ended 31st March 2015
Cash & Cash Equivalents (Opening Balance):	<b>1,057.10</b>	891.95
Cash & Cash Equivalents (Closing Balance):	<b>8,322.33</b>	1,057.10
<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents</b>	<b>7,265.23</b>	165.15

**IV. NOTES FORMING PART OF THE FINANCIAL STATEMENTS 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, 2016

**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

**M. V. SUBBARAO**  
Director  
DIN. 02099059



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

### 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 Securities 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, 2016	For the year ended 31st March, 2015
Freehold Buildings	Written down value	30 years	30 years
Factory Buildings	Written down value	60 years	60 years
Plant and Machinery	Straight-Line	25 years	25 years
Electrical Installations	Straight-Line	10 years	10 years
Furniture & Fixtures	Straight-Line	10 years	10 years
Office Equipments	Straight-Line	3 / 5 years	3 / 5 years
Vehicles	Straight-Line	8 years	8 years
Helicopter	Straight-Line	20 years	20 years
Technical Knowhow	Straight-Line	10 years	10 years
Product Development	Straight-Line	10 years	10 years
Computer Software	Straight-Line	10 years	10 years

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

**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 ₹ Nil (Previous Year 17.48 lacs)

**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 are 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 2016

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 2016

### **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**

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 for the year. The Company measures EBITDA on the basis of profit/(loss) from continuing operation.



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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

		(₹ in lacs)
	As at 31st March 2016	As at 31st March 2015
<b>3. SHARE CAPITAL</b>		
<b>(a) Authorised Share Capital</b>		
i) 5,00,00,000 Equity Shares of ₹ 10/- each (31st March, 2015 : 5,00,00,000 Equity Shares of ₹ 10/- each)	<b>5,000.00</b>	5,000.00
ii) 1,00,00,000 Unclassified Shares of ₹ 10/- each (31st March, 2015 : 1,00,00,000 Unclassified Shares of ₹ 10/- each)	<b>1,000.00</b>	1,000.00
	<b>6,000.00</b>	6,000.00
<b>(b) Issued, Subscribed and Fully Paid-up</b>		
2,18,82,060 Equity Shares of ₹ 10/- each (31st March, 2015 : 2,18,82,060 Equity Shares of ₹ 10/- each)	<b>2,188.21</b>	2,188.21
	<b>2,188.21</b>	2,188.21

Note : During the year 2015-16, the Company has bought back Nil Equity Shares of ₹ 10/- each under the Buy Back Scheme (Previous Year 90,193 Equity Shares)

	As at 31st March 2016		As at 31st March 2015	
	Number of Shares	Amount Rupees	Number of Shares	Amount Rupees
<b>Equity Shares</b>				
Opening Balance	<b>21,882,060</b>	<b>218,820,600</b>	21,972,253	219,722,530
Changes during the year	-	-	(90,193)*	(901,930)
<b>Closing Balance</b>	<b>21,882,060</b>	<b>218,820,600</b>	21,882,060	218,820,600

\* During the year 2015-16, the Company has bought back Nil Equity Shares of ₹ 10/- each under the Buy Back Scheme (Previous Year 90,193 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 2016	As at 31st March 2015
<b>Equity Shares</b>		
Late Shri Ramesh B. Garware **	3,612,053 <b>16.51%*</b>	3,612,053 <b>16.51%*</b>
Garware Capital Markets Limited	3,483,617 <b>15.92%</b>	3,473,437 <b>15.87%</b>

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

\*\* As informed by Mr. V. R. Garware, the shares standing in the name of Late Shri 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 Shri R. B. Garware.

### d) Shares allotted as fully paid up by way of Bonus Shares (during 5 years preceding 31st March, 2016): Nil

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

	As at 31st March 2016	As at 31st March 2015
<b>4. RESERVES AND SURPLUS</b>		
(a) Capital Reserve	24.75	24.75
(b) Capital Redemption Reserve	182.63	182.63
(c) Share Premium		
Share Premium Account	7,597.37	7,597.37
Share Premium Related to Forfeited Share	102.74	102.74
(d) Revaluation Reserve		
(i) Balance as per last Financial Statement	5.89	6.93
(ii) Less: Transfer to Statement of Profit and Loss	(1.04)	(1.04)
	4.85	5.89
(e) General Reserve		
(i) Balance as per last Financial Statement	2,999.40	2,688.06
(ii) Transfer to Capital Redemption Reserve A/c	-	(56.54)
(iii) Transferred from Statement of Profit and Loss	870.43	430.55
(iv) Unplanned Depreciation	-	(62.67)
	3,869.83	2,999.40
(f) Surplus in Statement of Profit and Loss		
(i) Balance as per last Financial Statement	18,180.27	15,093.07
Add : Profit for the year	6,187.63	4,305.49
Less : Appropriations		
(ii) Proposed final Dividend on Equity Shares	(722.10)	(656.46)
(iii) Tax on Dividend	(147.00)	(131.28)
(iv) Transfer to General Reserve	(870.43)	(430.55)
	22,628.37	18,180.27
(g) Hedging Reserve Account (Refer note no (i))		
(i) Balance as per last Financial Statement	(280.41)	(394.28)
(ii) (Deductions) / Additions during the year (net)	159.14	113.87
	(121.27)	(280.41)
<b>Total</b>	<b>34,289.27</b>	<b>28,812.64</b>
<b>5. LONG-TERM BORROWINGS</b>		
<b>SECURED TERM LOANS</b>		
- From Banks and Financial Institutions		
<b>I. CITI Bank ECB Term Loan</b>		
(i) Balance as per reporting date	433.77	1,217.92
(ii) Less : Current Maturity transfer to other Current Liability	(433.77)	(811.94)
	-	405.98
Balance as on reporting date	433.77	1,217.92
Less : Current Maturity transfer to other Current Liability	(433.77)	(811.94)
<b>Total</b>	<b>-</b>	<b>405.98</b>

Notes :

- I) 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.



**Adding Value. Enhancing Performance.**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016**

	(₹ in lacs)
	As at 31st March 2015
<b>6. DEFERRED TAX LIABILITIES (NET)</b>	<b>As at 31st March 2016</b>
<b>(a) Deferred Tax Liability</b>	
(i) Depreciation and Amortisation	2,393.10
	<u>2,393.10</u>
<b>(b) Deferred Tax Asset</b>	
(i) Employee Benefits	83.90
(ii) Provision for Doubtful Debts	15.28
(iii) Others	46.91
	<u>146.09</u>
<b>Deferred Tax liabilities (Net)</b>	<u><u>2,247.01</u></u>
	<u><u>2,830.01</u></u>
<b>7. OTHER LONG-TERM LIABILITIES</b>	
Deposits from Customers and Contractors	148.89
<b>Total</b>	<u><u>148.89</u></u>
	<u><u>623.32</u></u>
<b>8. LONG-TERM PROVISIONS</b>	
Provision for Employee Benefits	237.56
<b>Total</b>	<u><u>237.56</u></u>
	<u><u>272.46</u></u>
<b>9. SHORT-TERM BORROWINGS</b>	
<b>Secured Loans</b>	
Loans repayable on demand	
- From banks	
1. Cash Credit, Rupee Loan and Rupee Packing Credit	447.35
2. Packing Credit in Foreign Currency Loan	865.79
<b>Unsecured Loans</b>	
Loans repayable on demand	
Loan from Promoter *	1,441.41
<b>Total</b>	<u><u>2,754.55</u></u>
	<u><u>1,571.41</u></u>
	<u><u>2,983.06</u></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 deposit was received from 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. The figures include unpaid interest net of TDS.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

	As at 31st March 2016	(₹ in lacs) As at 31st March 2015
<b>10. TRADE PAYABLES</b>		
Trade Payables	5,210.45	6,631.13
<b>Total</b>	<b>5,210.45</b>	<b>6,631.13</b>
<b>11. OTHER CURRENT LIABILITIES</b>		
(a) Current maturity of Long-Term Debt	433.77	811.94
(b) Other Payables	8,166.06	6,738.18
(c) Interest accrued but not due on borrowing	6.88	21.33
(d) Advance received from Customers	852.91	950.05
(e) Unpaid Dividend	245.56	132.42
<b>Total</b>	<b>9,705.18</b>	<b>8,653.92</b>
Other Payables includes:		
(i) Fair value of foreign exchange forward contract secured against Trade Receivables	7,353.75	6,290.43
(ii) Statutory Liabilities	342.79	338.41
<b>12. SHORT-TERM PROVISIONS</b>		
(a) Provision for Employee Benefits	293.98	263.78
(b) Others		
(i) Taxation	7,153.42	6,781.71
(ii) Proposed Dividend	722.11	656.46
(iii) Tax on Proposed Dividend	147.00	131.28
(iv) Other provisions	14,618.26	9,938.61
<b>Total</b>	<b>22,934.77</b>	<b>17,771.84</b>



**Adding Value. Enhancing Performance.**

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

### 13 FIXED ASSETS

(₹ in Lacs)

Description	GROSS BLOCK			DEPRECIATION					NET BLOCK		
	Gross Block as at 1st April 2015	Additions	Deletions/ Adjustments	Gross Block as at 31st March 2016	Accumulated as at 1st April 2015	Deletions / Adjustment	Unplanned Depreciation	Depreciation/ Amortisation for the year	Accumulated as at 31st March 2016	Value as at 31st March 2016	Value as at 31st March 2015
(a) TANGIBLE FIXED ASSETS											
Leasehold Land	222.50	-	-	222.50	-	-	-	-	-	222.50	222.50
Buildings	4,814.80	553.07	-	5,367.87	2,513.39	-	-	232.73	2,746.12	2,621.75	2,301.41
Plant and Machinery	23,839.76	3,423.74	42.90	27,220.60	13,648.90	11.09	-	544.26	14,182.07	13,038.53	10,190.86
R&D Equipments	1,922.76	421.89	224.01	2,120.64	559.48	195.78	-	63.79	427.49	1,693.15	1,363.28
Electrical Installations	915.49	51.26	-	966.75	582.60	-	-	57.09	639.69	327.06	332.89
Furniture and Fixtures	515.81	17.60	-	533.41	368.07	-	-	32.48	400.55	132.86	147.74
Office Equipments	1,043.86	91.06	-	1,134.92	863.92	-	-	83.76	947.68	187.24	179.94
Vehicles	1,271.16	98.03	-	1,369.19	591.46	-	-	127.28	718.74	650.45	679.70
Helicopter	686.01	-	-	686.01	516.81	-	-	8.42	525.23	160.78	169.20
TOTAL	35,232.15	4,656.65	266.91	39,621.89	19,644.63	206.87	-	1,149.81	20,587.57	19,034.32	15,587.52
31st March, 2015	33,285.68	2,310.36	363.89	35,232.15	18,778.06	297.64	62.67	1,101.54	19,644.63	15,587.52	14,507.62
(b) INTANGIBLE ASSETS											
Technical Knowhow	45.96	-	-	45.96	45.96	-	-	-	45.96	-	-
Product Development	1,453.60	-	-	1,453.60	900.08	-	-	108.24	1,008.32	445.28	553.52
Computer Software	690.44	55.15	-	745.59	247.39	-	-	53.47	300.86	444.73	443.05
TOTAL	2,190.00	55.15	-	2,245.15	1,193.43	-	-	161.71	1,355.14	890.01	996.57
31st March, 2015	1,816.56	373.44	-	2,190.00	1,055.39	-	-	138.04	1,193.43	996.57	761.17
(c) CAPITAL WORK- IN-PROGRESS											
	676.83	20.16	676.83	20.16	-	-	-	-	-	20.16	676.83
31st March, 2015	743.79	676.83	743.79	676.83	-	-	-	-	-	676.83	743.79
Grand Total	38,098.98	4,731.96	943.74	41,887.20	20,838.06	206.87	-	1,311.52	21,942.71	19,944.49	17,260.92
31st March, 2015	35,846.03	3,360.63	1,107.68	38,098.98	19,833.45	297.64	62.67	1,239.58	20,838.06	17,260.92	16,012.58

#### 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 ₹ 55.15 lacs (Previous Year ₹ 373.44 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" upto 1st April, 2004, are being continued to be amortized over the remaining period.
- During the year ₹ 1.04 lacs (Previous Year ₹ 1.04 lacs) has been withdrawn from Revaluation Reserve on account of depreciation on revalued portion.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

	As at 31st March 2016	As at 31st March 2015
<b>14. NON-CURRENT INVESTMENTS</b>		
<b>1. INVESTMENTS IN EQUITY INSTRUMENTS</b>		
<b>a) In Subsidiary Companies :</b>		
<b>Shares of Garware Environmental Services Pvt. Limited</b>	<b>55.00</b>	<b>55.00</b>
10,00,000 (31st March, 2015 : 10,00,000) Equity Shares of ₹ 10/- each, fully paid		
<b>b) In Associate Companies :</b>		
<b>Shares of Garware Meditech Private Limited</b>	<b>0.50</b>	<b>0.50</b>
5,000 (31st March, 2015 : 5000) Equity Shares of ₹ 10/- each, fully paid		
<b>c) In Other Companies :</b>		
<b>Shares of Cosmos Co-operative Bank Limited</b>	<b>3.16</b>	<b>3.16</b>
15,805 (31st March, 2015 : 15,805) Equity Shares of ₹ 20 each, fully paid		
<b>Shares of Gujarat Filament Corporation Limited</b>	<b>0.01</b>	<b>0.01</b>
50 (31st March, 2015 : 50) Equity Shares of ₹ 10/- each, fully paid		
<b>Shares of Intermedia Interactive Solutions Pvt. Limited</b>	<b>807.11</b>	<b>807.11</b>
8,90,680 (31st March, 2015: 8,90,680) Equity Shares of ₹ 10/- each, fully paid		
<b>Shares of Garware Marine Industries Limited (Quoted)</b>	<b>5.00</b>	<b>5.00</b>
50,000 (31st March, 2015 : 50,000) Equity Shares of ₹ 10/- each, fully paid		
<b>Shares of Garware Polyester Limited (Quoted)</b>	<b>319.62</b>	<b>319.62</b>
1,46,350 (31st March, 2015 : 1,46,350) Equity Shares of ₹ 10/- each, fully paid		
<b>2. INVESTMENTS IN GOVERNMENT AND TRUST SECURITIES</b>		
<b>7 Year National Savings Certificates.</b>	<b>0.16</b>	<b>11.10</b>
Out of this, National Saving Certificates for Face Value of ₹ 0.16 lacs (31st March, 2015 ₹ 0.16 lacs) deposited with Sales Tax Authorities		
<b>Sardar Sarovar Narmada Nigam Ltd. Bonds</b>	<b>17.50</b>	<b>17.50</b>
<b>Total investment</b>	<b>1,208.06</b>	<b>1,219.00</b>
<b>Less:</b>		
<b>Aggregate provision for diminution in value of investment</b>		
Contingency Reserve, for possible permanent decline in the value of Investments	<b>(315.00)</b>	<b>(315.00)</b>
<b>Total</b>	<b>893.06</b>	<b>904.00</b>
Aggregate Value of Quoted Investments ( ₹ in lacs)	<b>324.62</b>	<b>324.62</b>
Aggregate Market Value of Quoted Investments ( ₹ in lacs)	<b>144.31</b>	<b>164.90</b>
Aggregate Value of Unquoted Investments ( ₹ in lacs)	<b>883.44</b>	<b>894.38</b>

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.



## Adding Value. Enhancing Performance.

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

	(₹ in lacs)
	As at 31st March 2015
<b>15. LONG-TERM LOANS AND ADVANCES</b>	
<b>Unsecured, Considered Good</b>	
(i) Security Deposits	478.41
(ii) Other Loans and Advances	701.29
<b>Total</b>	<b>1,179.70</b>
Other Loans and Advances includes :	
Advance to a Partnership Firm i.e. Sopan D. Patil & GWRL	13.21
Advances to Employees	136.76
<b>16. OTHER NON-CURRENT ASSETS</b>	
Other Non-Current Assets *	556.57
<b>Total</b>	<b>556.57</b>
* Other Non-Current Assets include deposits such as PCMC Octroi, MSEB, Gas, Rajasthan VAT, etc.	
<b>17. INVENTORIES</b>	
(i) Stores, Spares, Fuel and Packing Materials	1,188.56
(ii) Raw Materials	4,136.43
(iii) Work-in-Progress	2,725.18
(iv) Finished Goods (Including Goods-in-Transit ₹ 346.26 Lacs, Previous Year ₹ 811.85 Lacs)	5,101.09
(v) Traded Goods	568.43
<b>Total</b>	<b>13,719.69</b>
Inventories are carried at the lower of cost and net realisable value.	
<b>18. TRADE RECEIVABLES</b> <b>(Unsecured, considered good unless other wise specified)</b>	
(a) Trade Receivables for more than six months from due date	
Considered Good	1,306.21
Considered Doubtful	44.93
	1,351.14
Less: Provision for Doubtful Debts	(44.93)
	1,306.21
(b) Other Receivables	
Considered Good	16,901.55
<b>Total</b>	<b>18,207.76</b>

Unbilled revenue as at 31st March, 2016, amounting to ₹ 2016.56 lacs (31st March, 2015 : ₹ 1603.96 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 2016

	As at 31st March 2016	As at 31st March 2015
<b>19. CASH AND CASH EQUIVALENTS</b>		
(a) Cash and Cash Equivalents		
(i) Balances with Banks		
- In Current Accounts	276.97	912.45
(ii) Cash on hand	12.82	10.16
	<u>289.79</u>	<u>922.61</u>
(b) Other Bank balances		
(i) Earmarked balances with Banks	245.56	132.42
(ii) Bank Deposits above 3 months	7,786.98	2.07
	<u>8,032.54</u>	<u>134.49</u>
<b>Total</b>	<u><b>8,322.33</b></u>	<u><b>1,057.10</b></u>
<b>20. SHORT-TERM LOANS AND ADVANCES</b>		
Advances recoverable in cash or in kind or for value to be received	10,678.47	10,461.55
Advance Tax	6,911.89	6,411.19
Deposits	10.24	16.34
Balance with Excise and Customs Authorities	29.08	76.91
<b>Total</b>	<u><b>17,629.68</b></u>	<u><b>16,965.99</b></u>
Advance recoverable in cash or in kind or for value to be received includes:		
Advance given to Creditors	1,067.31	1,373.35
Advances to Employees	59.48	15.13
<b>21. REVENUE FROM OPERATIONS</b>		
	<b>For the year ended 31st March 2016</b>	<b>For the year ended 31st March 2015</b>
(i) Manufactured Goods	75,394.59	73,533.92
(ii) Traded Goods	2,288.61	2,378.19
(ii) Contracts for Supply & Installation	5,237.15	2,747.91
(Tax deducted at source ₹ 80.82 Lacs; previous year ₹ 76.39 Lacs)		
<b>Total</b>	<u><b>82,920.35</b></u>	<u><b>78,660.02</b></u>
Less:		
Excise Duty	(438.31)	(436.77)
<b>Net Revenue</b>	<u><b>82,482.04</b></u>	<u><b>78,223.25</b></u>

Note:

- A. Disclosure pursuant to Accounting Standard "AS 7 - Construction Contracts", the Construction Work-in-Progress (Fibre & Industrial Product & Project Segment) amounts to ₹ 9701.40 lacs (31st March, 2015 ₹ 6389.89 lacs).
- B. For these Construction Contracts, the progress payments received, advances and retentions on account of Contracts are ₹ 6865.81 lacs, ₹ 80.50 lacs and ₹ 460.45 lacs (31st March, 2015 ₹ 4387.50 lacs, ₹ 289.59 lacs and ₹ 258.04 lacs) respectively.





**Adding Value. Enhancing Performance.**

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

		(₹ in lacs)
	For the year ended 31st March 2016	For the year ended 31st March 2015
<b>22. OTHER INCOME</b>		
Sale of Scrap	187.92	180.31
Interest- Gross		
From Banks (Tax deducted at source ₹ 31.57 lacs, previous year ₹ 0.83 lacs)	296.76	2.39
From Other	16.61	21.77
	313.37	24.16
Dividend	0.05	0.64
Miscellaneous Receipts	121.98	186.75
<b>Total</b>	<b>623.32</b>	<b>391.86</b>
<b>23. COST OF MATERIAL CONSUMED</b>		
<b>Raw Material Consumed</b>		
Opening Stock	4,136.43	4,011.96
Add : Purchases (Net of Credits)	31,308.27	34,951.61
Less : Closing Stock	(3,657.01)	(4,136.43)
<b>Total</b>	<b>31,787.69</b>	<b>34,827.14</b>
<b>24. PURCHASE OF TRADED GOODS</b>		
Purchase of Traded Goods	1,709.20	2,237.09
<b>Total</b>	<b>1,709.20</b>	<b>2,237.09</b>
<b>25. (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS</b>		
(a) Opening Stock		
Work-in-Progress	2,725.18	3,190.29
Finished Goods	5,101.09	4,027.64
Traded Goods	568.43	458.43
	8,394.70	7,676.36
(b) Closing Stock		
Work-in-Progress	2,098.95	2,725.18
Finished Goods	5,131.91	5,101.09
Traded Goods	363.48	568.43
	7,594.34	8,394.70
<b>Net (Increase) / Decrease</b>	<b>800.36</b>	<b>(718.34)</b>
<b>26. EMPLOYEE BENEFITS EXPENSES</b>		
Salaries, Wages and Bonus	7,723.62	7,285.11
Contribution to Provident and other Funds	380.48	308.42
Gratuity	110.29	102.78
Superannuation	43.24	35.36
Staff Welfare	1,021.66	692.42
<b>Total</b>	<b>9,279.29</b>	<b>8,424.09</b>
Salaries, Wages and Bonus includes :		
Salary Expenses towards R&D	203.97	194.52

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

	For the year ended 31st March 2016	(₹ in lacs) For the year ended 31st March 2015
<b>27. OPERATING AND OTHER EXPENSES</b>		
Stores and Spares consumed	4,771.54	3,251.62
Packing Materials consumed	1,101.82	592.81
Power, Fuel and Water Charges	3,123.45	3,198.86
Processing and Testing Charges	4,260.71	4,270.27
Installation Contract related expenses	2,385.01	1,134.47
<b>Administrative, Selling and General Expenses</b>		
Advertisement & Sales Promotion expenses	435.53	390.28
Rent	354.74	299.75
Rates, Taxes and Octroi	107.23	81.80
Insurance	143.24	166.05
Transport and Forwarding Charges	4,057.82	5,435.24
	<u>5,098.56</u>	<u>6,373.12</u>
<b>Repairs and Maintenance</b>		
Buildings	60.11	59.42
Plant and Machinery	1,394.98	795.17
Others	311.65	317.29
	<u>1,766.74</u>	<u>1,171.88</u>
Travelling Expenses	915.85	803.10
Discount and Commission on Sales	3,047.21	2,619.70
Bad Debts	65.15	13.55
Legal and Professional Charges	665.20	532.85
<b>Auditors' Remuneration</b>		
Audit Fees	8.50	8.45
Fees for other Services	1.75	5.08
Out of Pocket Expenses	0.18	0.28
	<u>10.43</u>	<u>13.81</u>
Establishment and other miscellaneous expenses*	1,874.28	1,662.67
Exchange (Gain) / Loss (net)	(504.41)	(132.99)
Directors' Sitting Fees	6.00	5.40
(Profit) / Loss on Fixed Assets Discarded	53.87	19.47
<b>Total</b>	<u>28,641.41</u>	<u>25,530.59</u>
* Operating and other expenses includes :		
R&D Revenue Expenses	280.95	186.71
Corporate Social Responsibility (CSR) Expenses	25.00	30.88

**28. FINANCE COSTS**

Interest expenses:		
- Term Loans	305.82	454.07
- Cash Credit/Overdraft	353.76	320.45
- Bank Charges	213.11	250.31
<b>Total</b>	<u>872.69</u>	<u>1,024.83</u>



## Adding Value. Enhancing Performance.

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

#### 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 2016	31st March 2015
<b>I. Change in Obligation</b>		
1. Liability at the beginning of the year	969.61	850.22
2. Interest Cost	77.57	72.71
3. Current Service Cost	68.11	58.55
4. Past Service Cost (Non Vested Benefit)	-	-
5. Past Service Cost (Vested Benefit)	-	-
6. Benefit Paid	(68.88)	(49.06)
7. Actuarial (Gain) / Loss on Obligation	241.50	37.19
Liability at the end of the year	1,287.91	969.61
<b>II. Fair Value of Plan Assets</b>		
1. Fair Value of Plan Assets at the beginning of the year	1,074.45	874.82
2. Expected Return of Plan Assets	85.95	72.47
3. Contributions	50.00	93.11
4. Benefit Paid	(68.88)	(49.06)
5. Actuarial Gain / (Loss) on Plan Assets	(28.23)	83.11
Fair Value of Plan Assets at the end of the year	1,113.29	1,074.45
Total Actuarial Gain / (Loss) to be Recognised	(269.73)	45.92
<b>III. Actual Return of Plan Assets</b>		
1. Expected Return of Plan Assets	85.95	72.47
2. Actuarial Gain / (Loss) on Plan Assets	(28.23)	83.11
Actual Return on Plan Assets	57.72	155.58
<b>IV. Amount Recognised in the Balance Sheet</b>		
1. Liability at the end of the year	(1,287.91)	(969.61)
2. Fair Value of Plan Assets at the end of the year	1,113.29	1,074.45
3. Difference	(174.62)	104.84
4. Unrecognised Past Service Cost	-	-
Amount Recognised in the Balance Sheet	(174.62)	104.84
<b>V. Expenses Recognised in the Income Statement</b>		
1. Current Service Cost	68.11	58.55
2. Interest Cost	77.57	72.71
3. Expected Return on Plan Assets	(85.95)	(72.47)
4. Net Actuarial (Gain) / Loss to be Recognised	269.73	(45.92)
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	329.46	12.87

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

(₹ in lacs)

Defined Benefit Plans	Gratuity	
	31st March 2016	31st March 2015
<b>VI. Balance Sheet Reconciliation</b>		
1. Opening Net Liability	(104.84)	(24.60)
2. Expense as above	329.46	12.87
3. Employer's Contribution	(50.00)	(93.11)
4. Effect of Curtailment or Settlements	-	-
Amount Recognised in Balance Sheet	174.62	(104.84)
<b>VII. Actuarial Assumptions</b>		
1. Discount Rate Current	8.00%	8.00%
2. Rate of Return on Plan Assets Current	8.00%	8.00%
3. Salary Escalation Current	5.00%	5.00%

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 2015	As at 31st March 2014	As at 31st March 2016	As at 31st March 2015
i) Twines, Ropes & Yarns	1,473.02	1,171.39	1,120.81	1,473.02
ii) Nettings	3,269.56	2,348.91	3,711.10	3,269.56
iii) Woven Fabric	34.62	227.90	18.54	34.62
iv) Metal Gabions	22.46	30.96	23.31	22.46
v) Coated Fabric	301.43	248.48	258.15	301.43
<b>Total</b>	<b>5,101.09</b>	<b>4,027.64</b>	<b>5,131.91</b>	<b>5,101.09</b>

31. SALES

**Product & Services**

	For the year ended 31st March 2016	For the year ended 31st March 2015
i) Twines, Ropes & Yarns	29,002.86	28,627.97
ii) Nettings	43,166.43	41,402.13
iii) Woven Fabric	813.16	953.82
iv) Metal Gabions	445.28	760.74
v) Coated Fabric	3,005.47	2,269.12
<b>Sub Total</b>	<b>76,433.20</b>	<b>74,013.78</b>
vi) Traded Goods (including Supplied under Contract)	6,487.15	4,646.24
<b>Total</b>	<b>82,920.35</b>	<b>78,660.02</b>



## Adding Value. Enhancing Performance.

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

		(₹ in lacs)
	For the year ended 31st March 2016	For the year ended 31st March 2015
<b>32. VALUE OF IMPORTS ON C.I.F. BASIS</b>		
Raw Materials	5,447.76	8,751.02
Traded Goods, Stores, Spares, etc.	1,274.17	2,339.38
Capital Goods	1,291.59	643.67
<b>Total</b>	<b>8,013.52</b>	<b>11,734.07</b>

### 33. RAW MATERIALS CONSUMED

High Density Polyethylene	14,767.02	16,174.80
Polypropylene	12,953.09	14,158.55
Nylon	2,533.59	3,017.34
Polyester Yarn	1,472.21	1,305.94
G.I. Wire	61.78	170.51
<b>Total</b>	<b>31,787.69</b>	<b>34,827.14</b>

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

	(₹ in lacs)	Percentage
	For the year ended 31st March 2016	For the year ended 31st March 2015
<b>(i) Raw materials</b>		
Imported	7,653.94	6,413.53
Indigenous	24,133.75	28,413.61
<b>Total</b>	<b>31,787.69</b>	<b>34,827.14</b>
<b>(ii) Stores, Spares, etc.</b>		
Imported	959.46	992.85
Indigenous	3,812.08	2,258.77
<b>Total</b>	<b>4,771.54</b>	<b>3,251.62</b>

### 35. EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

	(₹ in lacs)
	For the year ended 31st March 2016
a. Marketing & Travelling Expenses	479.53
b. Commission on Exports	51.35
c. Subscriptions	6.76
d. Advertisement & Sales Promotion	15.62
e. Professional Charges	6.11
f. Interest & Finance Charges.	161.56
g. Overseas Branch Office Expenses	968.20
<b>Total</b>	<b>1,689.13</b>

### 36. EARNINGS IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

FOB Value of Exports	32,966.53	33,946.01
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

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.

i) Primary Segment Report

(₹ in lacs)

Year 2015-2016

Year 2014-2015

Particulars	Synthetic Cordage	Fibre and Industrial Products and Projects	Eliminations	Total	Synthetic Cordage	Fibre and Industrial Products and Projects	Eliminations	Total
<b>REVENUE</b>								
Gross External Sales	67,806.80	15,113.55		82,920.35	64,536.34	14,123.68		78,660.02
Inter-segment Sales	553.47	1,499.98	(2,053.45)	-	700.41	2,019.84	(2,720.25)	-
Less : Excise Duty	(53.07)	(385.24)	-	(438.31)	(140.25)	(296.52)	-	(436.77)
Total Revenue	68,307.20	16,228.29	(2,053.45)	82,482.04	65,096.50	15,847.00	(2,720.25)	78,223.25
<b>RESULT</b>								
Segment Result	9,592.76	1,773.10		11,365.86	7,829.46	976.81		8,806.27
Unallocated Corporate expenses (net of income)				2,102.36				1,755.08
Operating Profit				9,263.50				7,051.19
Finance Costs				872.69				1,024.83
Interest & Dividend Income				313.42				24.80
Profit from Ordinary Activities				8,704.23				6,051.16
Income Tax				2,516.60				1,745.67
Extraordinary Items				-				-
Net Profit				6,187.63				4,305.49
<b>OTHER INFORMATION</b>								
Segment Assets	60,948.56	9,786.38		70,734.94	44,628.80	11,349.25		55,978.05
Unallocated Corporate Assets				10,301.79				13,873.69
Total Assets				81,036.73				69,851.74
Segment Liabilities	25,903.36	1,710.34		27,613.70	15,993.19	2,675.38		18,668.57
Unallocated Corporate Liabilities				53,423.03				51,183.17
Total Liabilities				81,036.73				69,851.74
Capital Expenditure	4,340.73	152.08		4,492.81	2,583.76	169.66		2,753.42
Unallocated Capital Expenditure				239.15				607.21
Total Capital Expenditure				4,731.96				3,360.63
Depreciation	1026.71	183.34		1,210.05	986.10	196.36		1,182.46
Unallocated Depreciation on Corporate Assets				101.47				57.12
Total Depreciation				1,311.52				1,239.58
Other non-cash expenses				65.15				13.55



**Adding Value. Enhancing Performance.**

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

### ii) Secondary Segment Report

( ₹ in lacs)

Particulars	Year 2015-2016				Year 2014-2015			
	India	Outside India	Eliminations	Total	India	Outside India	Eliminations	Total
Gross Sales	44,705.57	38,214.78		82,920.35	40,135.39	38,524.63		78,660.02
Less : Excise Duty	(438.31)	-		(438.31)	(436.77)	-		(436.77)
Net Sales	44,267.26	38,214.78		82,482.04	39,698.62	38,524.63		78,223.25

### 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. As the Company has integrated manufacturing facilities, it is not possible to directly attribute or allocate on a reasonable basis, the expenses, assets and liabilities to the Geographical Segment.

## 38. TRANSACTIONS WITH RELATED PARTIES

### (I) List of Related Parties and Relationship:

#### A. Associates Companies

Garware Meditech Pvt. Limited

#### B. Subsidiary / Joint Venture Companies

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. Ramesh Trading Company
12. Sunita Trading Company
13. Garware Research Institute
14. Vimlabai Garware Research Institute
15. Consolidated Agricultural & Dairy Farming Co. Pvt. Ltd.
16. Late Shri R. B. Garware Estate

#### D. Directors - Key Management Personnel

Mr. V. R. Garware

#### E. Relatives of Key Management Personnel

Ms. M. V. Garware

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016**

(II) Following are the transactions with the related parties mentioned in A, B, C, D & E 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	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
1	Rent of Flat	-	-	-	-	78.30	72.00	-	-	78.30	72.00
2	Deposits received	-	-	1,698.87	1,127.86	189.75	108.90	-	-	1,888.62	1,236.76
3	Deposits refunded	-	-	1,568.87	1,008.92	189.75	108.90	-	-	1,758.62	1,117.82
4	Interest paid on deposits	-	-	295.60	237.69	10.27	8.15	-	-	305.87	245.84
5	Directors' Remuneration										
	Mr. V. R. Garware	-	-	-	-	477.95	312.97	-	-	477.95	312.97
6	Directors' Sitting Fees	-	-	-	-	-	-	0.80	0.80	0.80	0.80
7	Balance payable (Principal)	0.41	0.18	-	-	-	-	-	-	0.41	0.18
8	Sale of Goods / Services	0.07	-	-	-	-	-	-	-	0.07	-
9	Security Deposit Placed	-	-	200.00	-	-	-	-	-	200.00	-

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

- Rent paid to Mr. V. R. Garware of ₹ 78.30 lacs (Previous year ₹ 72 lacs) for the flat taken on Leave & Licence.
- Deposit received of ₹ 1758.62 lacs and refunded of ₹ 1758.62 lacs (Previous year Deposit Received of ₹ 1117.82 lacs and refunded of ₹ 1117.82 lacs) include deposits from  
V. R. Garware of ₹ 189.75 lacs (Previous year ₹ 108.90 lacs)  
Garware Capital Markets Ltd. of ₹ 903.15 lacs (Previous year ₹ 802.13 lacs)  
Manmit Investments & Trading Co. Pvt. Ltd. of ₹ 98.02 lacs (Previous year ₹ 79.50 lacs)  
Moonshine Investments and Trading Co. Pvt. Ltd. of ₹ 55.47 lacs (Previous year ₹ 49.64 lacs)  
Sanand Investment & Trading Co. Pvt. Ltd. of ₹ 41.64 lacs (Previous year ₹ 7.42 lacs)  
Starshine Investments and Trading Co. Pvt. Ltd. of ₹ 30.35 lacs (Previous year ₹ 5.44 lacs)  
Gurukrupa Investments and Trading Co. Pvt. Ltd. of ₹ 10.32 lacs (Previous year ₹ 9.19 lac)  
VMIR Investments Ltd. earlier known as Garware Utzon (Cordage) Ltd. of ₹ 199.04 lacs (Previous year ₹ 24.89 lacs)  
Sukukar Holdings & Trading Co. Pvt. Ltd. of ₹ 38.45 lacs (Previous year ₹ 6.92 lacs)  
VRG Investments Ltd. earlier known as Garware Indus Consulting Ltd. of ₹ 192.43 lacs (previous year ₹ 23.79 lacs)
- Interest paid on Deposit of ₹ 305.86 lacs (Previous year ₹ 245.84 lacs) includes  
V. R. Garware of ₹ 10.27 lacs (Previous year ₹ 8.15 lacs)  
Late Shri Ramesh B. Garware Estate of ₹ 162.50 lacs (Previous year ₹ 148.67 lacs)  
Garware Capital Markets Ltd. of ₹ 71.26 lacs (Previous year ₹ 73.13 lacs)  
Manmit Investments & Trading Co. Pvt. Ltd. of ₹ 9.41 lacs (Previous year ₹ 7.57 lacs)  
Moonshine Investments and Trading Co. Pvt. Ltd. of ₹ 4.93 lacs (Previous year ₹ 4.15 lacs)  
Sanand Investment & Trading Co. Pvt. Ltd. of ₹ 3.76 lacs (Previous year ₹ 0.39 lacs)  
Starshine Investments and Trading Co. Pvt. Ltd. of ₹ 2.71 lacs (Previous year ₹ 0.28 lacs)  
Gurukrupa Investments and Trading Co. Pvt. Ltd. of ₹ 0.89 lacs (Previous year ₹ 0.73 lacs)  
VMIR Investments Ltd. earlier known as Garware Utzon (Cordage) Ltd. of ₹ 18.66 lacs (Previous year ₹ 1.23 lacs)  
Sukukar Holdings & Trading Co. Pvt. Ltd. of ₹ 3.46 lacs (Previous year ₹ 0.36 lacs)  
VRG Investments Ltd. earlier known as Garware Indus Consulting Ltd. of ₹ 18.01 lacs (previous year ₹ 1.17 lacs)
- Payment to Key Management Personnel includes  
V. R. Garware ₹ 477.95 lacs (Previous year ₹ 312.97 lacs)



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

### 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.

	31st March 2016	31st March 2015
<b>BASIC AND DILUTED EPS</b>		
Net Profit attributable to Equity Shareholders	<b>6187.63</b>	4305.49
Basic EPS (in ₹)	<b>28.28</b>	19.68
Diluted EPS (in ₹)	<b>28.28</b>	19.68

### 40. DISCLOSURE IN RELATION TO DERIVATIVE INSTRUMENTS

(a) No. of Contracts	<b>27</b>	25
(b) Purpose	<b>Hedging</b>	Hedging
(c) Net un-hedged exposure	<b>₹ 1510.27 lacs</b>	₹ 1130.17 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.	<b>0.05</b>	0.05
ii) Later than one year not later than five years.	<b>Nil</b>	Nil
iii) Later than five years.	<b>Nil</b>	Nil
(b) Lease Payment recognised in the Statement of Profit and Loss	<b>0.05</b>	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 2016	31st March 2015	31st March 2014
Research and Development Equipments	<b>421.89</b>	443.12	205.33
Research and Development Revenue Expenditure	<b>484.92</b>	381.23	289.87

### 43. CONTINGENT LIABILITIES

- (i) Disputed Excise duty ₹ 27.57 lacs (Previous year ₹ 27.57 lacs)
- (ii) Bank Guarantees for ₹ 1483.56 lacs (Previous year ₹ 1,503.90 lacs), in the ordinary course of business, against which the Company has issued counter guarantees for the non funded Bank limits of ₹ 13,500 lacs (Previous year ₹ 13,500 lacs).

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

- (iii) Disputed amount of Sales Tax liability ₹ 196.68 lacs (Previous year ₹ 196.68 lacs).
- (iv) Export Sales Bills Discounted with the Banks ₹ 1321.17 lacs (Previous year ₹ 2373.80 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 ₹ 23.44 lacs (31st March, 2015, ₹ 47.94 lacs) and ₹ 22.76 (31st March, 2015 ₹ 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, 2016.
- (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 ₹ 135.39 LACS (PREVIOUS YEAR ₹ 92.74 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, 2016, the said partnership has incurred a loss of ₹ Nil lacs (Previous year ₹ 0.02 lac).

	31st March 2016	31st March 2015
Current Assets	15.30	15.30
Non-current Assets	19.81	19.81
Current Liabilities	(24.53)	(24.53)
Non-current Liabilities	(13.21)	(13.21)
Reserve & Surplus	2.63	2.63
Revenue	-	-
Cost of Materials consumed	-	-
Employee benefit expenses	-	-
Other expenses	-	(0.02)
<b>Profit / (loss) before Tax</b>	-	(0.02)
Income-tax expenses	-	-
<b>Profit / (loss) after Tax</b>	-	(0.02)

- 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 extent notified) and guidelines issued by the Securities 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 Holding Company') and its Subsidiary and Associate (Collectively referred to as 'the Company' or 'the Group'), comprise the Consolidated Balance Sheet as at 31st March, 2016, 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 (hereinafter referred to as 'the Consolidated Financial Statements').

#### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of the Consolidated Financial Statements in terms of requirements of the Companies Act, 2013 ("the Act") that 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 with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company is responsible for 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; the 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

#### 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. Those Standards 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 Holding 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. An audit also includes evaluating the appropriateness of the Accounting Policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.
- V. We believe that the audit evidence obtained by us 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, 2016,
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.



### **Report on Other Legal and Regulatory Requirements**

I. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- (b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Company so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant Books of Accounts maintained for the purpose of preparation of the Consolidated Financial Statement.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016.
- (e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the report of the Statutory Auditor of its Subsidiary Company incorporated in India, none of the Directors is disqualified as on 31st March, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in Annexure.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Consolidated Financial Statements disclosed the impact of pending litigations on the Consolidated Financial Position of the Group.
  - ii) Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and Subsidiary Company incorporated in India.

For **Patki & Soman**  
Chartered Accountants

**S. M. Patki**  
Partner

Pune,  
26th May, 2016

M. No. 037315  
F. R. No. 107830W

### **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

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

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March, 2016, we have audited the Internal Financial Controls over Financial Reporting of Garware-Wall Ropes Limited ('the Holding Company') and its subsidiary Company which is incorporated in India as of that date.

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

The Respective Board of Directors of the Holding Company and its Subsidiary Company, which is incorporated in India, are responsible for establishing and maintaining Internal Financial Controls based on the internal control over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate

Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over Financial Reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Holding Company and its Subsidiary Company, which is a Company incorporated in India, have, in all material respects, an adequate Internal Financial Controls system over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31st March, 2016, based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Patki & Soman**  
Chartered Accountants

**S. M. Patki**  
Partner

M. No. 037315

F. R. No. 107830W

Pune,  
26th May, 2016



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**CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2016**

			(₹ in lacs)
	Note No.	As at 31st March 2016	As at 31st March 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	2,188.21	2,188.21
(b) Reserves and Surplus	4	34,357.27	28,877.97
		<b>36,545.48</b>	<b>31,066.18</b>
<b>(2) Non-Current Liabilities</b>			
(a) Long-term Borrowings	5	-	405.98
(b) Deferred Tax Liabilities (Net)	6	2,830.01	2,247.01
(c) Other Long-term Liabilities	7	623.32	148.89
(d) Long-term Provisions	8	272.46	237.56
		<b>3,725.79</b>	<b>3,039.44</b>
<b>(3) Current Liabilities</b>			
(a) Short-term Borrowings	9	2,983.06	2,754.55
(b) Trade Payables	10	5,210.45	6,631.13
(c) Other Current Liabilities	11	9,705.59	8,654.14
(d) Short-term Provisions	12	22,944.94	17,781.10
		<b>40,844.04</b>	<b>35,820.92</b>
<b>TOTAL</b>		<b>81,115.31</b>	<b>69,926.54</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	13	19,034.38	15,587.56
(ii) Intangible Assets	13	890.01	996.57
(iii) Capital Work-in-Progress	13	20.16	676.83
		<b>19,944.55</b>	<b>17,260.96</b>
(b) Non-current Investments	14	917.47	921.41
(c) Long-term Loan and Advances	15	1,188.24	1,179.70
(d) Other non-current Assets	16	628.07	556.57
		<b>22,678.33</b>	<b>19,918.64</b>
<b>(2) Current Assets</b>			
(a) Inventories	17	12,546.28	13,719.69
(b) Trade Receivables	18	19,884.57	18,207.76
(c) Cash and Cash Equivalents	19	8,363.24	1,105.51
(d) Short-term Loans and Advances	20	17,642.89	16,974.94
		<b>58,436.98</b>	<b>50,007.90</b>
<b>TOTAL</b>		<b>81,115.31</b>	<b>69,926.54</b>

**III. NOTES FORMING PART OF THE FINANCIAL STATEMENTS 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

Pune,  
26th May, 2016

**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

**M. V. SUBBARAO**  
Director  
DIN. 02099059



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2016

	Note No.	For the year ended 31st March 2016	(₹ in lacs) For the year ended 31st March 2015
<b>I. REVENUE:</b>			
(a) Revenue from Operations	21	82,920.35	78,660.02
Less: Excise Duty		438.31	436.77
		82,482.04	78,223.25
(b) Other Income (Net)	22	633.59	401.95
<b>Total Revenue</b>		<b>83,115.63</b>	<b>78,625.20</b>
<b>II. EXPENSES:</b>			
(a) Cost of Materials Consumed	23	31,787.69	34,827.14
(b) Purchase of Traded Goods	24	1,709.20	2,237.09
(c) (Increase) / Decrease in inventories of Finished Goods, Work-in-Progress and Traded Goods	25	800.36	(718.34)
(d) Employee Benefit Expense	26	9,279.29	8,424.09
(e) Operating and Other Expenses	27	28,642.12	25,531.19
<b>Total Expenses</b>		<b>72,218.66</b>	<b>70,301.17</b>
<b>Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (I - II)</b>		<b>10,896.97</b>	<b>8,324.03</b>
(f) Depreciation and Amortisation Expenses	13	1,310.50	1,238.56
(g) Finance Costs	28	872.69	1,024.83
<b>III. PROFIT BEFORE TAX</b>		<b>8,713.78</b>	<b>6,060.64</b>
<b>IV. TAX EXPENSES</b>			
(a) Current Tax		2,023.95	1,519.94
(b) Deferred Tax		583.00	222.00
(c) Wealth Tax		-	9.51
(d) Adjustment for excess / (short) provision of earlier years		(83.61)	(2.84)
<b>V. a) Profit after Tax for the year</b>		<b>6,190.44</b>	<b>4,312.03</b>
<b>Share of profit / (loss) of Associate</b>		<b>(0.13)</b>	<b>(0.13)</b>
<b>b) Profit after Tax for the year after share of Associates</b>		<b>6,190.31</b>	<b>4,311.90</b>
<b>VI. EARNINGS PER EQUITY SHARE</b>			
(i) Basic (₹)		28.29	19.71
(ii) Diluted (₹)		28.29	19.71
Face Value per Equity Share (₹)		10.00	10.00

VII. NOTES FORMING PART OF THE FINANCIAL STATEMENTS 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, 2016

**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

**M. V. SUBBARAO**  
Director  
DIN. 02099059



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## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2016

		(₹ in lacs)
	For the year ended 31st March 2016	For the year ended 31st March 2015
<b>I. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	8,713.78	6,060.65
Adjustments for :		
Depreciation and Amortisation	1,310.50	1,238.56
Finance Cost	872.69	1,024.83
Interest Income	(323.64)	(34.25)
Dividend Income	(0.05)	(0.64)
(Profit) / Loss on Sale of Fixed Assets	-	19.47
<b>Operating Profit before Working Capital Changes</b>	<b>10,573.28</b>	<b>8,308.62</b>
Trade Receivables, Loans and Advances and other Assets	(1,924.12)	(6,154.80)
Inventories	1,173.41	(1,037.09)
Trade and other Payables	3,648.52	7,744.18
<b>Cash generated from Operations</b>	<b>13,471.09</b>	<b>8,860.91</b>
Direct Taxes paid	(522.91)	(1,416.51)
<b>Net Cash provided by Operating Activities</b>	<b>12,948.18</b>	<b>7,444.40</b>
<b>II. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(4,054.09)	(2,620.09)
Proceeds from Sale of Fixed Assets	60.04	66.24
Purchase / Sale of Investments	3.80	23.90
Interest received	313.37	24.16
Dividend received	0.05	0.64
<b>Net Cash provided by / (used in) Investing Activities</b>	<b>(3,676.83)</b>	<b>(2,505.15)</b>
<b>III. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayments of Long-term Borrowings	(625.01)	(1,302.69)
Finance Cost	(876.87)	(1,007.74)
Short-term Borrowings	228.51	(1,744.04)
Dividend paid including Dividend Tax	(740.25)	(654.71)
Buyback of Equity Shares	-	(65.55)
<b>Net Cash from / (used in) Financing Activities</b>	<b>(2,013.62)</b>	<b>(4,774.73)</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>7,257.73</b>	<b>164.52</b>

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2016**

	For the year ended 31st March 2016	(₹ in lacs) For the year ended 31st March 2015
Cash & Cash Equivalents (Opening Balance):	<b>1,105.51</b>	940.99
Cash & Cash Equivalents (Closing Balance):	<b>8,363.24</b>	1,105.51
<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents</b>	<b>7,257.73</b>	164.52

**IV. NOTES FORMING PART OF THE FINANCIAL STATEMENTS 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, 2016

**S. H. BAMNE**  
VP Corporate (CFO)

**ASHISH GOEL**  
Director  
DIN. 00147449

**M. V. SUBBARAO**  
Director  
DIN. 02099059



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### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

#### 1 CORPORATE INFORMATION

Garware-Wall Ropes Limited 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 Consolidated 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 Securities 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, 2016	For the year ended 31st March, 2015
Freehold Buildings	Written down value	30 years	30 years
Factory Buildings	Written down value	60 years	60 years
Plant and Machinery	Straight-Line	25 years	25 years
Electrical Installations	Straight-Line	10 years	10 years
Furniture & Fixtures	Straight-Line	10 years	10 years
Office Equipments	Straight-Line	3 / 5 years	3 / 5 years
Vehicles	Straight-Line	8 years	8 years
Helicopter	Straight-Line	20 years	20 years
Technical Knowhow	Straight-Line	10 years	10 years
Product Development	Straight-Line	10 years	10 years
Computer Software	Straight-Line	10 years	10 years

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016**

**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 ₹ Nil (Previous Year 17.48 lacs)

**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 2016

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 2016

### 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

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 for the year. The Company measures EBITDA on the basis of profit / (loss) from continuing operation.



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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

		(₹ in lacs)
	As at 31st March 2016	As at 31st March 2015
<b>3. SHARE CAPITAL</b>		
<b>(a) Authorised Share Capital</b>		
i) 5,00,00,000 Equity Shares of ₹ 10/- each (31st March, 2015 : 5,00,00,000 Equity Shares of ₹ 10/- each)	<b>5,000.00</b>	5,000.00
ii) 1,00,00,000 Unclassified Shares of ₹ 10/- each (31st March, 2015 : 1,00,00,000 Unclassified Shares of ₹ 10/- each)	<b>1,000.00</b>	1,000.00
	<b>6,000.00</b>	6,000.00
<b>(b) Issued, Subscribed and Fully Paid-up</b>		
2,18,82,060 Equity Shares of ₹ 10/- each (31st March, 2015 : 2,18,82,060 Equity Shares of ₹ 10/- each)	<b>2,188.21</b>	2,188.21
	<b>2,188.21</b>	2,188.21

Note: During the year 2015-16, the Company has bought back Nil Equity Shares of ₹ 10/- each under the Buy Back Scheme (Previous year 90,193 Equity Shares)

	As at 31st March 2016		As at 31st March 2015	
	Number of Shares	Amount Rupees	Number of Shares	Amount Rupees
<b>Equity Shares</b>				
Opening Balance	<b>21,882,060</b>	<b>218,820,600</b>	21,972,253	219,722,530
Changes during the year	-	-	(90,193)*	(901,930)
<b>Closing Balance</b>	<b>21,882,060</b>	<b>218,820,600</b>	<b>21,882,060</b>	<b>218,820,600</b>

\* During the year 2015-16, the Company has bought back Nil Equity Shares of ₹ 10/- each under the Buy Back Scheme (Previous Year 90,193 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 2016	As at 31st March 2015
<b>Equity Shares</b>		
Late Shri Ramesh B. Garware **	36,12,053 <b>16.51%*</b>	36,12,053 <b>16.51%*</b>
Garware Capital Markets Limited	3,483,617 <b>15.92%</b>	3,473,437 <b>15.87%</b>

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

\*\* As informed by Mr. V. R. Garware, the shares standing in the name of Late Shri 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 Shri R. B. Garware.

### d) Shares allotted as fully paid up by way of Bonus Shares (during 5 years preceding 31st March, 2016): Nil

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

	As at 31st March 2016	As at 31st March 2015
<b>4. RESERVES AND SURPLUS</b>		
(a) Capital Reserve	72.23	72.23
(b) Capital Redemption Reserve	182.63	182.63
(c) Share Premium		
Share Premium Account	7,597.37	7,597.37
Share Premium Related to Forfeited Share	102.74	102.74
(d) Revaluation Reserve		
(i) Balance as per last Financial Statement	5.89	6.93
(ii) Less: Transfer to Statement of Profit and Loss	(1.04)	(1.04)
	4.85	5.89
(e) General Reserve		
(i) Balance as per last Financial Statement	2,999.40	2,688.06
(ii) Transfer to Capital Redemption Reserve A/c	-	(56.54)
(iii) Transferred from Statement of Profit and Loss	870.43	430.55
(iv) Unplanned Depreciation	-	(62.67)
	3,869.83	2,999.40
(f) Surplus in Statement of Profit and Loss		
(i) Balance as per last Financial Statement	18,198.12	15,104.50
Add : Profit for the year	6,190.31	4,311.91
Less : Appropriations		
(ii) Proposed final Dividend on Equity Shares	(722.11)	(656.46)
(iii) Tax on Dividend	(147.00)	(131.28)
(iv) Transfer to General Reserve	(870.43)	(430.55)
	22,648.89	18,198.12
(g) Hedging Reserve Account (Refer note no (i))		
(i) Balance as per last Financial Statement	(280.41)	(394.28)
(ii) (Deductions) / Additions during the year (net)	159.14	113.87
	(121.27)	(280.41)
<b>Total</b>	<b>34,357.27</b>	<b>28,877.97</b>

5. LONG-TERM BORROWINGS

TERM LOANS

- From Banks and Financial Institutions

I. CITI Bank ECB Term Loan

(i) Balance as per reporting date	433.77	1,217.92
(ii) Less : Current Maturity transfer to other Current Liability	(433.77)	(811.94)
	-	405.98
Balance as on reporting date	433.77	1,217.92
Less : Current Maturity transfer to other Current Liability	(433.77)	(811.94)
<b>Total</b>	<b>-</b>	<b>405.98</b>

Notes :

- 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.



**Adding Value. Enhancing Performance.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016**

	(₹ in lacs)
	As at 31st March 2016
	As at 31st March 2015
<b>6. DEFERRED TAX LIABILITIES (NET)</b>	
<b>(a) Deferred Tax Liability</b>	
Depreciation and Amortisation	3,011.93
	<u>3,011.93</u>
<b>(b) Deferred Tax Asset</b>	
(i) Employee Benefits	129.92
(ii) Provision for Doubtful Debts	19.47
(iii) Others	32.53
	<u>181.92</u>
<b>Deferred Tax liabilities (Net)</b>	<u><u>2,830.01</u></u>
	<u><u>2,393.10</u></u>
	<u><u>2,393.10</u></u>
<b>7. OTHER LONG-TERM LIABILITIES</b>	
Deposits from Customers and Contractors	623.32
<b>Total</b>	<u><u>623.32</u></u>
	<u><u>148.89</u></u>
	<u><u>148.89</u></u>
<b>8. LONG-TERM PROVISIONS</b>	
Provision for Employee Benefits	272.46
<b>Total</b>	<u><u>272.46</u></u>
	<u><u>237.56</u></u>
	<u><u>237.56</u></u>
<b>9. SHORT-TERM BORROWINGS</b>	
<b>Secured Loans</b>	
Loans repayable on demand	
- From banks	
1. Cash Credit, Rupee Loan and Rupee Packing Credit	757.84
2. Packing Credit in Foreign Currency Loan	653.81
<b>Unsecured Loans</b>	
Loans repayable on demand	
Loan from Promoter *	1,571.41
<b>Total</b>	<u><u>2,983.06</u></u>
	<u><u>447.35</u></u>
	<u><u>865.79</u></u>
	<u><u>1,441.41</u></u>
	<u><u>2,754.55</u></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 deposit was received from 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. The figures include unpaid interest net of TDS.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

	As at 31st March 2016	(₹ in lacs) As at 31st March 2015
<b>10. TRADE PAYABLES</b>		
Trade Payables	5,210.45	6,631.13
<b>Total</b>	<b>5,210.45</b>	<b>6,631.13</b>
<b>11. OTHER CURRENT LIABILITIES</b>		
(a) Current maturity of Long-Term Debt	433.77	811.94
(b) Other Payables	8,166.47	6,738.40
(c) Interest accrued but not due on borrowing	6.88	21.33
(d) Advance received from Customers	852.91	950.05
(e) Unpaid Dividend	245.56	132.42
<b>Total</b>	<b>9,705.59</b>	<b>8,654.14</b>
Other Payables includes:		
(i) Fair value of foreign exchange forward contract secured against Trade Receivables	7,353.75	6,290.43
(ii) Statutory Liabilities	342.79	338.41
<b>12. SHORT-TERM PROVISIONS</b>		
(a) Provision for Employee Benefits	293.98	263.78
(b) Others		
(i) Taxation	7,163.58	6,790.98
(ii) Proposed Dividend	722.11	656.46
(iii) Tax on Proposed Dividend	147.00	131.28
(iv) Other provisions	14,618.26	9,938.60
<b>Total</b>	<b>22,944.94</b>	<b>17,781.10</b>





## Adding Value. Enhancing Performance.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

#### 13 FIXED ASSETS

(₹ in Lacs)

Description	GROSS BLOCK			DEPRECIATION					NET BLOCK		
	Gross Block as at 1st April 2015	Additions	Deletions/ Adjustments	Gross Block as at 31st March 2016	Accumulated as at 1st April 2015	Deletions / Adjustment	Unplanned Depreciation	Depreciation/ Amortisation for the year	Accumulated as at 31st March 2016	Value as at 31st March 2016	Value as at 31st March 2015
(a) TANGIBLE FIXED ASSETS											
Leasehold Land	222.50	-	-	222.50	-	-	-	-	-	222.50	222.50
Buildings	4,814.80	553.07	-	5,367.87	2,513.39	-	-	232.73	2,746.12	2,621.75	2,301.41
Plant and Machinery	23,839.76	3,423.74	42.90	27,220.60	13,648.90	11.09	-	544.26	14,182.07	13,038.53	10,190.86
R&D Equipments	1,922.76	421.89	224.01	2,120.64	559.48	195.78	-	63.79	427.49	1,693.15	1,363.28
Electrical Installations	915.49	51.26	-	966.75	582.60	-	-	57.09	639.69	327.06	332.89
Furniture and Fixtures	515.81	17.60	-	533.41	368.07	-	-	32.48	400.55	132.86	147.74
Office Equipments	1,043.96	91.07	-	1,135.03	863.98	-	-	83.75	947.73	187.30	179.98
Vehicles	1,271.16	98.03	-	1,369.19	591.46	-	-	127.28	718.74	650.45	679.70
Helicopter	686.01	-	-	686.01	516.81	-	-	8.42	525.23	160.78	169.20
TOTAL	35,232.25	4,656.66	266.91	39,622.00	19,644.69	206.87	-	1,149.80	20,587.62	19,034.38	15,587.56
31st March, 2015	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
(b) INTANGIBLE ASSETS											
Technical Knowhow	45.96	-	-	45.96	45.96	-	-	-	45.96	-	-
Product Development	1,453.60	-	-	1,453.60	900.08	-	-	108.24	1,008.32	445.28	553.52
Computer Software	690.44	55.15	-	745.59	247.39	-	-	53.47	300.86	444.73	443.05
TOTAL	2,190.00	55.15	-	2,245.15	1,193.43	-	-	161.71	1,355.14	890.01	996.57
31st March, 2015	1,816.56	373.44	-	2,190.00	1,055.39	-	-	138.04	1,193.43	996.57	761.17
(c) CAPITAL WORK- IN-PROGRESS											
31st March, 2015	743.79	676.83	743.79	676.83	-	-	-	-	-	20.16	676.83
Grand Total	38,099.08	4,731.97	943.74	41,887.31	20,838.12	206.87	-	1,311.51	21,942.76	19,944.55	17,260.96
31st March, 2015	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

#### 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 ₹ 55.15 lacs (Previous Year ₹ 373.44 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" upto 1st April, 2004, are being continued to be amortized over the remaining period.
- During the year ₹ 1.04 lacs (Previous Year ₹ 1.04 lacs) has been withdrawn from Revaluation Reserve on account of depreciation on revalued portion.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

	As at 31st March 2016	As at 31st March 2015
<b>14. NON-CURRENT INVESTMENTS</b>		
<b>I. INVESTMENTS IN EQUITY INSTRUMENT</b>		
<b>a) In Associate Companies :</b>		
<b>Shares of Garware Meditech Private Limited</b>	<b>0.03</b>	<b>0.16</b>
5,000 (31st March, 2015 : 5000) Equity Shares of ₹ 10/- each, fully paid Equity investments in Associate Companies (Includes Goodwill of ₹ 0.30 lacs) arising on the acquisition		
<b>b) In Other Companies :</b>		
<b>Shares of Cosmos Co-operative Bank Limited</b>	<b>3.16</b>	<b>3.16</b>
15,805 (31st March, 2015 : 15,805) Equity Shares of ₹ 20/- each, fully paid		
<b>Shares of Gujarat Filament Corporation Limited</b>	<b>0.01</b>	<b>0.01</b>
50 (31st March, 2015 : 50) Equity Shares of ₹ 10/- each, fully paid		
<b>Shares of Intermedia Interactive Solutions Pvt. Limited</b>	<b>807.11</b>	<b>807.11</b>
8,90,680 (31st March, 2015 : 8,90,680) Equity Shares of ₹ 10/- each, fully paid		
<b>Shares of Garware Marine Industries Limited (Quoted)</b>	<b>5.00</b>	<b>5.00</b>
50,000 (31st March, 2015 : 50,000) Equity Shares of ₹ 10/- each, fully paid		
<b>Shares of Garware Polyester Limited (Quoted)</b>	<b>319.62</b>	<b>319.62</b>
1,46,350 (31st March, 2015 : 1,46,350) Equity Shares of ₹ 10/- each, fully paid		
<b>2. INVESTMENTS IN GOVERNMENT AND TRUST SECURITIES</b>		
<b>7 Year National Savings Certificates.</b>	<b>0.16</b>	<b>11.10</b>
Out of this, National Saving Certificates for Face value of ₹ 0.16 lacs (31st March, 2015 ₹ 0.16 lacs) deposited with Sales Tax Authorities		
<b>Sardar Sarovar Narmada Nigam Ltd. Bond</b>	<b>17.50</b>	<b>17.50</b>
<b>3. FIXED DEPOSIT IN BANK</b>	<b>79.88</b>	<b>72.75</b>
(Including Interest accrued and receivable)		
<b>Total investment</b>	<b>1,232.47</b>	<b>1,236.41</b>
<b>Less:</b>		
<b>Aggregate provision for diminution in value of investment</b>		
Contingency reserve, for possible permanent decline in the value of Investments	<b>(315.00)</b>	<b>(315.00)</b>
<b>Total</b>	<b>917.47</b>	<b>921.41</b>
<b>Aggregate Value of Quoted Investments ( ₹ in lacs)</b>	<b>324.62</b>	<b>324.62</b>
<b>Aggregate Market Value of Quoted Investments ( ₹ in lacs)</b>	<b>144.31</b>	<b>164.90</b>
<b>Aggregate Value of Unquoted Investments ( ₹ in lacs)</b>	<b>907.85</b>	<b>911.79</b>

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.



## Adding Value. Enhancing Performance.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

	(₹ in lacs)
	As at 31st March 2016
	As at 31st March 2015
<b>15. LONG-TERM LOANS AND ADVANCES</b>	
<b>Unsecured, Considered Good</b>	
(i) Security Deposits	476.93
(ii) Other Loans and Advances	711.31
<b>Total</b>	<u><u>1,188.24</u></u>
Other Loans and Advances includes :	
Advance to a Partnership Firm i.e. Sopan D. Patil & GWRL	13.21
Advances to Employees	140.11
	13.21
	136.76
<b>16. OTHER NON-CURRENT ASSETS</b>	
Other Non-Current Assets *	628.07
<b>Total</b>	<u><u>628.07</u></u>
* Other Non-Current Assets include deposits such as PCMC Octroi, MSEB, Gas, Rajasthan VAT, etc.	556.57
	556.57
<b>17. INVENTORIES</b>	
(i) Stores, Spares, Fuel and Packing Materials	1,294.93
(ii) Raw Materials	3,657.01
(iii) Work-in-Progress	2,098.95
(iv) Finished Goods (Including Goods-in-Transit ₹ 811.85 lacs, Previous Year ₹ 139.50 lacs)	5,131.91
(v) Traded Goods	363.48
<b>Total</b>	<u><u>12,546.28</u></u>
Inventories are carried at the lower of cost and net realisable value.	1,188.56
	4,136.43
	2,725.18
	5,101.09
	568.43
	13,719.69
<b>18. TRADE RECEIVABLES</b>	
<b>(Unsecured, considered good unless other wise specified)</b>	
(a) Trade Receivables for more than six months from due date	
Considered Good	2,768.65
Considered Doubtful	56.25
	2,824.90
Less: Provision for Doubtful Debts	(56.25)
	2,768.65
(b) Other Receivables	
Considered Good	17,115.92
<b>Total</b>	<u><u>19,884.57</u></u>
	1,306.21
	44.93
	1,351.14
	(44.93)
	1,306.21
	16,901.55
	18,207.76

Unbilled revenue as at 31st March, 2016, amounting to ₹ 2016.56 lacs (31st March, 2015 : ₹ 1603.96 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 2016

	As at 31st March 2016	(₹ in lacs) As at 31st March 2015
<b>19. CASH AND CASH EQUIVALENTS</b>		
(a) Cash and Cash Equivalents		
(i) Balances with Banks		
- In Current Accounts	277.37	913.27
(ii) Cash on hand	12.84	10.19
	<u>290.21</u>	<u>923.46</u>
(b) Other Bank balances		
(i) Earmarked balances with Banks	245.56	132.42
(ii) Bank Deposits above 3 months	7,827.47	49.63
	<u>8,073.03</u>	<u>182.05</u>
<b>Total</b>	<u><b>8,363.24</b></u>	<u><b>1,105.51</b></u>
<b>20. SHORT-TERM LOANS AND ADVANCES</b>		
Advances recoverable in cash or in kind or for value to be received	10,678.47	10,461.55
Advance Tax (including refunds receivable)	6,925.10	6,420.14
Deposits	10.24	16.34
Balance with Excise and Customs Authorities	29.08	76.91
	<u>17,642.89</u>	<u>16,974.94</u>
Advances recoverable in cash or in kind or for value to be received includes:		
Advances given to Creditors	1,067.31	1,373.35
Advances to Employees	59.48	15.13
<b>21. REVENUE FROM OPERATIONS</b>		
(i) Manufactured Goods	75,394.59	73,533.92
(ii) Traded Goods	2,288.61	2,378.19
(iii) Contracts for Supply & Installation	5,237.15	2,747.91
(Tax deducted at source ₹ 80.82 lacs; Previous year ₹ 76.39 lacs)		
	<u>82,920.35</u>	<u>78,660.02</u>
<b>Total</b>		
Less:		
Excise Duty	(438.31)	(436.77)
<b>Net Revenue</b>	<u><b>82,482.04</b></u>	<u><b>78,223.25</b></u>

Note :

- A. Disclosure pursuant to Accounting Standard "AS 7 - Construction Contracts", the Construction Work-in-Progress (Fibre & Industrial Product & Project Segment) amounts to ₹ 9701.40 lacs (31st March, 2015 ₹ 6389.89 lacs).
- B. For these Construction Contracts, the progress payments received, advances and retentions on account of Contracts are ₹ 6865.81 lacs, ₹ 80.50 lacs and ₹ 460.45 lacs (31st March, 2015 ₹ 4387.50 lacs, ₹ 289.59 lacs and ₹ 258.04 lacs) respectively.



**Adding Value. Enhancing Performance.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016**

		(₹ in lacs)
	<b>For the year ended 31st March 2016</b>	For the year ended 31st March 2015
<b>22. OTHER INCOME</b>		
Sale of Scrap	187.92	180.31
Interest- Gross		
From Banks (Tax deducted at source ₹ 32.59 lacs, Previous year ₹ 1.84 lacs)	307.03	12.48
From Other	16.61	21.77
	<u>323.64</u>	<u>34.25</u>
Dividend	0.05	0.64
Miscellaneous Receipts	121.98	186.75
<b>Total</b>	<u><u>633.59</u></u>	<u><u>401.95</u></u>
<b>23. COST OF MATERIAL CONSUMED</b>		
<b>Raw Material Consumed</b>		
Opening Stock	4,136.43	4,011.96
Add : Purchases (Net of Credits)	31,308.27	34,951.61
Less : Closing Stock	(3,657.01)	(4,136.43)
<b>Total</b>	<u><u>31,787.69</u></u>	<u><u>34,827.14</u></u>
<b>24. PURCHASE OF TRADED GOODS</b>		
Purchase of Traded Goods	1,709.20	2,237.09
<b>Total</b>	<u><u>1,709.20</u></u>	<u><u>2,237.09</u></u>
<b>25. (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS</b>		
(a) Opening 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>
(b) Closing Stock		
Work-in-Progress	2,098.95	2,725.18
Finished Goods	5,131.91	5,101.09
Traded Goods	363.48	568.43
	<u>7,594.34</u>	<u>8,394.70</u>
<b>Net (Increase) / Decrease</b>	<u><u>800.36</u></u>	<u><u>(718.34)</u></u>
<b>26. EMPLOYEE BENEFITS EXPENSES</b>		
Salaries, Wages and Bonus	7,723.62	7,285.11
Contribution to Provident and other Funds	380.48	308.42
Gratuity	110.29	102.78
Superannuation	43.24	35.36
Staff Welfare	1,021.66	692.42
<b>Total</b>	<u><u>9,279.29</u></u>	<u><u>8,424.09</u></u>
Salaries, Wages and Bonus includes :		
Salary Expenses towards R&D	203.97	194.52

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

	(₹ in lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
<b>27. OPERATING AND OTHER EXPENSES</b>		
Stores and Spares consumed	4,771.54	3,251.62
Packing Materials consumed	1,101.82	592.81
Power, Fuel and Water Charges	3,123.45	3,198.86
Processing and Testing Charges	4,260.71	4,270.27
Installation Contract related expenses	2,385.01	1,134.47
<b>Administrative, Selling and General Expenses</b>		
Advertisement & Sales Promotion expenses	435.53	390.28
Rent	354.74	299.75
Rates, Taxes and Octroi	107.23	81.80
Insurance	143.24	166.05
Transport and Forwarding Charges	4,057.82	5,435.24
	<u>5,098.56</u>	<u>6,373.12</u>
<b>Repairs and Maintenance</b>		
Buildings	60.11	59.42
Plant and Machinery	1,394.98	795.17
Others	311.65	317.29
	<u>1,766.74</u>	<u>1,171.88</u>
Travelling Expenses	915.86	803.10
Discount and Commission on Sales	3,047.21	2,619.70
Bad Debts	65.15	13.55
Legal and Professional Charges	665.79	533.27
<b>Auditors' Remuneration</b>		
Audit Fees	8.61	8.56
Fees for other Services	1.75	5.08
Out of Pocket Expenses	0.18	0.28
	<u>10.54</u>	<u>13.92</u>
Establishment and other miscellaneous expenses*	1,874.28	1,662.74
Exchange (Gain) / Loss (net)	(504.41)	(132.99)
Directors' Fees	6.00	5.40
(Profit) / Loss on Fixed Assets Discarded	53.87	19.47
<b>Total</b>	<u><u>28,642.12</u></u>	<u><u>25,531.19</u></u>
* Operating and other expenses includes :		
R&D Revenue Expenses	280.95	186.71
Corporate Social Responsibility (CSR) Expenses	25.00	30.88

**28. FINANCE COSTS**

Interest expenses:		
- Term Loans	305.82	454.07
- Cash Credit / Overdraft	353.76	320.45
- Bank Charges	213.11	250.31
<b>Total</b>	<u><u>872.69</u></u>	<u><u>1,024.83</u></u>





## Adding Value. Enhancing Performance.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

#### 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 2016	31st March 2015
<b>I. Change in Obligation</b>		
1. Liability at the beginning of the year	969.61	850.22
2. Interest Cost	77.57	72.71
3. Current Service Cost	68.11	58.55
4. Past Service Cost (Non Vested Benefit)	-	-
5. Past Service Cost (Vested Benefit)	-	-
6. Benefit Paid	(68.88)	(49.06)
7. Actuarial (Gain) / Loss on Obligation	241.50	37.19
Liability at the end of the year	1,287.91	969.61
<b>II. Fair Value of Plan Assets</b>		
1. Fair Value of Plan Assets at the beginning of the year	1,074.45	874.82
2. Expected Return of Plan Assets	85.95	72.47
3. Contributions	50.00	93.11
4. Benefit Paid	(68.88)	(49.06)
5. Actuarial Gain / (Loss) on Plan Assets	(28.23)	83.11
Fair Value of Plan Assets at the end of the year	1,113.29	1,074.45
Total Actuarial Gain / (Loss) to be Recognised	(269.73)	45.92
<b>III. Actual Return of Plan Assets</b>		
1. Expected Return of Plan Assets	85.95	72.47
2. Actuarial Gain / (Loss) on Plan Assets	(28.23)	83.11
Actual Return on Plan Assets	57.72	155.58
<b>IV. Amount Recognised in the Balance Sheet</b>		
1. Liability at the end of the year	(1,287.91)	(969.61)
2. Fair Value of Plan Assets at the end of the year	1,113.29	1,074.45
3. Difference	(174.62)	104.84
4. Unrecognised Past Service Cost	-	-
Amount Recognised in the Balance Sheet	(174.62)	104.84
<b>V. Expenses Recognised in the Income Statement</b>		
1. Current Service Cost	68.11	58.55
2. Interest Cost	77.57	72.71
3. Expected Return on Plan Assets	(85.95)	(72.47)
4. Net Actuarial (Gain) / Loss to be Recognised	269.73	(45.92)
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	329.46	12.87

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

(₹ in lacs)

Defined Benefit Plans	Gratuity	
	31st March 2016	31st March 2015
<b>VI. Balance Sheet Reconciliation</b>		
1. Opening Net Liability	(104.84)	(24.60)
2. Expense as above	329.46	12.87
3. Employee Contribution	(50.00)	(93.11)
4. Effect of Curtailment or Settlements	-	-
Amount Recognised in Balance Sheet	174.62	(104.84)
<b>VII. Actuarial Assumptions</b>		
1. Discount Rate Current	8.00%	8.00%
2. Rate of Return on Plan Assets Current	8.00%	8.00%
3. Salary Escalation Current	5.00%	5.00%

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 2015	As at 31st March 2014	As at 31st March 2016	As at 31st March 2015
i) Twines, Ropes & Yarns	1,473.02	1,171.39	1,120.81	1,473.02
ii) Nettings	3,269.56	2,348.91	3,711.10	3,269.56
iii) Woven Fabric	34.62	227.90	18.54	34.62
iv) Metal Gabions	22.46	30.96	23.31	22.46
v) Coated Fabric	301.43	248.48	258.15	301.43
<b>Total</b>	<b>5,101.09</b>	<b>4,027.64</b>	<b>5,131.91</b>	<b>5,101.09</b>

31. SALES

**Product & Services**

	For the year ended 31st March 2016	For the year ended 31st March 2015
i) Twines, Ropes & Yarns	29,002.86	28,627.97
ii) Nettings	43,166.43	41,402.13
iii) Woven Fabric	813.16	953.82
iv) Metal Gabions	445.28	760.74
v) Coated Fabric	3,005.47	2,269.12
<b>Sub Total</b>	<b>76,433.20</b>	<b>74,013.78</b>
vi) Traded Goods (including Supplied under Contract)	6,487.15	4,646.24
<b>Total</b>	<b>82,920.35</b>	<b>78,660.02</b>



## Adding Value. Enhancing Performance.

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

		(₹ in lacs)
	For the year ended 31st March 2016	For the year ended 31st March 2015
<b>32. VALUE OF IMPORTS ON C.I.F. BASIS</b>		
Raw Materials	5,447.76	8,751.02
Traded Goods, Stores, Spares, etc.	1,274.17	2,339.38
Capital Goods	1,291.59	643.67
<b>Total</b>	<b>8,013.52</b>	<b>11,734.07</b>

### 33. RAW MATERIALS CONSUMED

High Density Polyethylene	14,767.02	16,174.80
Polypropylene	12,953.09	14,158.55
Nylon	2,533.59	3,017.34
Polyester Yarn	1,472.21	1,305.94
G.I. Wire	61.78	170.51
<b>Total</b>	<b>31,787.69</b>	<b>34,827.14</b>

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

	(₹ in lacs)		Percentage	
	For the year ended 31st March 2016	For the year ended 31st March 2015	For the year ended 31st March 2016	For the year ended 31st March 2015
<b>(i) Raw materials</b>				
Imported	7,653.94	6,413.53	24.08	18.42
Indigenous	24,133.75	28,413.61	75.92	81.58
<b>Total</b>	<b>31,787.69</b>	<b>34,827.14</b>	<b>100.00</b>	<b>100.00</b>
<b>(ii) Stores, Spares, etc.</b>				
Imported	959.46	992.85	20.11	30.53
Indigenous	3,812.08	2,258.77	79.89	69.47
<b>Total</b>	<b>4,771.54</b>	<b>3,251.62</b>	<b>100.00</b>	<b>100.00</b>

### 35. EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

	For the year ended 31st March 2016	For the year ended 31st March 2015
a. Marketing & Travelling Expenses	479.53	480.83
b. Commission on Exports	51.35	84.46
c. Subscriptions	6.76	5.19
d. Advertisement & Sales Promotion	15.62	20.83
e. Professional Charges	6.11	9.53
f. Interest & Finance Charges	161.56	190.68
g. Overseas Branch Office Expenses	968.20	863.10
<b>Total</b>	<b>1,689.13</b>	<b>1,654.62</b>

### 36. EARNINGS IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

FOB Value of Exports	32,966.53	33,946.01
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

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 2015-2016				Year 2014-2015			
	Synthetic Cordage	Fibre and Industrial Products and Projects	Eliminations	Total	Synthetic Cordage	Fibre and Industrial Products and Projects	Eliminations	Total
<b>REVENUE</b>								
Gross External Sales	67,806.80	15,113.55		82,920.35	64,536.34	14,123.68		78,660.02
Inter-segment Sales	553.47	1,499.98	(2,053.45)	-	700.41	2,019.84	(2,720.25)	-
Less : Excise Duty	(53.07)	(385.24)	-	(438.31)	(140.25)	(296.52)	-	(436.77)
Total Revenue	68,307.20	16,228.29	(2,053.45)	82,482.04	65,096.50	15,847.00	(2,720.25)	78,223.25
<b>RESULT</b>								
Segment Result	9,592.76	1,773.10		11,365.86	7,829.46	976.81		8,806.27
Unallocated Corporate expenses (net of income)				2,103.21				1,755.82
Operating Profit				9,262.65				7,050.45
Finance Costs				872.69				1,024.83
Interest & Dividend Income				323.69				34.89
Profit from Ordinary Activities				8,713.65				6,060.51
Income Tax				2,523.34				1,748.61
Extraordinary Items				-				-
Net Profit				6,190.31				4,311.90
<b>OTHER INFORMATION</b>								
Segment Assets	60,948.56	9,786.38		70,734.94	44,628.80	11,349.25		55,978.05
Unallocated Corporate Assets				10,380.37				13,948.49
Total Assets				81,115.31				69,926.54
Segment Liabilities	25,903.36	1,710.34		27,613.70	15,993.19	2,675.38		18,668.57
Unallocated Corporate Liabilities				53,501.61				51,257.97
Total Liabilities				81,115.31				69,926.54
Capital Expenditure	4,340.73	152.08		4,492.81	2,583.76	169.66		2,753.42
Unallocated Capital Expenditure				239.16				607.21
Total Capital Expenditure				4,731.97				3,360.63
Depreciation	1026.71	183.34		1,210.05	986.10	196.36		1,182.46
Unallocated Depreciation on Corporate Assets				101.47				57.12
Total Depreciation				1,311.52				1,239.58
Other non-cash expenses				65.15				13.55



**Adding Value. Enhancing Performance.**

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

### ii) Secondary Segment Report

(₹ in lacs)

Particulars	Year 2015-2016				Year 2014-2015			
	India	Outside India	Eliminations	Total	India	Outside India	Eliminations	Total
Gross Sales	44,705.57	38,214.78		82,920.35	40,135.39	38,524.63		78,660.02
Less : Excise Duty	(438.31)	-		(438.31)	(436.77)	-		(436.77)
Net Sales	44,267.26	38,214.78		82,482.04	39,698.62	38,524.63		78,223.25

### 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. As the Company has integrated manufacturing facilities, it is not possible to directly attribute or allocate on a reasonable basis, the expenses, assets and liabilities to the Geographical Segment.

## 38. TRANSACTIONS WITH RELATED PARTIES

### (I) List of Related Parties and Relationship:

#### A. Associates Companies

1. Garware Meditech Pvt. Limited

#### B. Subsidiary / Joint Venture Companies

1. 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. Sukumar Holdings & Trading Company Pvt. Ltd.
8. VMIR Investment Ltd.
9. VRG Investments Ltd.
10. Garware Infrastructure Pvt. Ltd.
11. Ramesh Trading Company
12. Sunita Trading Company
13. Garware Research Institute
14. Vimlabai Garware Research Institute
15. Consolidated Agricultural & Dairy Farming Co. Pvt. Ltd.
16. Late Shri R. B. Garware Estate

#### D. Directors - Key Management Personnel

Mr. V. R. Garware

#### E. Relatives of Key Management Personnel

Ms. M. V. Garware

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016**

(II) Following are the transactions with the related parties mentioned in A, B, C, D & E 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	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
1	Rent of Flat	-	-	-	-	78.30	72.00	-	-	78.30	72.00
2	Deposits received	-	-	1,698.87	1,127.86	189.75	108.90	-	-	1,888.62	1,236.76
3	Deposits refunded	-	-	1,568.87	1,008.92	189.75	108.90	-	-	1,758.62	1,117.82
4	Interest paid on deposits	-	-	295.60	237.69	10.27	8.15	-	-	305.87	245.84
5	Directors' Remuneration										
	Mr. V. R. Garware	-	-	-	-	477.95	312.97	-	-	477.95	312.97
6	Directors' Sitting Fees	-	-	-	-	-	-	0.80	0.80	0.80	0.80
7	Balance payable (Principal)	0.41	0.18	-	-	-	-	-	-	0.41	0.18
8	Sale of Goods / Services	0.07	-	-	-	-	-	-	-	0.07	-
9	Security Deposit Placed	-	-	200.00	-	-	-	-	-	200.00	-

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

- Rent paid to Mr. V. R. Garware of ₹ 78.30 lacs (Previous year ₹ 72 lacs) for the flat taken on Leave & Licence.
- Deposit received of ₹ 1758.62 lacs and refunded of ₹ 1758.62 lacs (Previous year Deposit Received of ₹ 1117.82 lacs and refunded of ₹ 1117.82 lacs) include deposits from  
V. R. Garware of ₹ 189.75 lacs (Previous year ₹ 108.90 lacs)  
Garware Capital Markets Ltd. of ₹ 903.15 lacs (Previous year ₹ 802.13 lacs)  
Manmit Investments & Trading Co. Pvt. Ltd. of ₹ 98.02 lacs (Previous year ₹ 79.50 lacs)  
Moonshine Investments and Trading Co. Pvt. Ltd. of ₹ 55.47 lacs (Previous year ₹ 49.64 lacs)  
Sanand Investment & Trading Co. Pvt. Ltd. of ₹ 41.64 lacs (Previous year ₹ 7.42 lacs)  
Starshine Investments and Trading Co. Pvt. Ltd. of ₹ 30.35 lacs (Previous year ₹ 5.44 lacs)  
Gurukrupa Investments and Trading Co. Pvt. Ltd. of ₹ 10.32 lacs (Previous year ₹ 9.19 lac)  
VMIR Investments Ltd. earlier known as Garware Utzon (Cordage) Ltd. of ₹ 199.04 lacs (Previous year ₹ 24.89 lacs)  
Sukukar Holdings & Trading Co. Pvt. Ltd. of ₹ 38.45 lacs (Previous year ₹ 6.92 lacs)  
VRG Investments Ltd. earlier known as Garware Indus Consulting Ltd. of ₹ 192.43 lacs (previous year ₹ 23.79 lacs)
- Interest paid on Deposit of ₹ 305.86 lacs (Previous year ₹ 245.84 lacs) includes  
V. R. Garware of ₹ 10.27 lacs (Previous year ₹ 8.15 lacs)  
Late Shri Ramesh B. Garware Estate of ₹ 162.50 lacs (Previous year ₹ 148.67 lacs)  
Garware Capital Markets Ltd. of ₹ 71.26 lacs (Previous year ₹ 73.13 lacs)  
Manmit Investments & Trading Co. Pvt. Ltd. of ₹ 9.41 lacs (Previous year ₹ 7.57 lacs)  
Moonshine Investments and Trading Co. Pvt. Ltd. of ₹ 4.93 lacs (Previous year ₹ 4.15 lacs)  
Sanand Investment & Trading Co. Pvt. Ltd. of ₹ 3.76 lacs (Previous year ₹ 0.39 lacs)  
Starshine Investments and Trading Co. Pvt. Ltd. of ₹ 2.71 lacs (Previous year ₹ 0.28 lacs)  
Gurukrupa Investments and Trading Co. Pvt. Ltd. of ₹ 0.89 lacs (Previous year ₹ 0.73 lacs)  
VMIR Investments Ltd. earlier known as Garware Utzon (Cordage) Ltd. of ₹ 18.66 lacs (Previous year ₹ 1.23 lacs)  
Sukukar Holdings & Trading Co. Pvt. Ltd. of ₹ 3.46 lacs (Previous year ₹ 0.36 lacs)  
VRG Investments Ltd. earlier known as Garware Indus Consulting Ltd. of ₹ 18.01 lacs (previous year ₹ 1.17 lacs)
- Payment to Key Management Personnel includes  
V. R. Garware ₹ 477.95 lacs (Previous year ₹ 312.97 lacs)





**Adding Value. Enhancing Performance.**

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016

### 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.

	31st March 2016	31st March 2015
<b>BASIC AND DILUTED EPS</b>		
Net Profit attributable to Equity Shareholders	<b>6190.31</b>	4305.49
Basic EPS (in ₹)	<b>28.29</b>	19.71
Diluted EPS (in ₹)	<b>28.29</b>	19.71

### 40. DISCLOSURE IN RELATION TO DERIVATIVE INSTRUMENTS

(a) No. of Contracts	27	25
(b) Purpose	<b>Hedging</b>	Hedging
(c) Net un-hedged exposure	<b>₹ 1510.27 lacs</b>	₹ 1130.17 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.	<b>0.05</b>	0.05
ii) Later than one year not later than five years.	<b>Nil</b>	Nil
iii) Later than five years.	<b>Nil</b>	Nil
(b) Lease Payment recognised in the Statement of Profit and Loss	<b>0.05</b>	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 2016	31st March 2015	31st March 2014
Research and Development Equipments	<b>421.89</b>	443.12	205.33
Research and Development Revenue Expenditure	<b>484.92</b>	381.23	289.87

### 43. CONTINGENT LIABILITIES

- (i) Disputed Excise duty ₹ 27.57 lacs (Previous year ₹ 27.57 lacs)
- (ii) Bank Guarantees for ₹ 1483.56 lacs (Previous year ₹ 1,503.90 lacs), in the ordinary course of business, against which the Company has issued counter guarantees for the non funded Bank limits of ₹ 13,500 lacs (Previous year ₹ 13,500 lacs).

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016**

- (iii) Disputed amount of Sales Tax liability ₹ 196.68 lacs (Previous year ₹ 196.68 lacs).
- (iv) Export Sales Bills Discounted with the Banks ₹ 1321.17 lacs (Previous year ₹ 2373.80 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 ₹ 23.44 lacs (31st March, 2015, ₹ 47.94 lacs) and ₹ 22.76 (31st March, 2015 ₹ 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, 2016.
- (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 ₹ 135.39 LACS (PREVIOUS YEAR ₹ 92.74 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, 2016, the said partnership has incurred a loss of ₹ Nil lacs (Previous year ₹ 0.02 lac).

	31st March 2016	31st March 2015
Current Assets	15.30	15.30
Non-current Assets	19.81	19.81
Current Liabilities	(24.53)	24.53
Non-current Liabilities	(13.21)	13.21
Reserve & Surplus	2.63	(2.63)
Revenue	-	-
Cost of Materials consumed	-	-
Employee benefit expenses	-	-
Other expenses	-	(0.02)
<b>Profit / (loss) before Tax</b>	-	(0.02)
Income-tax expenses	-	-
<b>Profit / (loss) after Tax</b>	-	(0.02)

- 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 extent notified) and guidelines issued by the Securities 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.



## Adding Value. Enhancing Performance.

### 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 : Subsidiary Company

(₹ in lacs)

Sr. No.	Particulars	
1.	Name of the Subsidiary	Garware Environmental Services Pvt. Ltd.
2.	Reporting period for the Subsidiary	1st April, 2015 to 31st March, 2016
3.	Reporting currency as on the last date of the relevant Financial Year in the case of Foreign Subsidiaries	₹ 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	23.49
7.	Total Assets	134.06
8.	Total Liabilities	134.06
9.	Investments	79.88
10.	Turnover	10.27
11.	Profit Before Tax	9.55
12.	Provision for Tax	6.74
13.	Profit After Tax	2.81
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.	Particulars	
1.	Name of Associate Company	Garware Meditech Pvt. Ltd.
2.	Latest Audited Balance Sheet Date	31st March, 2016
3.	Shares of Associate held by the Company on the year end	
	No.	5,000 Shares
	Amount of Investment in Associates	₹ 0.50 lacs
	Extend of Holding %	50%
4.	Description of how there is significant influence	Chairman same in both company
5.	Reason why the Associate is not Consolidated	Consolidated
6.	Net worth attributable to Shareholding as per latest Balance Sheet	₹ (0.12) lacs
7.	Loss for the year	
	i) Considered in Consolidation	₹ (0.13) lacs
	ii) Not considered in Consolidation	-



## GARWARE-WALL ROPES LIMITED

### Progress through the Years

(Standalone)

(₹. in Lacs)

	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	31.03.16
<b>COMPANY OWNED</b>										
1. FIXED ASSETS (NET)	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	19,994.49
2. INVESTMENTS	1,771.30	1,771.30	1,762.98	1,697.60	892.18	911.96	916.95	933.46	904.00	893.06
3. NET CURRENT ASSETS <sup>Ø</sup>	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	21,881.92
<b>TOTAL ASSETS (NET)</b>	<b>27,606.19</b>	<b>31,180.39</b>	<b>32,636.40</b>	<b>32,096.74</b>	<b>36,873.15</b>	<b>40,874.55</b>	<b>39,526.32</b>	<b>36,640.63</b>	<b>37,214.44</b>	<b>42,769.47</b>
<b>COMPANY OWED</b>										
1. LOAN FUNDS	*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	3,416.83
2. COMPANY'S NET WORTH -										
- EQUITY SHARE CAPITAL	\$ 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	2,188.21
- RESERVES AND SURPLUS <sup>Ω</sup>	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	34,284.42
3. DEFERRED TAX LIABILITY	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	2,830.01
<b>TOTAL CAPITAL EMPLOYED</b>	<b>27,606.19</b>	<b>31,180.39</b>	<b>32,636.40</b>	<b>32,096.74</b>	<b>36,873.15</b>	<b>40,874.55</b>	<b>39,526.32</b>	<b>36,640.63</b>	<b>37,214.44</b>	<b>42,769.47</b>
<b>INCOME</b>	<b>34,270.18</b>	<b>40,869.15</b>	<b>44,694.83</b>	<b>45,444.97</b>	<b>50,366.94</b>	<b>58,416.39</b>	<b>60,880.36</b>	<b>69,275.60</b>	<b>79,051.88</b>	<b>83,543.67</b>
RAW MATERIAL AND STOCK CONSUMED	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	34,297.25
SALARIES AND WAGES	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	9,279.29
OPERATING AND OTHER EXPENSES	10,501.06	12,665.79	14,413.50	14,171.95	16,171.09	18,575.28	19,707.50	24,209.35	25,530.59	28,641.41
INTEREST	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	872.69
EXCISE DUTY	451.97	851.56	673.55	296.98	235.35	255.23	368.44	422.62	436.77	438.31
PROFIT BEFORE DEPRECIATION AND TAX	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	10,014.72
DEPRECIATION	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	1,310.49
PROFIT BEFORE TAX	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	8,704.23
TAX	282.00	437.79	265.84	666.06	677.95	804.78	872.62	1,241.49	1,745.67	2,516.60
PROFIT AFTER TAX	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	6,187.63
DIVIDEND OUTGO <sup>Ⓢ</sup>	605.87	635.06	693.44	693.44	688.88	688.86	693.44	694.07	787.74	869.10
EARNING RETAINED IN BUSINESS	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	5,318.53
EARNING PER SHARE (₹)	11.08	11.68	6.92	8.17	10.31	10.13	10.41	12.13	19.68	28.28
DIVIDEND PAID PER EQUITY SHARE (₹)	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.70	3.00	3.30
BOOK VALUE OF EQUITY SHARE (₹) (Without Revaluation)	75.98	83.87	86.32	91.57	98.97	105.59	112.45	125.08	141.65	166.68
FOB VALUE OF EXPORTS	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	32,966.53

\* 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, ₹ 5.89 lacs for 31.03.15 and ₹ 4.85 lacs for 31.03.16 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.



## **GARWARE-WALL ROPES LIMITED**

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