

Manubhai & Shah LLP

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Garware Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Garware Industries Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, 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 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 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 misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial

Maker Bhavan No. 2, 18, New Marine Lines, Mumbai - 400 020.

Phone : +91-22-6633 3558 / 59 / 60 Fax : +91-22-6633 3561, 2203 7935

Email : infomumbai@msglobal.co.in

Website : www.msglobal.co.in

Ahmedabad • Mumbai • Rajkot • Jamnagar • Baroda

Manubhai & Shah (Registration No. GUJ/AHD/33849) a Partnership Firm was converted into Manubhai & Shah LLP (LLP identification No.AAG-0878) a Limited Liability Partnership with effect from 1st April, 2016



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 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.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books ;
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - 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;
 - e) On the basis of written representations received from the Directors as on 31st March 2017, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2017, from being appointed as a director in terms of Section 164(2) of the Act;



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- 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 (Refer Note No. 30 to the Financial Statements)
 - (ii) The company has made provision, as required under the applicable law or accounting standards, for the 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.
 - (iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management. Refer Note 36 to the financial statements.

For Manubhai & Shah LLP
Chartered Accountants
FRN: 106041W/ W100136

P. N. Shah

P. N. Shah
Partner
Membership No. 001738



Mumbai, May 25, 2017

Annexure -A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets ;
 - (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Management has conducted physical verification of the inventories at reasonable intervals. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- (iii) The Company has not granted any loans secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the provisions of section 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed there under to the extent notified.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government of India for the maintenance of cost records under section 148(1) of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and based on the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty,



PH

Excise Duty, Value Added Tax, Cess and other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us and based on the records of the Company examined by us, in our opinion, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues, as applicable were in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and based on the records of the Company examined by us, the particulars of dues of Income Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty, Value Added Tax, Cess as at 31st March 2017 which have not been deposited on account of any disputes are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. in Lakhs)	Financial Year for which amount relates	Forum where the dispute is pending
Sales Tax Act	Sales Tax	42.00	2001-02 and 2002-03.	Sales Tax Appellate Tribunal.

- (viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution, bank or government as at the balance sheet date.
- (ix) In our opinion, and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans have been applied for the purposes for which they were obtained.
- (x) According to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration during the year 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 and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in



PM

compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non cash transactions with its directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Manubhai & Shah LLP
Chartered Accountants
FRN: 106041W/ W100136



P. N. Shah
P. N. Shah
Partner
Membership No. 001738

Mumbai, May 25, 2017

Annexure –“B” to the Independent Auditor’s Report

Report on the Internal Financial Controls over Financial Reporting 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 Industries Limited** (“the Company”) as of 31st March 2017 in conjunction with our audit of the 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.

Auditor’s 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. 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 misstatement of the financial statements, whether due to fraud or error.

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



PM

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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the 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 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Manubhai & Shah LLP

Chartered Accountants

FRN: 106041W/ W100136

P. N. Shah

P. N. Shah

Partner

Membership No. 001738



Mumbai, May 25, 2017

GARWARE INDUSTRIES LIMITED
BALANCE SHEET AS AT 31ST MARCH 2017

Particulars	Note No.	As at 31.03.2017 Rs. In Lakhs		As at 31.03.2016 Rs. In Lakhs	
I EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	2	1,100.00		1,100.00	
(b) Reserves and Surplus	3	3,560.11	4,660.11	2,757.79	3,857.79
(2) Non Current Liabilities					
(a) Long-term borrowings	4	145.92		785.02	
(b) Deferred Tax liabilities (Net)	5	329.24		359.25	
(c) Long-term provisions	10	3.44	478.60	3.19	1,147.46
(3) Current Liabilities					
(a) Other short term liabilities	6	331.04		334.47	
(b) Short-term borrowings	7	513.47		713.94	
(c) Trade payables	8				
(i) Total outstanding dues of micro enterprises and small enterprises		5.63		4.24	
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		54.17		298.29	
(d) Other current liabilities	9	767.82		1,053.80	
(e) Short-term provisions	10	101.29	1,773.42	83.23	2,487.97
TOTAL			6,912.13		7,493.22
II ASSETS					
(1) Non Current Assets					
(a) Fixed assets					
(i) Tangible assets	12	5,040.78		5,535.59	
(ii) Intangible assets	12	0.96		10.84	
(iii) Capital work-in-progress	12	1.06	5,042.80	0.00	5546.43
(b) Non-current Investments	11		341.22		43.66
(c) Long-term loans and advances	13		269.56		361.47
(2) Current Assets					
(a) Inventories	14	579.09		669.37	
(b) Trade receivables	15	9.89		18.93	
(c) Cash and bank balances	16	621.12		807.74	
(d) Short-term loans and advances	13	48.45	1,258.55	45.62	1,541.66
TOTAL			6,912.13		7,493.22

Significant Accounting Policies & Notes on Financial Statements 1 to 37



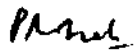
As per our report of even date

For and on behalf of Board of Directors

For Manubhai & Shah L.L.P.
Chartered Accountant
(FRN 106041W/W100136)


S.B. Garware
Director

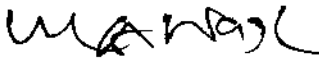

S.S. Garware (Mrs.)
Chairperson &
Managing Director


(P.N. Shah)
Partner
Membership No. 001738




C.S. Pathak
Director


P.L. Pai
Chief Financial Officer


M.A. Wagh
Company Secretary

Mumbai, May 25, 2017

GARWARE INDUSTRIES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

Particulars	Note No.	2016-17 Rs. In Lakhs	2015-16 Rs. In Lakhs
I Income			
Revenue from Operations (Gross)	17	3,121.97	6,607.63
Less : Excise Duty		<u>6.45</u>	<u>640.98</u>
Revenue from Operations (Net)		3,115.52	5,966.65
II Other income	18	236.10	234.00
III Total Revenue (I + II)		<u>3,351.62</u>	<u>6200.65</u>
IV Expenses			
Cost of raw materials Consumed	19	52.36	2,122.81
(Increase)/Decrease in inventories of Finished goods, Work in progress & Stock in Trade	20	16.36	400.75
Employee benefits expense	21	288.99	293.04
Other expenses	22	752.33	1,272.60
Total Expenses		<u>1,110.04</u>	<u>4,089.20</u>
V Earning before Interest, Tax Depreciation and Amortization. (EBITDA)		2,241.58	2,111.45
Depreciation & Amortization	12	682.33	645.87
Finance Costs	23	188.74	317.85
Profit before Tax		<u>1,370.51</u>	<u>1,147.73</u>
Tax Expenses:			
Current Tax		532.00	412.34
Deferred Tax		(30.01)	(45.88)
Total Tax Expenses		<u>501.99</u>	<u>366.46</u>
Profit for the year		<u>868.52</u>	<u>781.27</u>
Earning per share - Basic & Diluted (Rupees) (absolute) (Face Value of Rs. 10 each) Refer Note No. 24		7.90	7.09
Significant Accounting Policies & Notes on Financial Statements 1 to 37			




As per our report of even date

For and on behalf of Board of Directors

For Manubhai & Shah L.L.P.
Chartered Accountant
(FRN 106041W/W100136)


S.B. Garware
Director


S.S. Garware (Mrs.)
Chairperson &
Managing Director


(P.N. Shah)
Partner
Membership No. 001738




C.J. Pathak
Director


P.L. Pai
Chief Financial Officer


M.A. Wagh
Company Secretary

Mumbai, May 25, 2017

GARWARE INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	Year ended 31-03-2017 Rs.in Lakhs	Year ended 31-03-2016 Rs.in Lakhs
A. Cash flow from operating activities:		
Profit before tax as per statement of Profit and Loss	1,370.51	1,147.73
Adjustment to reconcile profit before tax to cash provided by operating activities		
<i>Add:</i> Depreciation	682.33	645.87
Interest / Financial charges	188.74	317.85
Leave & Gratuity Provision	4.45	17.96
Sub Total	875.52	981.68
Total	2,246.03	2,129.41
<i>Less:</i> Interest income	52.40	66.02
Dividend received/Income from Investment	4.35	3.14
Rent Received	172.80	164.57
Profit / (loss) on Sale of asset	0.00	0.27
Sub total	229.55	234.00
Operating profit before working capital changes.	2,016.48	1,895.41
Movement in working capital :		
(Increase)/Decrease in Trade receivable	9.05	197.57
(Increase)/Decrease in Loan & Advances & Other Assets	89.08	29.16
(Increase)/Decrease in Inventories	90.28	841.04
Increase/(Decrease) in Trade & Other payables	(181.29)	(354.46)
Cash generated from operations	2,023.60	2,608.72
Interest / Financial charges	(188.74)	(317.85)
Direct taxes refund/(paid)(Net)	(518.15)	(449.91)
Net cash inflow/(outflow) from operating activities	1,316.71	1,840.96
B. Cash flow from investing activities :		
Purchase of fixed assets	(178.70)	(235.97)
Sale of fixed assets	0.00	0.27
Proceeds from sale of Investment	17.38	0.00
Purchase of Investment in securities	(314.94)	0.00
Interest received	52.40	66.02
Dividend received	4.35	3.14
Rent	172.80	164.57
Net cash inflow/(outflow) from investing activities.	(246.71)	(1.97)
C. Cash flow from financing activities		
(Repayment) Increase in Long term Borrowings	(803.75)	(945.15)
(Repayment) Increase in Working Capital Loan	(186.20)	(167.89)
(Repayment) Increase in Short term Borrowings	(200.47)	177.36
Redemption of Preference shares	0.00	(51.80)
Dividend Paid	(55.00)	(664.15)
Dividend Distribution Tax	(11.20)	(135.21)
Net cash inflow/(outflow) from financing activities	(1,256.62)	(1,786.84)
Net increase/(decrease) in cash and cash equivalents	(186.62)	52.15
Cash and cash equivalents as at opening		
Cash and bank balances	807.74	755.59
Cash and cash equivalents as at closing		
Cash and bank balances	621.12	807.74
	(186.62)	52.15




As per our report of even date

For and on behalf of Board of Directors

For Manubhai & Shah L.L.P.
Chartered Accountant
(FRN 106041W/W100136)


S.B. Garware
Director


S.S. Garware (Mrs.)
Chairperson &
Managing Director


(P.N. Shah)
Partner
Membership No. 001738




G.J. Pathak
Director


P.L. Pai
Chief Financial Officer


M.A. Wagh
Company Secretary

Mumbai, May 25, 2017

1. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of presentation of Financial Statements

The financial statements are prepared under the historical cost convention modified by revaluation of fixed assets in accordance with the prescribed Accounting Standards under section 133 of the companies Act, 2013 ('the Act') read with rule 7 of the companies (Accounts) Rules, 2014 and other relevant provisions of the Act on accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year..

B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during 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 different from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods

C. Fixed Assets and Depreciation / Amortization

Fixed Assets are stated at cost net of MODVAT / CENVAT less accumulated depreciation. Cost comprises of the purchase price and any directly attributable cost of bringing the assets to working condition for its intended use including interest and other incidental and trial run expenses up to the date of commercial production.

Depreciation / Amortization :

i) Tangible Assets-

Depreciation on Tangible assets is provided as per useful life specified in Part-c of Schedule II of the Companies Act, 2013.

Lease hold land has been amortised over the period of lease.

ii) Intangible Assets-

Intangible assets are stated at cost of acquisition or construction less accumulated amortization and impairment losses if any. Intangible assets are amortized over their estimated useful economic life. Computer softwares are depreciated over the period of 5 years on straight line basis.



D. Impairment of assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

E. Investments

Investments are considered as non-current investments and are stated at cost of acquisition. Market value of Quoted Investments at the date of the Balance Sheet is disclosed. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the Management.

F. Inventories:

- i) Raw materials and packing materials are valued at the lower of cost and net realizable value. Cost is determined on a moving weighted average basis. Cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties & taxes, which are subsequently recoverable from the taxing authorities.
- ii) Stores and Spares are valued at cost computed on a moving weighted average basis. Cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes that are subsequently recoverable from the taxing authorities.
- iii) Semi-finished goods is valued at factory cost including depreciation.
- iv) Finished goods is valued at the lower of cost and net realizable value. Cost includes direct material & labour cost and a proportion of manufacturing overheads.
- v) Purchase of finished goods are valued at the lower of cost and net realizable value.

G. Cash and Cash equivalents

Cash and cash equivalents for the purpose of cash flows statement comprise cash in hand, cash at bank, demand deposits with banks and other short term highly liquid investments/ deposits with an original maturity of three months or less.

H. Foreign Currency Transactions

- i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- ii) Monetary items denominated in foreign currencies at the year-end are restated at year end rates. In case of items which are covered by forward exchange contracts,



the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

I. Duties

Excise duty on finished goods and custom duty on imported materials has been accounted on the basis of payments made in respect of goods cleared as also provision made for goods lying in Bonded Warehouse.

J. Employee Benefits:

i) Short Term Employee Benefits:-

All benefits paid / payable wholly within 12 months of rendering the service are classified as short term. Benefits such as salaries, wages, short-term compensated absences, etc and the expected cost of bonus, ex-gratia, medical, LTA are recognized during the period in which the employee renders the related service and charged to statement of Profit and Loss.

ii) Defined Contribution Plans:

Company contributes Provident Fund in accordance with EPF Act, 1952 and ESIC Schemes in accordance with ESIC Act, 1948 under Government administered schemes. Contributions are accounted on accrual / paid basis and charged to statement of Profit & Loss.

iii) Defined Benefit Plans:

- a. Liability towards Gratuity are covered by appropriate schemes with Life Insurance Corporation of India on accrual basis. Gratuity plans are determined by actuarial valuation by using the Projected Unit Credit method.
- b. Leave encashment benefits are accounted on actuarial valuation basis.

K. Dividend

Final dividend on Equity Shares will be recorded as liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Board of Directors.

L. Revenue Recognition

i) Sale of products:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured and are accounted for inclusive of excise duty and VAT/ sales tax (wherever not charged separately), and are net of discounts and returns.



ii) Others

Revenue from services is recognised on rendering of services.

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on the time proportion basis.

M. Government Subsidies

Received from SICOM as capital incentive shown as subsidy under reserves and surplus

N. Taxation

a) Deferred tax is recognized, subject to the consideration of prudence, on timing differences, 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.

b) Current tax is determined as the amount of tax payable in respect of taxable income for the year.

O. Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to statement of Profit and Loss account.

P. Measurement of EBITDA

The company has elected to present earnings before interest (Finance cost), 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 operations.

Q. Provisions, Contingent Liabilities & Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

R. Earning per Share

Earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

2 SHARE CAPITAL

	As at 31.03.2017 (Rs. In Lakhs)	As at 31.03.2016 (Rs. In Lakhs)
Authorized :-		
10,58,90,000 (Previous year 10,58,90,000) Equity Shares of Rs.10/- each	10,589.00	10,589.00
26,11,000 (Previous year 26,11,000) Preference Shares of Rs.100/- each	2,611.00	2,611.00
	<u>13,200.00</u>	<u>13,200.00</u>
Issued, subscribed and fully paid up		
i) Equity Shares		
1,10,00,000 (Previous year 1,10,00,000) Equity Shares of Rs. 10/- Each Fully paid	1,100.00	1,100.00
ii) Preference Shares		
51,797 (Previous year 51,797) 6% Cumulative Redeemable Preference Shares of Rs.100/-each	0.00	51.80
iii) Less Redeemed during the year	0.00	(51.80)
Total	<u>1,100.00</u>	<u>1,100.00</u>

Out of the above

- 1,09,50,000 Equity Shares of Rs.10 each were allotted as fully paid up bonus shares by capitalisation of reserve on 5th December 2013.
- 51,797 6% Cumulative Redeemable Preference shares of Rs. 100 each were allotted as fully paid up to the shareholders of Garware Chemicals Ltd. (GCL) as per scheme of arrangements under section 391 to 394 of the Companies Act, 1956, which were redeemed in the previous year..

Reconciliation of Shares Outstanding at the beginning and at the end of the reporting year

	As at 31.03.2017		As at 31st March 2016	
	Nos	Rs. In Lakhs	Nos	Rs. In Lakhs
Equity Shares				
At the beginning of the year	1,10,00,000	1,100.00	1,10,00,000	1,100.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>1,10,00,000</u>	<u>1,100.00</u>	<u>1,10,00,000</u>	<u>1,100.00</u>
Preference Shares				
At the beginning of the year	0	0.00	51,797	51.80
Less : -Redeemed during the year	0	0.00	51,797	51.80
Outstanding at the end of the year	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>

Details of Shareholders holding more than 5% Shares in the company

	As at 31.03.2017		As at 31st March 2016	
	No of Shares	% (Holding)	No of Shares	% (Holding)
Equity Shares				
S.B.Garware Family Trust	1,09,98,680	99.99	1,09,98,680	99.99

Terms/Rights attached to

Equity Shares

The company has only one class of equity shares having a par value of Rs.10/- per share. Each equity shareholder is entitled to one Vote per share. The company declares and pays dividends in Indian rupees.

The Board of Directors in their meeting held on 25th March 2017 declared an Interim Dividend of Re.0.50 per share amounting to Rs.66.20 Lakhs including Dividend Distribution Tax of Rs.11.20 Lakhs.

Final Dividend of Rs.2.50 per equity share for the financial year ended 31st March 2017 proposed by the Board of Directors in its meeting on 25th May 2017 is subject to approval of shareholders in the ensuing Annual General Meeting and if approved would result in cash outflow of Rs.330.98 Lakhs including Dividend Distribution Tax of Rs.55.98 Lakhs.

As per the Companies Act, 2013 the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in the event of Liquidation of the company. The distribution will be in proportion to the number of equity shares held by the shareholder.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

3 RESERVES AND SURPLUS

	As at 31.03.2017 (Rs In Lakhs)	As at 31.03 2016 (Rs In Lakhs)
A Capital Reserve		
Balance as per last Financial Statements	34.30	34.30
B Capital Redemption Reserve		
Balance as per last Financial Statements	62.80	11.00
Add: Transferred from Surplus in the Statement of Profit and Loss on redemption of Preference Shares	0.00	51.80
	<u>62.80</u>	<u>62.80</u>
C General Reserve		
Balance as per last Financial Statements	1,648.69	1,648.69
D Surplus in the statement of Profit and Loss		
Balance as per last Financial Statements	1,012.00	680.96
Less: Transferred to Capital Redemption Reserve on redemption of Preference Shares.	0.00	51.80
Add : Net Profit / (Loss) Transferred from statement of Profit and Loss for the year	868.52	781.27
	<u>1,880.52</u>	<u>1,410.43</u>
Less : Appropriations		
Interim Dividend	55.00	330.00
Final Dividend on preference shares	0.00	1.04
Tax on Interim Dividend	11.20	67.39
	<u>1,814.32</u>	<u>1,012.00</u>
TOTAL(A+B+C+D)	<u>3,560.11</u>	<u>2,757.79</u>

4 LONG TERM BORROWINGS

	Non-Current		Current	
	As at 31st March 2017	As at 31st March 2016	As at 31st March 2017	As at 31st March 2016
	Rs.In Lakhs		Rs.In Lakhs	
Secured Loans :				
Term Loan	19.54	585.42	566.30	730.98
Working Capital Term Loan (WCTL)	0.00	0.00	0.00	186.20
Vehicle Finance Lease Obligation (Secured)	63.31	92.46	29.16	29.13
Other loans and advances (Unsecured)				
Deferral sales tax loan	63.07	107.14	59.07	59.07
	<u>145.92</u>	<u>785.02</u>	<u>654.53</u>	<u>1,005.38</u>

i) Term Loans of Rs. 585.84 lakhs (Previous year Rs.Rs. 1316.40) are secured by equitable mortgage of Factory Land & Building and Machineries(present and future) situated at Waluj Aurangabad and also by way of current assets of the Company. The term loans are repayable in sixty equitable monthly installments from July 2011 to July 2018 at the rate of interest currently of 10.75% p.a. There is no default as on balance sheet date for repayment of principal & interest.

ii) WCTL of Rs. NIL (Previous year Rs. 186.20 Lakhs) is secured by hypothecation of stores & spares, packing materials, stock in trade and book debts. The same is repayable in 36 monthly installments from March 2014 to February 2017, at the rate of interest of 11.50% p.a

iii) There are no default as on balance sheet date for repayment of principal & interest.

iv) Vehicle finance of Rs. 92.47 Lakhs (Previous year Rs.121.59 lakhs) at the rate of Interest 11.45% P. A. are secured by hypothecation of specific assets. The loans are repayable in 60 Monthly installments. The installments are payable from December 2014 till October 2019.

v) Unsecured interest free deferral sales tax loan from WMDC/ SICOM Rs.122.14 Lakhs (Previous Year Rs. 166.21) repayable in installments from 2007 to 30th April 2026, as per Package scheme of Incentives of 1988 and 1993 . There is no default as on balance sheet date for repayment.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

5 DEFERRED TAX LIABILITY (NET) :-

Major components of deferred tax liabilities/ assets arising on account of timing differences as at 31st March 2017 are as follows

Deferred Tax Assets

Disallowance U/S 43 B of the Income Tax Act, 1961

Others

Less: Deferred Tax Liability

Excess of WDV as per books and as per Income Tax Act 1961

Deferred Tax Liability (Net)

Opening Deferred Tax Asset/(Liability)

Deferred Tax Expenses (Income) recognised in Statement of Profit and Loss

As at 31st March 2017 (Rs. In Lakhs)	As at 31st March 2016 (Rs. In Lakhs)
43.70	64.36
2.70	2.70
<u>46.40</u>	<u>67.06</u>
<u>375.64</u>	<u>426.31</u>
<u>(329.24)</u>	<u>(359.25)</u>
<u>(359.25)</u>	<u>(405.13)</u>
<u>(30.01)</u>	<u>(45.88)</u>

6 OTHER SHORT TERM LIABILITIES :-

Deposits /Customer Advance

Retention payable to suppliers / Advance money from customers

320.35	301.00
10.69	33.47
<u>331.04</u>	<u>334.47</u>

7 SHORT TERM BORROWING

Cash Credit from Banks / Overdraft (Secured)

Cash Credit are secured against all current assets and collateral security of land & building and plant & machinery situated at Aurangabad. Present rate of interest is 10.75 % p.a.

<u>513.47</u>	<u>713.94</u>
---------------	---------------

8 TRADE PAYABLES

Trade Payables - Due to Micro, Small & Medium Enterprises
(Refer Note No. 28)

Trade Payables - Others

TOTAL

5.63	4.24
54.17	298.29
<u>59.80</u>	<u>302.53</u>

9 OTHER CURRENT LIABILITIES

Current maturities of long-term borrowing

Interest Accrued but Not Due on Secured loans

Statutory dues

Other payables

TOTAL

654.53	1,005.38
2.41	7.43
59.68	9.98
51.20	31.01
<u>767.82</u>	<u>1,053.80</u>

10 PROVISIONS

Provisions for Employee benefits

Provision for leave encashment

Other Provisions

Provision for Taxation(Net of Advance Tax)

TOTAL

Long Term		Short Term	
As at 31st March 2017 Rs.In Lakhs	As at 31st March 2016 Rs.In Lakhs	As at 31st March 2017 Rs.In Lakhs	As at 31st March 2016 Rs.In Lakhs
3.44	3.19	83.48	79.28
0.00	0.00	17.81	3.95
<u>3.44</u>	<u>3.19</u>	<u>101.29</u>	<u>83.23</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

11 NON-CURRENT INVESTMENT

A Quoted Equity Instruments

	As at 31st March 2017 <u>Rs.In Lakhs</u>	As at 31st March 2016 <u>Rs.In Lakhs</u>
i 40 (Previous year 40)Eq. Shares of Reliance Industries Ltd. of the face value of Rs.10/- each, fully paid-up.	0.15	0.15
ii 3000 (Previous year 3000)Eq.Shares of Indian Tobacco Co. Ltd, of the face value of Rs.1/- each, fully paid-up	0.26	0.26
iii 100 (Previous year 100)Eq.Shares of National Organic Chemical Industries Ltd of the face value of Rs.10/- each, fully paid-up..	0.05	0.05
iv 50 (Previous year 50)Eq. Shares of Southern Petrochemicals Industries Ltd of the face value of Rs.10 each fully paid	0.03	0.03
v 100 (Previous year 100)Eq.Shares of SVC Superchem Ltd of the face value of Rs.10/- each, fully paid-up..	0.03	0.03
vi 75(Previous year 75) Eq.Shares(including 25 Bonus Shares) of BASF India Ltd of the face value of Rs.10/- each, fully paid-up..	0.15	0.15
vii 200 (Previous year 200)Eq.Shares (including 100 Eq. shares received in lieu of amalgamation of Gujarat propack) of Cosmo Film Ltd of the face value of Rs.10/- each, fully paid-up..	0.19	0.19
viii 5 (Previous year 5) Eq.Shares of Sharp Industries Ltd of the face value of Rs.10/- each, fully paid-up..	0.03	0.03
ix 50(Previous year 50) Eq.Shares of Bayer Corpscience Ltd of the face value of Rs.10/- each, fully paid-up..	0.12	0.12
x 20 (Previous year 20)Eq.Shares of Indian Oil Ltd of the face value of Rs.10/- each, fully paid-up..	0.03	0.03
xi 400 (Previous year 400) Eq.Shares of Bharat Petroleum Corporation Ltd of the face value of Rs.10/- each, fully paid-up..	0.30	0.30
xii 100 (Previous year 100) Eq.Shares of JD Orgochem Ltd of the face value of Rs.1/- each, fully paid-up..	0.18	0.18
xiii 100 (Previous year 100) Eq.Shares of MTZ Polyester ltd of the face value of Rs.10/- each, fully paid-up..	0.01	0.01
xiv 235,000(Previous year NIL) Eq.Shares of Garware Polyester Ltd of the face value of Rs.10/- each, fully paid-up)	314.94	0.00
Net Total (I)	<u>316.47</u>	<u>1.53</u>

B Unquoted Equity Instruments

i NIL (Previous year 1000) Eq. Shares of Sarswat Co-operative Bank Ltd.(Mumbai) of the face value of Rs.10/- each, fully paid-up.	0.00	0.10
ii 1,12,500(Previous year 1,12,500) Eq. Shares of Cosmos Co-operative Bank Ltd.(Pune) of the face value of Rs20/- each, fully paid-up.	22.50	22.50
iii NIL (Previous year 40) Eq. Shares of Rupee Co-operative Bank Ltd.(Pune) of the face value of Rs.25/- each, fully paid-up.	0.00	0.01
iv 250 (Previous year 6,516) Eq. Shares of The Akola Janata Commercial Co-operative Bank Ltd.(Akola), of the face value of Rs.10/- each, fully paid up.	0.25	6.52
v 2,001 (Previous year 2,001) Eq. shares of The Nandura Urban Co-operative Stores Ltd. (Nandura) of the face value of Rs.100/- each, fully paid up.	2.00	2.00
vi NIL (Previous year 9,965) Eq. shares of The Kapol Co-operative Stores Ltd. (Mumbai) of the face value of Rs.10/- each, fully paid up.	0.00	1.00
vii NIL (Previous year 20,000) Eq. shares of The Deogiri Nagari Sahakari Bank Ltd of the face value of Rs.25/- each, fully paid up.	0.00	5.00
viii NIL (Previous year 20,000) Eq. shares of The Vasai Janta Sahakari Bank Ltd of the face value of Rs.25/- each, fully paid up.	0.00	5.00
Net Total (II)	24.75	42.13
Total (I + II)	<u>341.22</u>	<u>43.66</u>

	Cost 3/31/2017	Market Value 3/31/2017	Cost 3/31/2016	Market Value 3/31/2016
Quoted	316.47	305.53	1.53	17.13
Unquoted	24.75	-	42.13	-
	<u>341.22</u>	<u>305.53</u>	<u>43.66</u>	<u>17.13</u>



Quoted
Unquoted

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

12 - FIXED ASSETS

Rs. In Lakhs

Description	Gross Block			Depreciation / Amortisation			Net Block As at 31st March 2017
	As at 1st April, 2016	Additions / Adjustments during the year	As at 31st March 2017	As at 1 April, 2016	Charge for the year	As at 31st March 2017	
TANGIBLE ASSETS :-							
Land (Free Hold)	431.10		431.10				431.10
Land (Leasehold)	10.81		10.81	2.19	0.11	2.30	8.51
Buildings	3,176.92		3,176.92	551.05	105.74	656.79	2,520.13
Plant & Machinery	6,189.81	51.60	6,241.41	4,147.04	474.56	4,621.60	1,619.81
Electrical Installations	831.58	5.65	837.23	580.42	45.66	626.08	211.15
Moulds	4.79		4.79	4.60	0.02	4.62	0.17
Laboratory Equipments	7.71		7.71	3.07	0.52	3.59	4.12
Furniture & Fixtures	60.83	0.50	61.33	53.19	2.42	55.61	5.72
Office Equipments	66.75	6.08	72.83	61.76	2.90	64.66	8.17
Vehicles	220.40	113.81	334.21	71.75	34.84	106.59	227.62
Data Processing Equipments	84.74		84.74	74.78	5.68	80.46	4.28
TOTAL (A)	11,085.44	177.64	11,263.08	5,549.85	672.45	6,222.30	5,040.78
INTANGIBLE ASSETS :-							
Software	49.41		49.41	38.57	9.88	48.45	0.96
TOTAL (B)	49.41	0.00	49.41	38.57	9.88	48.45	0.96
TOTAL (A + B)	11,134.85	177.64	11,312.49	5,588.42	682.33	6,270.75	5,041.74
Capital Work in Progress	0.00	1.06	1.06		0.00	0.00	1.06



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

12 - FIXED ASSETS

Rs. In Lakhs

Description	Gross Block			Depreciation / Amortisation			Net Block As at 31st March 2016
	As at 1st April, 2015	Additions / Adjustments during the year	Disposal/Transf ers/Adjustment s during the year	As at 31st March 2016	Charge for the year	Disposal/Transf ers/Adjustment s during the year	
TANGIBLE ASSETS :-							
Land (Free Hold)	431.10	-	-	431.10	-	-	431.10
Land (Leasehold)	10.81	-	-	10.81	0.11	-	8.62
Buildings	3,072.05	104.87	-	3,176.92	102.11	-	2,625.87
Plant & Machinery	5,972.89	216.92	-	6,189.81	447.63	-	2,042.77
Electrical Installations	822.76	8.82	-	831.58	52.49	-	251.16
Moulds	4.79	-	-	4.79	0.02	-	0.19
Laboratory Equipments	5.77	1.94	-	7.71	0.42	-	4.64
Furniture & Fixtures	60.83	-	-	60.83	2.60	-	7.64
Office Equipments	64.77	1.98	-	66.75	2.74	-	4.99
Vehicles	220.40	-	-	220.40	22.25	-	148.65
Data Processing Equipments	87.91	0.76	3.93	84.74	5.62	3.93	9.96
TOTAL (A)	10,754.08	335.29	3.93	11,085.44	635.99	3.93	5,535.59
INTANGIBLE ASSETS :-							
Software	49.29	0.12	0.00	49.41	9.88	0.00	10.84
TOTAL (B)	49.29	0.12	0.00	49.41	9.88	0.00	10.84
TOTAL (A + B)	10,803.37	335.41	3.93	11,134.85	645.87	3.93	5,546.43
Capital Work in Progress	99.44	198.51	(297.95)	0.00	0.00	0.00	0.00



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

13 LOANS & ADVANCES :-

	Non-current		Current	
	As at	As at	As at	As at
	31st March 2017	31st March 2016	31st March 2017	31st March 2016
	Rs.in Lakhs	Rs.in Lakhs	Rs.in Lakhs	Rs.in Lakhs
Capital Advances				
Unsecured, considered good	0.00	74.00	0.00	0.00
Security Deposit				
Unsecured, considered good	266.61	266.56	0.00	0.00
Including Rs. 217.50 Lakhs(Previous year Rs. 217.50 Lakhs) Rent Deposit to Directors and Rs. 28 Lakhs (Previous year Rs.28 Lakhs) to a company in which Directors are interested as Directors/ Members.				
Advances recoverable in cash or kind				
Unsecured, considered good				
Others (For Supplies/ Services)	0.00	0.00	8.75	14.71
Prepaid Expenses	0.00	0.00	6.71	4.38
Balances with Statutory / Government Authorities	2.95	20.91	32.99	26.53
Total	269.56	361.47	48.45	45.62

CURRENT ASSETS :-

14 INVENTORIES (Valued at lower of cost and net realizable value)

- i) Stores, spares & packing materials
- ii) Raw Materials
- iii) Finished Goods
- iv) Semi finished Goods

	As at	As at
	31 March 2017	31 March 2016
	Rs. In Lakhs	Rs. In Lakhs
	69.77	107.19
	155.65	192.15
	111.16	126.85
	242.51	243.18
Total	579.09	669.37

15 TRADE RECEIVABLES(Unsecured Considered Good)

Debts Outstanding for period exceeding six months from the date they are due for payment
Less Provision for Doubtful Debts

Other Debts
Total

	As at	As at
	31 March 2017	31 March 2016
	Rs. In Lakhs	Rs. In Lakhs
	20.36	13.20
	10.47	10.47
	9.89	2.73
	0.00	16.20
Total	9.89	18.93

16 CASH & BANK BALANCES

Cash and Cash Equivalents

- a) Cash on hand
- b) Balances with Bank :-
In Current Accounts

Fixed Deposit with Bank includes Rs.570.82 Lakhs (Previous year 440.82 Lakhs) with original maturity of more than 12 months)

TOTAL

	As at	As at
	31 March 2017	31 March 2016
	Rs. In Lakhs	Rs. In Lakhs
	1.15	0.80
	46.44	24.38
	573.53	782.56
TOTAL	621.12	807.74



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

	2016-17 Rs. In Lakhs	2015-16 Rs. In Lakhs
17 REVENUE FROM OPERATIONS :-		
i) Sale of Products	70.93	4,913.83
ii) Processing charges	3,051.03	1,664.74
Other Operating Revenues		
Sale of Scrap and Others	0.01	29.06
Revenue from operation (Gross)	3,121.97	6,607.63
Less : Excise Duty	6.45	640.98
Revenue from operation (Net)	3,115.52	5966.65
 Details of Revenue from Operations		
Colour Laminated film / Others	58.56	243.92
T.S.Film Processing / Sales	335.64	870.71
Dyed Film Processing / Sales	2,721.32	4,852.02
	3,115.52	5966.65
 18 OTHER INCOME		
Interest Income on		
Bank Deposits	52.40	66.02
Dividend Income on		
Long term investment	4.35	3.14
Profit on Sale of fixed Assets	0.00	0.27
Bad Debts Recovered	6.55	0.00
Rent	172.80	164.57
TOTAL	236.10	234.00
 19 COST OF RAW MATERIALS CONSUMED		
Raw Materials Inventory at the beginning of the year	192.15	639.58
<u>Add</u> : Purchases of Raw Materials	15.86	1,675.38
	208.01	2,314.96
<u>Less</u> : Raw Materials Inventory at the end of the year	155.65	192.15
Cost of Raw materials consumed	52.36	2122.81
 Details of Raw Materials Consumed		
Plain / Colour / Lami Poly. Film	31.71	912.98
Metalized Film	0.00	54.11
Chemicals & others	20.65	1,155.72
	52.36	2,122.81
 Details of inventory		
Plain / Colour /Lami Poly.Film	121.08	146.39
Metalized Film	22.45	24.95
Chemicals & others	12.12	20.81
	155.65	192.15



20 (INCREASE) DECREASE IN FINISHED AND SEMI-FINISHED GOODS**Inventories at the end of the year**

Work In Progress

Finished Goods

Inventories at the beginning of the year

Work In Progress

Finished Goods

(Increase) / Decrease

	2016-17 Rs.In Lakhs	2015-16 Rs.In Lakhs
	242.51	243.18
	111.16	126.85
	353.67	370.03
	243.18	605.27
	126.85	165.51
	370.03	770.78
	16.36	400.75

21 EMPLOYEE BENEFITS EXPENSE

Salaries, Wages & Bonus

Contribution to provident funds & other funds

Staff welfare expenses

	244.10	235.37
	19.75	33.48
	25.14	24.19
	288.99	293.04

22 OTHER EXPENSES

Stores, and Spares Consumed

Packing Material Consumed

Power & fuel

Labour Charges

Water Charges

Rent

Rates, taxes & licence fees

Freight and Forwarding

Insurance

Repairs & Maintenance Of :-

Plant & Machinery

Building

Others

Travelling & Conveyance

Motor Car Expenses

Legal & professional charges

Donations

Security Transaction Tax

Miscellaneous expenses

Auditors Remuneration

- Audit Fees

- Taxation Matters & Company Law Matters

Total Other Expenditure

	2016-17 Rs.In Lakhs	2015-16 Rs.In Lakhs
	85.61	101.63
	0.01	2.77
	9.63	276.69
	320.83	488.27
	1.53	7.18
	30.10	29.85
	37.63	30.22
	10.13	9.25
	11.34	13.35
	70.39	108.14
	5.80	13.46
	4.34	11.43
	2.70	4.61
	28.04	29.45
	41.82	75.27
	30.00	30.00
	0.31	0.00
	53.96	33.02
	6.12	6.00
	2.04	2.01
	752.33	1,272.60

23 FINANCE COST

Interest Expenses

Other borrowing cost

	184.11	313.48
	4.63	4.37
	188.74	317.85

24 EARNINGS PER SHARE (EPS)

Profit after Tax

Less: Dividend on Preference Shares including Tax

Amount available for Equity Share holders

Weighted average number of Equity Shares (Basic &

Diluted) including outstanding

Earning per share - Basic & Diluted (Rupees) (absolute)

	2016-17	2015-16
	868.52	781.27
	0.00	1.25
	868.52	780.02
	11,000,000	11,000,000
	7.90	7.09



25 DISCLOSURE AS PER AS-15 (REVISED) ON "EMPLOYEE BENEFITS"

	2016-17	2015-16
A) Funded Retirement Benefit - Gratuity	Rs.In Lakhs	Rs.In Lakhs
Description		
Change in the defined benefit obligations		
Defined benefit obligation at the beginning of the year	43.80	87.57
Service Cost	2.98	2.93
Interest Cost	3.42	4.91
Actuarial loss(gain)	0.29	(3.15)
Benefits Paid	(0.56)	(48.46)
Defined benefit obligation at the end of the year (a)	49.93	43.80
Change in Plan Assets		
Fair Value of plan assets as at the beginning of the year	49.74	104.67
Adjustment to opening Fair Value of Plan Assets	0.00	(17.61)
Expected return on plan assets	4.15	5.42
Contributions by employer	0.52	4.28
Actuarial loss(gain)	(0.07)	1.44
Benefits Paid	(0.56)	(48.46)
Fair Value of plan assets as at the end of the year (b)	53.78	49.74
Present value of funded obligation (a-b)	(3.86)	(5.94)
The net amount recognized in the statement of profit and loss for the year ended 31st March 2017 is as follows		
Current Service Cost	2.98	2.93
Interest Cost	3.42	4.91
Expected return on plan assets	(4.15)	(5.42)
Net Actuarial loss(gain) recognized	(4.59)	(4.59)
Net Amount recognized	(2.34)	(2.17)
The principal actuarial assumption used as at 31st March 2017 are as follows		
Discount Rate	6.84%	7.85%
Expected rate of return on plan assets		
Withdrawal rate	5.00%	5.00%
Rate of Increase in compensation levels	5.00%	5.00%

Other Disclosure

	31st Mar 17	31st Mar 16	31st Mar 15	31st Mar 14
Present value of Defined benefit obligation	49.93	43.80	87.57	57.74
Fair value of plan Assets	53.78	49.74	104.67	5.82
(Deficit) / Surplus of the plan	3.86	(5.94)	17.10	(51.92)
Experience Adjustment on Plan Liabilities loss/(Gain)	0.29	(3.15)	19.00	17.10
Experience Adjustment on Fair Value of Plan Assets	0.07	(1.44)	(0.38)	*

* Not available in the valuation report hence not furnished.



B) Unfunded retirement benefit- Leave Encashment

	2016-17	2015-16
	Rs.In Lakhs	Rs.In Lakhs
Defined benefit obligation at the beginning of the year	82.47	75.67
Service Cost	6.80	6.60
Interest Cost	6.46	5.86
Actuarial loss(gain)	(8.82)	(5.66)
Benefits Paid	-	0.00
Defined benefit obligation at the end of the year (a)	86.91	82.47
Change in Plan Assets		
Contributions by employer	0.00	0.00
Benefits Paid	0.00	0.00
Fair Value of plan assets as at the end of the year (b)	0.00	0.00
Present value of funded obligation (a-b)	86.91	82.47
The net amount recognized in the statement of profit and loss for the year ended 31st March 2017 is as follows		
Current Service Cost	6.80	6.60
Interest Cost	6.46	5.86
Net Actuarial loss(gain) recognized	(8.82)	(5.66)
Net Amount recognized	4.44	6.80
The principal actuarial assumption used as at 31st March 2017 are as follows		
Discount Rate	6.84%	7.85%
Expected rate of return on plan assets		
Withdrawal rate	5.00%	5.00%
Rate of Increase in compensation levels	5.00%	5.00%

26 LEASES :

The company has entered in to finance and operating lease agreements. As required under the accounting standard 19 on 'Leases' , the future minimum lease payments on account of each type of lease are as follows.

Particulars	Future		Present Value		Finance Charges	
	Lease payments		Future Minimum Lease Payments			
As at 31st March	2017	2016	2017	2016	2017	2016
Not later than one year	41.52	41.52	32.61	29.13	8.91	12.39
Later than one year and not later than five years	65.74	107.26	59.86	92.47	5.88	14.79
later than five years	----	----	----	----	----	----

B.Operating Leases

The company has taken various residential /commercial premises and vehicles on operating leases. These operating lease are in the nature of "cancellable lease" therefore disclosure as per Accounting Standard 19 is not required.



27 RELATED PARTY DISCLOSURES

List of Related Parties and relationship:

a) Key Management Personnel & Relatives

Shri S.B.Garware - Director
 Mrs.S.S.Garware - Chairperson & Managing Director
 Mrs.Monika Garware Modi - Director
 Mrs.Sarita Garware Ramsay - Director
 Ms.Sonia S Garware Director
 Mr. A.B. Bhalerao - Director
 Garware Polyester Ltd
 Great View Real Estates Pvt. Ltd.

b) Entities in which some of the Directors are Interested

Transaction with	2016-17 Rs. In Lakhs	2015-16 Rs. In Lakhs
A) Key Management Personnel & Relatives		
i) Managerial Remuneration		
a) Mrs. S. S. Garware	80.64	80.64
b) Mr. A. B. Bhalerao	36.28	36.32
ii) Directors Sitting fees		
a) Mr. S. B. Garware	0.30	0.25
b) Mrs.Monika Garware Modi	0.15	0.20
c) Mrs.Sarita Garware Ramsay	-	0.05
d) Ms. Sonia S. Garware	0.10	0.10
iii) Rent Paid to Directors		
a) Shri S.B.Garware	1.32	1.32
b) Mrs.S.S.Garware	0.72	0.72
c) Mrs.Monika Garware Modi	0.24	0.24
d) Mrs.Sarita Garware Ramsay	0.24	0.24
B) Entities in which some of the Directors are Interested		
i. Sales of Goods		
a) Garware Polyester Limited	46.98	4,976.82
ii. Services provided		
a) Garware Polyester Limited	3,223.82	1,829.31
iii. Purchases of Goods		
a) Garware Polyester Limited	28.88	1,723.13
iv. Services Received		
a) Garware Polyester Limited	0.00	107.78
b) Great View Real Estates Pvt. Ltd.	27.58	27.33
C) Net Amount Outstanding [Dr / (Cr)]		
i) Key Management Personnel & Relatives (Rent Deposits)		
a) Shri S.B.Garware	110.00	110.00
b) Mrs.S.S.Garware	62.50	62.50
c) Mrs.Monika Garware Modi	22.50	22.50
d) Mrs.Sarita Garware Ramsay	22.50	22.50
ii) Entities in which some of the Directors are interested (Rent Deposit)		
Great View Real Estate Pvt. Ltd.	28.00	28.00
iii) Entities in which some of the Directors are interested		
Garware Polyester Limited	(295.87)	(439.46)



28 DISCLOSURE IN ACCORDANCE WITH SECTION 22 OF MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Sr. Particulars	2016-17 Rs. In Lakhs	2015-16 Rs. In Lakhs
a Principal amount due and remaining unpaid	5.63	4.24
b Interest due thereon	NIL	NIL
c Interest paid by the Company in term of Section 16'	NIL	NIL
d Interest due and payable for the period of delay in payment	NIL	NIL
e Interest accrued and remaining unpaid	NIL	NIL
f Interest remaining due and payable even in succeeding years	NIL	NIL

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

29 CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs 0.29 Lakhs (Previous year Rs.109.31 Lakhs) against which an advance of Rs.Nil (Previous year Rs 74 lakhs) has been paid.

30 CONTINGENT LIABILITIES -

Contingent Liabilities not provided for -

Disputed matters in appeal / contested in respect of:
Sales Tax

	2016-17 Rs. In Lakhs	2015-16 Rs. In Lakhs
	42.00	42.00
	42.00	42.00

31 The company is required to spend an amount of Rs.26.73 Lakhs during the year on CSR expenditure (Previous Year Rs. 19.08 Lakhs) as per Section 135 of the companies Act 2013 read with schedule VII there of and company has spent Rs.30 Lakhs during the year (Previous Year Rs.30 Lakhs) by way of contribution to fund of Garware Charitable Trust.

32 VALUE OF IMPORTS ON CIF BASIS

Raw materials

	2016-17 Rs. In Lakhs	2015-16 Rs. In Lakhs
	Nil	255.18

33 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

(i) Commission	0.00	0.93
(ii) Traveling Expenses	0.00	0.00
(iii) Bank Charges	0.00	0.09



34 Details of Imported & Indigenous Raw Materials and Spares parts consumed and percentage of each to the total:

Particulars	2016-17		2015-16	
	Rs.in Lakhs	% of Total	Rs.in Lakhs	% of Total
Raw Materials:				
- Imported	14.03	27%	416.74	20%
- Indigenous	38.33	73%	1,706.07	80%
Total	52.36	100%	2,122.81	100%
Stores & Spares:				
- Imported	0.00	0%	14.24	14%
- Indigenous	85.61	100%	87.39	86%
Total	85.61	100%	101.63	100%

35 EARNING IN FOREIGN EXCHANGE (Accrual Basis)

	2016-17	2015-16
	Rs.in Lakhs	Rs. in Lakhs
Exports (FOB Basis) :	39.78	33.89

36 DISCLOSURE ON SPECIFIED BANK NOTES(SBN's)

During the year, the company had specified bank notes or other denomination note as defined in the G.S.R 308 (E) dated March 31,2017, the details of Specified Bank Notes (SBN) held and transacted during the period from November 8,2016, to December 30,2016 is given below :-

	Rs.		
	SBNs	Other	Total
Closing cash in hand as on 08.11.2016	46,500	5,957	52,457
(+) Permitted receipts	-	20,000	20,000
(-) Permitted payments	-	(18,266)	(18,266)
(-) Amount deposited in Banks	(46,500)	-	(46,500)
Closing cash in hand as on 30.12.2016	-	7,691	7,691

* For the purpose of this clause, the term "Specified Bank Notes" shall have same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O.3407 (E), dated the 8th November, 2016

37 Previous years figures have be regrouped and rearranged wherever necessary, to conform to this year's classification.

