



GARWARE SYNTHETICS LIMITED

CIN: L99999MH1969PLC014371

51ST

ANNUAL REPORT

2019 - 2020



CONTENTS:

Notice	3
Director's Report	13
Management Discussion & Analysis	37
Whole time Directors' Certification	39
Auditor's Report	40
Balance Sheet	49
Profit & Loss Account	50
Cash Flow Statement	51
Schedules to Balance Sheet	54
Schedules to Profit & Loss Account	58
Significant Accounting Policies	62



CORPORATE INFORMATION

BOARD OF DIRECTORS:

Mr. Sunder K. Moolya
Mr. Santosh Borkar
Mr. Kirtikumar B. Doshi
Mrs. Shilpa Sagar Parab
Mr. Sandip Pawar

Whole Time Director
Executive Director
Non- Executive Independent Director
Non- Executive Independent Woman Director
Non- Executive Independent Director

Mr. Dinesh Balu Gurav
(Chief Financial Officer)

Mrs. Vrunda Jaimin Mehta
(Company Secretary and Compliance Officer)

STATUTORY AUDITORS:

Kunal H. Shah and Associates
(Chartered Accountants)
103/B, Royal Amber, Mamletdar Wadi,
Behind Vibhako Building,
Opposite Road No. 1 Malad, West
Mumbai – 400064

SECRETRIAL AUDITORS:

S.G & Associates
(Practicing Company Secretary)
Room No.:1 New Vora House, Above
Kajal Jewellers, Grampanchayat Road,
Goregaon (West)
Mumbai: 400062

**REGISTRARS AND SHARE
TRANSFER AGENTS:**

**Universal Capital Securities Private
Limited**
21, Shakil Niwas, Mahakali Caves Road,
Andheri (E), Mumbai-400 093

REGISTERED OFFICE:

Manish Textiles Industrial Premises,
Opposite Golden Chemical,
Penkar Pada, Mira Road (East)-401104
Dist - Thane, Maharashtra

BANKERS

Bank of Baroda
Indian Overseas Bank
ICICI Bank

NOTICE

Notice is hereby given that the 51st Annual General Meeting of the members of Garware Synthetics Limited will be held on Monday, 28th September, 2020 at 10.00 a.m. through Video- conference (VC) / Other Audio-Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2020 and Statement of Profit and Loss for the year ended on that date, together with the Reports of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. Santosh Borkar (DIN: 03134348), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to provisions of Companies Act, 2013 and Rules thereof (including any statutory modification(s) or re-enactment(s) for the time being in force), SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, and with reference to the resolution passed in the 50th Annual General Meeting dated 26th September, 2019, consent of the Members of the Company be and is hereby accorded for continuation of holding of office as Whole time Director of Mr. Sunder Moolya (DIN: 02926064) after attaining the age of 70 (Seventy) years on February 10, 2019 on same terms and conditions as was stipulated in the Resolution passed in the 50th Annual General Meeting dated 26th September, 2019.

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board), to borrow any sum or sums of money from time to time at its discretion, for the purpose of the business of the Company, from one or more Banks, Financial Institutions, Persons, Firms, Bodies Corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) may, at any time, exceed the aggregate of the paid-up share capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose), provided that the total amount so borrowed shall not exceed Rs. 20,00,00,000 (Rupees Twenty crores only) or limits so prescribed under Section 180(1) (c), as may be amended from time to time, whichever is higher.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to delegate all or any of the powers conferred on it by or under the foregoing Special Resolution to any Committee of Directors of the Company or to any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this resolution.



RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for giving effect to the foregoing resolution.”

Date: 29th August, 2020

Place: Thane

Registered office:

Manish Textiles Industrial Premises
Opposite Golden Chemical, Penkar Pada,
Mira Road, Thane: 401104
CIN: L99999MH1969PLC014371

**By order of board of directors,
Garware Synthetics Limited**

Sd/-

**Sunder Kocha Moolya
(Whole Time Director)
DIN: 02926064**



NOTES: -

1. In view of the situation arising due to COVID-19 global pandemic, the General Meeting of the Companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 through VC / OAVM without the physical presence of the Members at a common venue. In Compliance with the provisions of the Companies Act, 2013 (“the Act”), the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. As per the guidelines issued by MCA vide Circulars mentioned above, and in view of the current extraordinary circumstances due to COVID 19, Notice of AGM along with Annual Report 2019-20 is being sent through electronic mode to those members whose email addresses are registered with the Company/Registrar and Share Transfer Agents (RTA)/ Depositories.
3. Pursuant to the provision of Section 91 of Companies Act 2013, the register of members and share transfer books will remain closed from Wednesday, 23rd September, 2020 to Monday, 28th September, 2020 (both days inclusive).
4. At the 49th AGM held on September 28, 2018 the members approved appointment of M/s. Krunal H. Shah and Associates, Chartered Accountants Firm (Firm Registration No. 133038W) Auditors of the Company to hold office from the conclusion of 49th AGM till the conclusion of the 54th AGM, subject to ratification of their appointment by Members at every AGM. The requirement to place the matter relating to appointment of Auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of auditors at the 51st AGM.
5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
6. The Securities and Exchange Board of India (“SEBI”) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the RTA of the Company/Company.
7. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to through VC / OAVM physical attendance of Members has been dispensed with. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and cast their votes.
8. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
9. Body Corporates whose Authorized Representatives are intending to attend the Meeting through VC/OAVM are requested to send to the Company on their email id garware.synthetic@gmail.com, a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting and through e-voting.



10. In case of joint holders attending the meeting, only such joint holders who are higher in order of the names will be entitled to vote.
11. The Notice and Annual Report for the year 2019-2020 will not be circulated to the Members of the Company, will be made available on the website of Stock Exchange www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
12. All documents referred to in the accompanying Notice and Statement setting out material facts are open for inspection online on all working days during working hours up to the date of the 51st AGM.
13. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Universal Capital Securities Private Limited @ khade@uniseq.in in case the shares are held by them in physical form.
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Universal Capital Securities Private Limited in case the shares are held by them in physical form.
15. As per Regulation 40 of Listing Regulations, as amended, securities of Listed Companies can be transferred only in dematerialized form with effect from, April 01, 2019, except in case of request received or transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's RTA for assistance in this regard.
16. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
17. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and sub clause (1) and (2) of Regulation 44 of Listing Regulations read with MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is pleased to provide members facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the AGM. The business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).

The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.



The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Registrars as on the cut-off date shall be entitled to vote. If a person has ceased to be the member on the cut-off date, he/she shall not be entitled to vote. Such person should treat this notice for information purpose only.

The Company has appointed M/s. SG & Associates, Firm of Practicing Company Secretary, as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

The Scrutinizer shall submit his report to the Chairman or any person authorized by him in writing. The results declared along with the report of the Scrutinizer shall be placed on the website of CDSL i.e. www.evotingindia.com after the declaration of the result by the Chairman or by the person authorized by him in this behalf. The results shall also be uploaded on the BSE Listing Portal.

It is hereby clarified that it is not mandatory for a member to vote using the remote e-voting facility, and a member may avail of the facility at his/her/it discretion, subject to compliance with the instructions prescribed below:

THE PROCEDURE / INSTRUCTIONS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on Friday, 25th September, 2020 and ends on Sunday, 27th September 2020 During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, 21st September, 2020 cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already casted their voted through remote e-voting will not be entitled to vote during meeting through VC/OVCM.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders Module.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<ul style="list-style-type: none"> • Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> • Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant “Garware Synthetics Limited” on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.



PROCESS FOR THOSE SHAREHOLDERS WHO'S EMAIL ADDRESSES IS NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to khade@unisec.in.
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self- attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to khade@unisec.in
3. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number, queries at garware.synthetics@gmail.com The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at garware.synthetic@gmail.com. These queries will be replied to by the Company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.



INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

**By order of board of directors,
Garware Synthetics Limited**

Date: 29th August, 2020

Place: Thane

Registered office:

Manish Textiles Industrial Premises
Opposite Golden Chemical, Penkar Pada,
Mira Road, Thane: 401104
CIN: L99999MH1969PLC014371

**Sd/-
Sunder Kocha Moolya
(Whole Time Director)
DIN: 02926064**

**Explanatory statement pursuant to section 102(1) of the Companies Act, 2013:****Item no. 3:**

Mr. Sunder Moolya was appointed as Whole Time Director of the Company in accordance with provisions of the Companies Act, 2013 for a period of 5 years through Special Resolution by the Shareholders at the Annual General Meeting of the Company held on 28th September, 2020.

According to Section 196 of the Companies Act, 2013 a Whole Time Director shall continue his appointment after attaining age of Seventy years after his appointment his confirmed by Members in Annual General Meeting.

Mr. Sunder Moolya is associated with company with almost about 35 years, his experience and excellence in field of production and marketing has given Company to grow up in the competitive market. His skills and Industrial experience of more than years has helped Company to increase its profits and sales in this competitive world.

Board of Directors in its meeting held on 31st July, 2020 has recommend appointment of Mr. Sunder Moolya in continuation of his appointment as Whole time Directors looking into experience and guidance provided by him to the Company. The Directors suggested that his appointment will be helpful for Company in future years as well.

None of the Directors/Key Managerial Personnel of the Company/ their relatives except Mr. Sunder Moolya are interested in the above resolution.

Item no 4:

The Board of Directors of a Company shall not, except with the Consent of Company by Special Resolution borrow money together with the money already borrowed, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), exceeding the aggregate of the paid up capital and its free reserves as per the provisions of Section 180(1)(c) of the Companies Act, 2013 ("the Act") and its rules thereunder.

However in order to sustain growth of Company's business, substantial funds are required to be raised by it from various Banks / Institutions / Corporates / Entities etc. which may exceed the limited of Companies Act, 2013, which requires approval of members in General meeting. The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the Members to enable the Board of Directors to borrow money upto Rs 20,00,00,000 (Rupees Twenty Crores) and inter alia, authorized the Board to secure its borrowing by mortgage / charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company if any required.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are interested in the above resolution.

**By order of board of directors,
Garware Synthetics Limited**

Date: 29th August, 2020

Place: Thane

Registered office:

Manish Textiles Industrial Premises Opposite Golden
Chemical, Penkar Pada, Mira Road, Thane: 401104

CIN: L99999MH1969PLC014371

Sd/-

**Sunder Kocha Moolya
(Whole Time Director)**

DIN: 02926064

**Details of Director seeking Appointment and Re-appointment at the forthcoming Annual General Meeting:**

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meeting (SS-2), issued by The Institute of Company Secretaries of India)

Particulars	Mr. Santosh Bhalchandra Borkar
Date of Birth	14/10/1968
Date of appointment	05/06/2009
Qualification	Graduate
Directorship held in other public companies	Nil
Membership/chairmanship of other public companies	Nil
Number of share held in the company	200 shares

Particulars	Mr. Sunder Moolya
Date of Birth	10/02/1951
Date of re-appointment	02/05/2001
Qualification	Graduate
Directorship held in other public companies	Nil
Membership/chairmanship of other public companies	Nil
Number of share held in the company	100 shares

**DIRECTOR'S REPORT**

To
The Members,
Garware Synthetics Limited

Your Directors have pleasure in presenting their 51st Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2020.

FINANCIAL RESULTS:

(Amount in Rs.)

PARTICULARS	2019-2020	2018-2019
Revenue from operation	9,11,35,887	10,64,09,176
Other Income	34,068	33,06,394
Profit/ (Loss) for the year before providing Depreciation & Financial Charges	9,11,69,955	10,97,15,570
Less: Depreciation	2,59,723	2,63,053
Financial Charges	8,53,972	19,70,528
Profit/(Loss) Before Exceptional Items and Tax	18,41,450	13,66,386
Exceptional Items and Extraordinary Item	0	1,51,14,517
Profit Before Tax	18,41,450	(1,37,48,131)
Current Tax	7,06,310	--
Short provision of Income tax relating to earlier years	30,590	--
Profit After Tax	11,04,550	(1,37,48,131)

BUSINESS REVIEW:

The Company achieved the Revenue from Operations of Rs. 9,11,35,887/- during the financial year ended on 31st March, 2020 as against Rs. 10,64,09,176/- achieved during the previous year ended on 31st March, 2019.

During the year Company incurred Net Profit of Rs. 11,04,550/- as against Net Loss of Rs. (1,37,48,131)/- during the previous year ended on 31st March, 2019.

STATE OF COMPANY AFFAIRS:

The company is taking various initiatives for expanding its business. The Directors are exploring the business avenues in the field Garflon.

DIVIDEND:

With a view to strengthen the financial position of the Company and for the future growth of the Company, your Directors did not recommend any dividend to its shareholders.

IMPACT OF COVID-19 PANDEMIC:

The spread of COVID-19 pandemic affected activities of businesses across the globe. In many countries, including India, there has been severe disruption to regular business operations due to lock-downs, disruptions in transportation, travel bans, quarantines, social distancing and such other emergency measures. In assessing the recoverability of receivables, inventories, loans and other financial assets, the Company has considered internal and external information up to the date of approval of the financial statements.



Considering the uncertainties involved in estimating the impact of this pandemic, the future impact of this pandemic may be different from those estimated as on the date of approval of these financial statements.

TRANSFER TO RESERVES:

During the year under review, the Company has not transferred any amount to Reserves.

DEPOSITS:

During the year under review, your Company has not accepted deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint Venture or Associate Company as per the provisions of Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The particulars of loans, guarantees and investments made / given by the Company in the year 2019 – 2020 as per section 186 of the Companies Act, 2013 has been disclosed in the note to accounts of Financial Statements.

PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTY TRANSACTION:

The Particular of contracts and arrangements entered into by the Company with related parties as referred section 188 of companies Act, 2013 and Rules made thereunder, are on arms lengths basis and are mentioned in **Annexure-I** to Directors report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has proper and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and all assets and resources are acquired economically, used efficiently and adequately protected.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

Particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo forms part of this report and is **Annexure-II**.

EMPLOYEES RELATIONS:

During the year under review, your Company enjoyed cordial relationship with employees at all levels.



DIRECTORS:

Appointment:

Mr. Sandip Pawar was been appointed as Independent Director with effect from 26th June, 2019.

Mr. Sandip Pawar and Mrs. Shilpa Parab appointment was regularized at 50th Annual General Meeting held on 26th September, 2019.

Cessation:

Mr. Ramesh Chandorkar Independent Director ceased to be Director w.e.f from 26th September, 2019.

Retirement by rotation:

Pursuant to Section 152 and other applicable provision, if any, of the Companies Act, 2013, the article of association of the Company Mr. Santosh Bhalchandra Borkar, Executive Director is liable to retire by rotation at the ensuing AGM.

Being eligible Mr. Santosh Bhalchandra Borkar has offered himself for re-appointment. Appropriate resolution for his re-appointment is being placed for the approval of the shareholders of the Company at the ensuing AGM.

None of the Directors are disqualified from being appointed as specified in Section 164 of the Companies Act, 2013 as amended.

Declaration by an Independent Director(s) and Re- Appointment:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of Companies Act, 2013 read with Rules and Regulation 16(1) (b) of SEBI (Listing Obligation and disclosure requirements) Regulation, 2015 with the Stock Exchanges.

Board Evaluation:

The Nomination and Remuneration Committee of the Company has laid down the criteria for performance evaluation of the Board, its Committees and individual directors including independent Directors covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the LODR, Regulations, 2015 based on the predetermined templates designed as a tool to facilitate evaluation process, the Board has carried out the annual performance evaluation of its own performance, the Individual Directors including Independent Directors and its Committees on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc.

Remuneration Policy:

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

As the Company does not fall under the Class of Companies as prescribed under Section 135 of Companies Act, 2013 and Rules made thereunder, therefore the provisions related to Corporate Social Responsibility is not applicable to the Company.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors met in the below mention dates during the year and the gap between two Board meeting did not exceed one Hundred and twenty days:

30.05.2019	26.06.2019	13.08.2019	22.08.2019	01.10.2019	18.10.2019
14.11.2019	06.01.2020	14.02.2020			

Details of the changes in composition and attendance of Members of the Board during the year 2019-20 are as follows:

Sr. No.	Name of Director	Designation	Category	No. of Meetings	
				Held	Attended
1.	Mr. Sunder Moolya	Chairman	Whole time Director	9	9
2.	Mr. Santosh Borkar	Director	Executive Director	9	9
3.	Mr. Kirtikumar Bhailal Doshi	Independent Director	Non- Executive Independent Director	9	9
4.	Mr. Ramesh G Chandorkar (Resigned w.e.f. 26.06.2019)	Independent Director	Non- Executive Independent Director	2	2
5.	Mrs. Shilpa Parab	Independent Woman Director	Non- Executive Independent Director	9	9
6.	Mr. Sandip Pawar (Appointed w.e.f. 26.06.2019)	Independent Director	Non- Executive Independent Director	7	7

AUDIT COMMITTEE:

The Company has an Independent Audit Committee which has been formed in pursuance of Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and Section 177 of the Companies Act, 2013.

The Primary objective of the committee is to monitor and provide effective supervision of the management's financial reporting process to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting.

Details of the changes in composition and attendance of Members of the Audit Committee during the year 2019-20 are as follows:

Four Audit Committee Meetings were held during the year as below:

30.05.2019	13.08.2019	14.11.2019	14.02.2020
------------	------------	------------	------------

The Following are the members of the Audit Committee:

Sr. No.	Name of Director	Designation	Category	No. of Meetings	
				Held	Attended
1.	Mr. Kirti Kumar Doshi	Chairman (upto 26.06.2019)	Non- Executive Independent Director	4	4
2.	Mr. Sandip Pawar (appointed on 6.06.2019)	Chairman (from 26.06.2019)	Non- Executive Independent Director	3	3
3.	Mr. Ramesh G Chandorkar (upto 26.06.2019)	Member	Non-Executive Independent Director	1	1
4.	Mrs. Shilpa Parab	Member	Non-Executive Independent Woman Director	4	4

There were changes in composition of Audit committee during the year due to Resignation and Appointment of Mr. Ramesh Chandorkar and Mr. Sandip Pawar respectively.

NOMINATION AND REMUNERATION COMMITTEE:

The purpose of this committee of the Board of Directors ('the Board') shall be to discharge the Board's responsibilities related to nomination and remuneration of the Company's Directors and Key managerial personnel.

The Committee has the overall responsibility of approving and evaluating the nomination and remuneration plans, policies and programs for Directors and Key managerial personnel.

Details of the changes in composition and attendance of Members of the Audit Committee during the year 2019-20 are as follows:

Two Nomination and Remuneration Committee Meetings were held during the year as below:

26.06.2019	22.08.2019
------------	------------

The Following are the members of the Nomination and Remuneration Committee:

Sr. No.	Name of Director	Designation	Category	No. of Meetings	
				Held	Attended
1.	Mr. Kirti Kumar Doshi	Chairman (upto 26.06.2019)	Non- Executive Independent Director	2	2
2.	Mr. Sandip Pawar (appointed on 6.06.2019)	Chairman (from 26.06.2019)	Non- Executive Independent Director	1	1
3.	Mr. Ramesh G Chandorkar (upto 26.06.2019)	Member	Non-Executive Independent Director	1	1
4.	Mrs. Shilpa Parab	Member	Non-Executive Independent Woman Director	2	2

There were changes in composition of Nomination and remuneration Committee due to Resignation and Appointment of Mr. Ramesh Chandorkar and Mr. Sandip Pawar respectively.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Committee reviews shareholders complaints and resolution thereof. The Committee expresses satisfaction with the Company's performance in dealing with investor grievances and its share transfer system.

Details of the changes in composition and attendance of Members of the Stakeholder relationship Committee during the year 2019-20 are as follows:

Two Stakeholder relationship Committee Meetings were held during the year as below:

30.05.2019	14.02.2020
------------	------------

The Following are the members of the Stakeholder relationship Committee:

Sr. No.	Name of Director	Designation	Category	No. of Meetings	
				Held	Attended
1.	Mr. Kirti Kumar Doshi	Chairman (upto 26.06.2019)	Non- Executive Independent Director	2	2
2.	Mr. Sandip Pawar (appointed on 6.06.2019)	Chairman (from 26.06.2019)	Non- Executive Independent Director	1	1
3.	Mr. Ramesh G Chandorkar (upto 26.06.2019)	Member	Non-Executive Independent Director	1	1
4.	Mrs. Shilpa Parab	Member	Non-Executive Independent Woman Director	2	2

There were changes in composition of Stakeholder committee due to Resignation and Appointment of Mr. Ramesh Chandorkar and Mr. Sandip Pawar respectively.

INDEPENDENT DIRECTORS:

Independent Directors play an important role in the governance processes of the Board. They bring to bear their expertise and experience on the deliberations of the Board. This enriches the decision making process at the Board with different points of view and experiences and prevents conflict of interest in the decision making process.

None of the Independent Directors serves as "Independent Directors" in more than seven listed companies. No person has been appointed or continuing as an Alternate Director for an Independent Director of the Company.

Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management.

During the year under review, the Independent Directors met on February 14, 2020 inter alia:

- To review the performance of the Non-Independent Directors (Executive Directors);
- To review the performance of the Board of the Company as a whole;



- To review the performance of Chairman of the Company taking into account the views of Executive Directors on the same;
- To assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

They expressed satisfaction at the robustness of the evaluation process, the Board's freedom to express views on the business transacted at the Meetings and the openness with which the Management discussed various subject matters on the agenda of meetings.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

1. in preparation of the annual accounts for the financial year ended March 31, 2020 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
3. they have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the accounts for the financial year on a going concern basis and are very much hopeful that the Company's performance will improve in the forth coming financial years;
5. they have laid down internal financial controls, which are adequate and are operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

SHARE CAPITAL:

The Authorized Share Capital of the Company is Rs. 10,00,00,000 (Rupees Ten Crores Only) divided into Equity share capital of 99,50,000 (Ninety Nine Lakhs Fifty Thousand Only) aggregating to Rs. 9,95,00,000 (Nine Crores Ninety five lakhs only) and 5,000 (Five Thousand) 13.5% Non-Cumulative Redeemable Preference share of Rs. 100 (One Hundred) aggregating to Rs. 5,00,000 (Rupees Five Lakhs Only).

The paid up capital of the Company is Rs. 5,80,89,000 (Rupees Five Crores Eighty Lakhs Eighty Nine Thousand Only) Divided into 58,08,900 (Fifty Eight Lakhs Eight thousand Nine Hundred) Equity Shares of Rs. 10 (Ten) each.

During the year 2019 – 2020 there was no change in Share capital and the Company has not made any issue of equity shares with differential voting Rights, Sweat Equity Shares and Employee Stock Option.

DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KMP AND PARTICULAR OF EMPLOYEES:

Statement of Disclosure of Remuneration under Section 197 of the Companies Act 2013 and Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is as follows:

1. The Ratio of the remuneration of each Director to the median of the employees of the Company for the Financial Year:

Name of the Director	Designation	Ratio of remuneration of each Director / to median remuneration of employees
Mr. Sunder Moolya	Whole time Director	2.82
Mr. Santosh Borkar	Executive Director	2.04

Note: The Independent Directors do not receive any remuneration except sitting fees.

2. During the Financial Year the percentage increase in remuneration of Directors and Key Managerial Personnel is as follows:

Name of the Director	Designation	Percentage Increase/decrease in the remuneration
Mr. Sunder Moolya	Whole time Director	3.32
Mr. Santosh Borkar	Executive Director	1.70
Mr. Dinesh Gurav	Chief Financial Officer	(1.15)
Mrs. Vrunda Mehta	Company Secretary and Compliance officer	NIL

3. The percentage decrease in the median remuneration of the employees in the financial Year was 34.55%
4. As on 31st March, 2020 there were a total of 74 employees on the roll of the Company.
5. It is affirmed that the remuneration is as per the remuneration policy of the company.
6. None of the employee of the Company was in receipt of the remuneration (throughout the financial year or part thereof) as per Rule 5(2) of the Companies (Appointment of Managerial Personnel) 2014.

WHISTLE BLOWER POLICY:

The Company has a vigil mechanism named Fraud and Risk Management Policy to deal with instance of fraud and mismanagement, if any.

The Company has a Fraud Risk and Management Policy to deal with instances of fraud and mismanagement, if any. The FRM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

**CODE FOR PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires preclearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

STATUTORY AUDITORS:

M/s. Krunal H. Shah & Associates, Chartered Accountants, has been appointed as Statutory Auditors of the Company for period of 5 years i.e. from conclusion of the 49th Annual General Meeting until the conclusion of 54th Annual general meeting of the Company.

Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from May 7, 2018 the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. In view of the above, ratification by the Members for continuance of their appointment at this AGM is not being sought. The remuneration payable to the Statutory Auditors shall be determined by the Board of Directors based on the recommendation of the Audit Committee.

STATUTORY AUDIT REPORT:

The Report of the statutory Auditors along with the notes to schedule is enclosed to this report.

The Auditors of the Company have not reported any fraud as specified under second proviso of Section 143 (12) of the Companies Act, 2013.

SECRETARIAL AUDIT REPORT:

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board of Directors of the company has appointed **M/s. S. G. and Associates, Practicing Company Secretaries, Mumbai** to undertake the Secretarial Audit of the Company for the Financial Year 2019-2020. The Secretarial Audit report i.e. Form MR-3 is "**Annexure III**" to this report. The secretarial audit report contained following observations and remarks:

The observations made in the Secretarial Audit Report (MR-3) are as follows:

- 1. We further report that the Company has not appointed Internal Auditor as required under Section 138 of the Companies Act, 2013 and Rules made thereunder.*
- 2. The Public Shareholding of the Company is not held in Dematerialized mode pursuant to notification of SEBI.*

The Board's comment on the observations is as follows:

1. The Company is in process of Appointing Internal Auditor.
2. The Company is regularly sending reminders to the Shareholders for getting their shares in Dematerialized Form.



COST AUDIT:

As per the Rules made by Central Government for the maintenance of cost record under section 148 (1) of the Companies act, 2013, does not apply in respect of company's business.

EXTRACT OF ANNUAL RETURN:

The Extract of Annual Return i.e. Form MGT-9 is forming the part of this Annual Report and is "Annexure IV" to Directors report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

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

RISK MANAGEMENT POLICY:

The Board has adopted risk Management policy for ensuring the orderly and efficient conduct of its business, including adherence to company's policy, safeguarding of its assets, Prevention detection fraud and error etc.

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the financial year 2019-20, the Company has received 0 (zero) complaint on sexual harassment.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available

for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report for the year on the operations of the Company, as required under SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 is provided as "ANNEXURE V" to the Annual Report.

CORPORATE GOVERNANCE REPORT:

Pursuant to Regulation 27 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, a Report on Corporate Governance Report is not applicable to the Company as it does not fall under the criteria of Paid up Share Capital of Rs. 10 Crore and Turnover of Rs. 25 Crores.



LISTING WITH STOCK EXCHANGE:

The Company confirms that it has paid the Annual Listing Fees for the year 2019-20 to BSE where the Company's shares are listed.

ACKNOWLEDGEMENTS:

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

**For and on behalf of the Board
For Garware Synthetics Limited,**

Sd/-

Sd/-

Date: 29th August, 2020

Place: Thane

**Sunder. K. Moolya
Whole Time Director
DIN: 02926064**

**Santosh Borkar
Director
DIN: 03134348**



ANNEXURE – I

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arms length transaction under third provision thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	NA
c)	Duration of the contracts/arrangements/transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Justification for entering into such contracts or arrangements or transactions	NA
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NA
h)	Date on which the special resolution was passed in General meeting as required under first provision to section 188	NA

2. Details of contracts or arrangements or transactions at Arm's length basis:

Particular			Duration of Contract / Arrangement / Transaction	Amount	Date on Passing Board Resolution / Special Resolution
Name of Related party	Nature of Relation	Name of Transaction			
Sunder Moolya	Director	Remuneration	Annual	554580	30/05/2019
Santosh Borkar	Director	Remuneration	Annual	402097	30/05/2019
Garware Finance Corporation Limited	Entity controlled by person having control over reporting entity	Inter Corporate Loan (Payables)	NA	4739915	30/05/2019
Satman Strategies Private Limited	Entity controlled by person having control over reporting entity	Inter Corporate Loan (Payables)	NA	(7200)	30/05/2019

**For and on behalf of the Board
For Garware Synthetics Limited,**

Sd/-

Sd/-

Sunder. K. Moolya
Whole Time
Director
DIN: 02926064

Santosh Borkar
Director
DIN: 03134348

Date: 29th August, 2020
Place: Thane

**ANNEXURE-II TO DIRECTORS' REPORT**

Particulars required under the Companies (Disclosure of particulars in the report of Board of Director(s) Rules), 1988.

Particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo forms are as follows:

CONSERVATION OF ENERGY:**Power & Fuel Consumption**

Sr. No.	Particulars	Current Year 2019-20	Previous Year 2018-19
1	Electricity Units KWH (Lakhs)	7.72	8.78
2	Value in Rs. (Lakhs)	82.58	90.44

Consumption per unit of production

Sr. No.	Particulars	Current Year 2019-20	Previous Year 2018-19
1	Cost per Unit	27.15	25.90
2	Consumption per ton of Production	27146	25905

RESEARCH & DEVELOPMENT:

During the year, the Board of Directors has not conducted any Research & Development activity.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

Efforts are being made towards Technology adaption and innovation. The Company at present does not have any formal technical collaboration.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Sr. No.	Particulars	Current Year 2019-20	Previous Year 2018-19
1	Foreign Exchange Earning	NIL	NIL
2	Foreign Exchange Outgoings	NIL	NIL

For and on behalf of the Board
For Garware Synthetics Limited,
Sd/- Sd/-

Sunder. K. Moolya Santosh Borkar
Whole Time Director Director
DIN: 02926064 DIN: 03134348

Date: 29th August, 2020
Place: Thane



Annexure III

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

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

**Secretarial Audit Report
For the Financial Year ended 31st March, 2020**

**To,
The Members,
Garware Synthetics Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Garware Synthetics 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, 2020 has 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, 2020 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- 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. 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: Not Applicable to Company during the Audit period;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. 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;

We further stated that there were no events /actions in pursuant of the following regulations and guidelines prescribed under the securities and exchange board of India Act, 1992 (SEBI Act):

- (1) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: Not Applicable to Company during the Audit period;
 - (2) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (3) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: Not applicable to Company during the Audit period;
 - (4) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: Not applicable to Company during the Audit period;
 - (5) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: Not applicable to Company during the Audit period;
 - (6) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015;
- v. Other laws applicable to the Company as per the representations made by the Company. We have also examined compliance with the applicable clauses of the following:
- a. The Factories Act, 1948.
 - b. The Payment of Wages Act, 1936.
 - c. The Minimum Wages Act, 1948.
 - d. The Employees' State Insurance Act, 1948.
 - e. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952.
 - f. The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,

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

- a) Secretarial Standards by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above except to the extent as mentioned below:

We further report that the Company has not appointed Internal Auditor as required under Section 138 of the Companies Act, 2013.

The Public Shareholding of the Company are not held in Dematerialized mode pursuant to notification of SEBI.

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 the decisions were carried out unanimously by the members of the Board and Committees and the same were duly recorded in the minutes of the meeting of the Board of Directors and Committees of the Company.

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.

I further report that during the audit period, there were no instances of:

- (i) Public / Rights issue of shares / debentures / sweat equity.
- (ii) Buy-Back of securities.
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction etc
- (v) Foreign technical collaborations

This Report is to be read with our letter of even date which is annexed as **Annexure-A** and Forms an integral part of this Report.

**For S.G. and Associates,
Company Secretaries**

Sd/-

**Suhas Ganpule,
Proprietor,**

Membership No: 12122

C. P No: 5722

UDIN: A012122B000634337

Date: 29th August, 2020

Place: Mumbai



ANNEXURE A

To,
The Members,
Garware Synthetics Limited,
Mumbai.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. We have reported, in our audit report, only those non-compliance, especially in respect of filing of applicable forms/documents, which, in our opinion, are material and having major bearing on financials of the Company.
8. In view of the restrictions imposed by the Government of India on movement of people across India to contain the spread of COVID-19 pandemic, which led to the complete lockdown across the nation, we have relied on electronic data verification of certain records as the physical verification was not possible.

For SG & Associates
Sd/-
(Suhas S. Ganpule)
Practising Company Secretary
Proprietor
Membership No. 12122
CP No. 5722
UDIN: A012122B000634337

Date: 29th August, 2020
Place: Mumbai



ANNEXURE IV

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31/03/2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN:	L99999MH1969PLC014371
Registration Date [DDMMYY]	01/09/1969
Name of the Company	Garware Synthetics Limited
Category of the Company	Company Limited by Shares
Address of the Registered office and contact details:	Manish Textiles Industrial Premises, Opposite Golden Chemical, Penkar Pada, Mira Road, Mumbai - 401104 022-28457763
Whether listed company: YES	Bombay Stock Exchange Limited (BSE Limited)
Name, Address and Contact details of Registrar and Transfer Agent:	Universal Capital Securities Pvt. Ltd 21, Shakil Niwas, Near Satya Sai Baba Temple, Mahakali Caves Road, Andheri (East), Mumbai – 400093, Tel.: 022 - 28207203 – 05 Email: info@uniseq.in

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)

SN	Name and Description of main products / services	NIC code of the product / service	% to total turnover of the company
1	Garflon Nylon Bristles	24304	83.46%
2	Garflon Nylon Bushes & Rods	25201	9.36%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE
NOT APPLICABLE			

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-APRIL-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2659282	--	2659282	45.78	2659282	--	2659282	45.78	0.00
b) Central Govt	--	--				--			--
c) State Govt.(s)	--	--				--			--
d) Bodies Corp.	--	--				--			--
e) Banks / FI	--	--				--			--
f) Any other	--	--				--			--
Total shareholding of Promoter (A)	2659282	--	2659282	45.78	2659282	--	2659282	45.78	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	400	--	400	0.01	400	--	400	0.01	0.00
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total (B)(1):-	400	--	400	0.01	400	--	400	0.01	0.00
2. Non-Institutions									
a) Bodies Corp.	--	--	--	--	--	--	--	--	--
i) Indian	379910	11017	390927	6.73	379545	11017	390562	6.72	(0.01)
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals	--	--	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	919508	1226138	2145646	36.94	845809	1177221	2023030	34.83	(2.11)
ii) Individual shareholders holding nominal share capital in excess of Rs12 lakh	262305	48600	310905	5.35	357514	75915	433429	7.46	2.11

c) Others (specify)									
NBFCs registered with RBI	270	0	270	0.00	0	0	0	0.00	0.00
Clearing members	698	0	698	0.01	300	0	300	0.01	0.00
Trusts	200	0	200	0.00	100	0	100	0.00	0.00
Non-Resident Indian (NRI)	120983	104200	225183	3.88	123749	101600	225349	3.88	0.00
HUF	75389	0	75389	1.30	76448	0	76448	1.32	0.02
Sub-total (B)(2):-	1759263	1389955	3149218	54.21	1783465	1365753	3149218	54.21	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1759663	1389955	3149618	54.22	1783465	1365753	3149218	54.21	(0.01)
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	4418945	1389955	5808900	100	4418945	1389955	5808900	100	--

ii) Shareholding of Promoter :

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (1 st April, 2019)			Shareholding at the end of the year (31 st March, 2020)			% change in shareholding 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	Anita Garware	122700	2.11	--	122700	2.11	--	--
2	Nihal C. Garware	2274682	39.16	--	2274682	39.16	--	--
3	Sushma A. Garware	124500	2.14	--	124500	2.14	--	--
4	Monika Garware Modi	12600	0.22	--	12600	0.22	--	--
5	Shashikant B. Garware	124800	2.15	--	124800	2.15	--	--
TOTAL		2659282	45.78	--	2659282	45.78	--	--

iii) Change in Promoters' Shareholding :

Sr. No.	Shareholders name	Shareholding		Date	Increase / (Decrease) in shareholding	Reason	Cumulative shareholding during the year (01.04.2019 to 31.03.2020)	
		No of shares at beginning (01.04.2019)	% of shares of the Company				No. of shares	% of total shares of the Company
	--	--	--	--	--	--	--	--

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

Sr. No.	Name of the Share Holders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Niche Financial Services Pvt Ltd	226785	3.90	226785	3.90
2.	Vayu Ramesh Garware	90084	1.55	90084	1.55
3.	Diya Garware Ibanez	87600	1.51	87600	1.51
4.	Shashvat Investments Consultancy and Pro. 8	87600	1.51	87600	1.51
5.	Aditya Ashok Garware	87600	1.51	87600	1.51
6.	Ramit Rajinder Bharadwaj	59619	1.03	59619	1.03
7.	Jaideep Chandrakant Garware	48600	0.84	48600	0.84
8.	Bhavin Thakkar (HUF)	40350	0.69	40350	0.69
9.	Manoj Daga	25002	0.43	25002	0.43
10.	CNI Research Limited	20285	0.35	20285	0.35

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	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.	Mr. Sunder K. Moolya				
	At the beginning of the year	100	0.00		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
	At the end of the year	100	0.00		
2.	Mr. Ramesh G. Chandorker (Ceased to be Director w.e.f. 26.06.2019)				
	At the beginning of the year	200	0.00	--	--
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
	At the end of the year	200	0.00		
3.	Mr. Santosh B. Borkar				
	At the beginning of the year	200	0.00		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):	--	--	--	--
	At the end of the year	200	0.00	--	--
4.	Mr. Dinesh Gurav				
	At the beginning of the year	10	0.00		

Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):	--	--	--	--
At the end of the year	10	0.00	--	--
TOTAL	510	0.00		

vi) INDEBTEDNESS:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	--	124266082	--	124266082
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	--	124266082	--	124266082
Change in Indebtedness during the financial year				
* Addition	--	4828715	--	4828715
* Reduction	--	--	--	--
Net Change	--	4828715	--	4828715
Indebtedness at the end of the financial year				
i) Principal Amount	--	129094797	--	129094797
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	--	129094797	--	129094797

i) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Particulars	Total Amount
		Sunder k. Moolya	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,54,580	5,54,580
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (Bonus)	--	--
	(current year 469c) 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...	-- --	-- --
5	Others, please specify	--	--
	Total (A)	5,54,580	5,54,580

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Ramesh Chandorkar (Resigned w.e.f. 26.06.2019)	Kirit Kumar Doshi	Shilpa Parab	Sandip Pawar (Appointed w.e.f. 26.06.2019)
1.	Independent Directors				
	Fee for attending board committee meetings	10,000	20,000	25,000	15,000
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (1)	10,000	20,000	25,000	15,000
2.	Other Non-Executive Directors				
	Fee for attending board committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (2)	0	0	0	0
	Total (B)=(1+2)	10,000	20,000	25,000	15,000
	Total Managerial Remuneration	10,000	20,000	25,000	15,000

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	Key Managerial Personnel	Key Managerial Personnel
		Santosh Borkar (Executive Director)	Dinesh Gurav (CFO)	Vrunda Mehta (Company Secretary)
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,02,097	3,74,229	1,81,576
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--
	© 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...	--	--	--
5.	Others, please specify	--	--	--
	Total	4,02,097	3,74,229	1,81,576



ii) 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)
COMPANY					
Penalty			NIL		
Punishment					
Compounding					
DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

**For and on behalf of the Board
For Garware Synthetics Limited,
Sd/-**

**Sunder K. Moolya
Whole Time Director
DIN: 02926064**

**Santosh Borkar
Director
DIN: 03134348**

**Date: 29th August, 2020
Place: Thane**

ANNEXURE V MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to schedule V of the SEBI (LODR) Regulation, 2015. Management Discussion and Analysis Report form a part of the Annual Report of the Company. It indicates the Company's movement in the external environment Vis-a-Vis its own strengths and resources.

AN ECONOMIC OVERVIEW GLOBAL ECONOMY

COVID-19 has triggered the deepest global recession in decades. While the ultimate outcome is still uncertain, the pandemic will result in contractions across the vast majority of emerging market and developing economies. It will also do lasting damage to labor productivity and potential output. The immediate policy priorities are to alleviate the human costs and attenuate the near-term economic losses. Once the crisis abates, it will be necessary to reaffirm a credible commitment to sustainable policies and undertake the reforms necessary to buttress long-term prospects. Global coordination and cooperation will be critical.

The COVID-19 pandemic has resulted in a collapse of global economic activity. The share of countries experiencing contractions in per capita GDP will reach its highest level since 1870, despite unprecedented policy support. A lack of space is constraining fiscal responses in many EMDEs. The scarring effects of the crisis mean that the recovery will be insufficient to bring output to previously projected levels, underscoring the need to pursue reforms that bolster long-term growth prospects.

INDIAN ECONOMY

The Indian economy grew at 4.2 per cent in 2019-20, lower than the 6.1 per cent figure registered in 2018-19, as the Covid-19 pandemic adversely impacted economic activity in the last month of the fiscal year, especially manufacturing and construction. In the final quarter of the year, that is, January-March, the growth rate of Gross Domestic Product (GDP) fell to 3.1%, reflecting the impact of the first week of the COVID-19 lockdown which began on March 25.

INDUSTRY STRUCTURE AND DEVELOPMENT:

Garware Synthetics Limited manufactures wide range of bristles made from Nylon 6, 66, PBT, Polypropylene, which finds extensive application in various Brush Industries. Recently Company has developed nylon sutures, which was currently imported into our country. These sutures are used mainly for medical purpose. The management is trying its best to improve the working of the Company.

OPPORTUNITIES AND THREATS:

Your company has got good demand for its products due to high quality standards. The company can produce almost 570 MT per year if work at its full capacity. However, the Company is not producing the sufficient quantity of products due to scarcity of the Working Capital. At the same time, many potential markets are untapped due to shortage of raw material. In spite of all odds, the Company is still enjoying the reputation on grounds of quality.

Our raw materials are petro- based products. In the current year oil prices were also high. This has resulted in increasing the raw material prices considerably. As the market could not absorb all the raw material prices, resulted into loss of sale and reduces company profit margin.



Your management is of the opinion that the following determining factors of Opportunities and Threats would play a vital role in case of your company.

FACTOR FOR OPPORTUNITY

1. Additional production capacity to meet the market demand and achieve economies of scale.
2. Use of latest technology to facilitate further reduction in wastages and improvement in quality.
3. The company has brand equity and a reputation in the industry for producing quality products, its continuous service and customer care.
4. The Company is a pioneer in plastic industry.

FACTOR FOR THREATS

1. Your company faces competition from the unorganized sector in the industry.
2. Your company faces adversity due to volatile raw material Prices.
3. Your company suffers from huge amount of power shortage. Due to the power-cutting in company factory established, the Company suffered amount of production loss during the current year and the same trend will continue in the next year also as the area of production is not having adequate power generating capacity.

HUMAN RESOURCES DEVELOPMENT:

The inter-personal relations of the employees have been very cordial throughout the year. The Company has constituted an Internal Complaints Committee (ICC) pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (Sexual Harassment Act).

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has a compact organization Structure which helps it run business operation smoothly. The Company has adequate internal control system, commensurate with the size and nature of its operations. Audit Committee, the details of which has been provided in the Corporate Governance Report has been entrusted with detailed terms of reference to review and look into proper recording of transactions and preparation of financial statement. One of the important functions of the Audit Committee is to review the adequacy of internal control systems and compliance thereof.

CAUTIONARY STATEMENT:

Your Company is facing a financial crunch and because of same your company can not fulfill huge demand from domestic as well as international market. At the same time due to shortage of working capital funds the continuity of the production breaks frequently resulting into heavy wastage. All this may result into diversion of our customers to our competitors.

**By Order of the Board of Directors,
Garware Synthetics Limited,**

Sd/-

**Sunder Kocha Moolya
Whole-Time Director**

DIN: 02926064

Date: 29th August, 2020

Place: Thane



WHOLE TIME DIRECTORS CERTIFICATION

**To,
The Board of the Directors,
Garware Synthetics Limited**

We hereby certify to the Board that;

- A. We have received the Financial Statements and the Cash Flow Statements for the year 2019-2020 and that to the best of our knowledge and belief :
- i. These statements do not contain any materially untrue or misleading statements nor omits any material fact.
 - ii. These statements together present a true and fair view of Companies affairs and are in Compliance with existing Accounting Standards, Applicable Laws and Regulations.
- B. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year 2019-2020 which are fraudulent, illegal or violative of the Company Code of Conduct.
- C. We accept the responsibility for establishing and maintaining the internal controls for the Financial Reporting and that we have evaluated the effectiveness of the internal control system of the Company pertaining to the financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operations of such a internal control, if any, of which we are aware and steps we have taken or proposed to take to rectify these deficiencies.
- D. We have indicated to the Auditors and Audit Committee:
1. Significant changes in the internal control over financial report during the year 2019-2020
 2. Significant changes in the accounting policies during the year 2019-2020 and that the same have been incorporated in the notes to the financial statements and
 3. Instances of significant fraud, if any of which we have become aware, and involvement therein if any, of the Management or an Employee having significant role in Companies internal control system over a financial reporting.

**By Order of the Board of Directors,
Garware Synthetics Limited,
Sd/-
Sunder Kocha Moolya
Whole-Time Director
DIN: 02926064**

**Date: 29th August, 2020
Place: Thane**

**INDEPENDENT AUDITOR'S REPORT**

To
The Members of GARWARE SYNTHETICS LIMITED
Report on the standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **M/s. GARWARE SYNTHETICS LIMITED** ("the Company") which comprises the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 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 March 31, 2020, and Profit, and changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the key audit matter
Evaluation of uncertain positions related to tax and regulatory matters	
The Company has material uncertain positions related to provident fund regulatory matters and direct and indirect tax matters under disputes that involves significant judgement to determine the possible outcome of these disputes, provisions required, if any, and/or write back of provision in respect of such matters.	In view of the significance of the matter we applied following procedures: We have obtained details of tax litigations under various statutes for the year ended 31st March, 2020 from the management. We have reviewed the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes.

Key Audit Matters	How our audit addressed the key audit matter
Evaluation of uncertain positions related to tax and regulatory matters	
Refer Note 2(m) “Provisions & Contingencies” for accounting policies, Note 31 in respect of details of Contingent liabilities in the financial Statements.	We have also reviewed the legal precedence and other rulings provided for review by the management in evaluating its position in various matters. We have also reviewed the assumptions made by the management as at 31st March, 2019 and evaluated whether any change was required on account of information and updates made available during the year. We verified the appropriateness of the accounting policies disclosures related to provisions and contingencies for sub judice matters and details of contingent liabilities in notes 2(m) and 31 respectively in the financial statements.

Emphasis on Matters

We draw attention to the following matters:

The Company has not appointed Internal Auditor as required under Section 138 of the Companies Act, 2013.

Refer to the Note No.31 of the financial statement, there is certain provident fund matter is in progress. As per the interim direction of Employee’s Provident Fund Organization, the Company has remitted Rs.78,56,651 /- towards provident fund contribution. No provision has been considered of the above in the financial statement as the management is of the opinion that the Company succeed in the tax matter.

Our opinion is not modified in respect of these matters.

Responsibility of Management for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company’s financial reporting process

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Other Matter

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at **March 31, 2020**;
- b) In the case of the Statement of Profit and Loss, of the **Profit** for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as 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 Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended.
- e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified on 31st March, 2020 from being appointed as a director in terms of section 164 of Companies Act, 2013.
- 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 A**".



- 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 31 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Krunal H. Shah & Associates
Chartered Accountants
Firm Regn.No: 133038W

(Krunal H. Shah)
Proprietor
M. No.143308

Place: Mumbai
Date: 31/07/2020



ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

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

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 Synthetics Limited** ('the Company') as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

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

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') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the 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 auditors' 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.



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls 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, to the best of our information and according to the explanations given to us, 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 March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For Krunal H. Shah & Associates
Chartered Accountants
Firm Regn. No: 133038W

(Krunal H. Shah)
Proprietor
M. No. : 143308
Place: Mumbai
Date: 31/07/2020

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Garware Synthetics Limited ('the Company')

i. In respect of fixed assets

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed Asset.
- (b) As explained to us, Fixed Assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) As explained to us by the management and placing reliance on the certificate issued by the management, the title deeds of immovable properties are held in the name of the company. However the immovable property includes land & Building. The title of the same is under dispute and the case is pending with the court of law.
- (d) In our opinion and according to the information and explanations given to us, no substantial fixed asset has been disposed off during the year and therefore does not affect the going concern assumption.

ii. In respect of inventories

- (a) As explained to us by the management and as observed by us, the inventory of raw material, finished goods, stores and spares etc. has been physically verified during the year at reasonable intervals. However, no physical verification has been carried out at the year-end due to government imposed lockdown to control Covid-19 pandemic. The inventory values have been taken as per values of recorded in books of accounts just before impose of lockdown. In our opinion, the frequency of physical verification is reasonable having regard to the size and nature of business of the company.
- (b) In our opinion, the procedure for physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of examination of the records of inventory and placing reliance on the certificate issued by the management, we are of the opinion that the company is maintaining proper records of inventory and no material discrepancy was noticed on physical verification of the same.

iii. The company has not granted any loans, secured or unsecured to companies, firms 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 Companies Act, 2013, in respect of loans, investments, guarantees and security.

- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. The Central Government has prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act but such accounts and records have been not so made and maintained as total aggregate turnover of the company from all its production or service is not more than 35 Crore in the preceding financial year.
- vii. **In respect of Statutory Dues**
- (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Goods and service tax, Excise Duty and other material statutory dues, as applicable, except Profession Tax with the appropriate authorities in India.
- (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, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes are as follows:

Sr No.	Financial Year	Bombay Sales Tax (BST)	Central Sales Tax (CST)	Income Tax	Forum where Dispute is pending
1	2001 - 02	34,80,294	7,70,246	-	Deputy Commissioner of Sales Tax
2	2002 - 03	33,16,840	11,15,852	-	Deputy Commissioner of Sales Tax
3	2003 - 04	62,22,840	50,98,890	-	Deputy Commissioner of Sales Tax
4	2004 - 05	19,48,300	9,46,532	-	Deputy Commissioner of Sales Tax
5	2012 - 13	-	-	14,11,930	Commissioner of Income Tax (Appeal)
6	2015-16	-	-	77,25,849	Commissioner of Income Tax (Appeal)

- viii. According to the records of the company examined by us and as per the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- ix. The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given to us, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.



- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv. Based upon the audit procedures performed and the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Krunal H. Shah & Associates
Chartered Accountants
Firm Regn.No: 133038W

(Krunal H. Shah)
Proprietor
M. No. : 143308

Place: Mumbai
Date: 31/07/2020



BALANCE SHEET AS AT MARCH 31, 2020

SR. NO.	PARTICULARS	NOTE NO.	Amount in ₹	
			2019-20	2018-19
	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	3	104,463,162	104,708,560
	(b) Financial Assets			
	(i) investments	4	250	250
	(ii) loans	5	1,550,000	1,550,000
	(c) non current tax assets (net)	6	1,313,495	1,428,169
	(d) Deferred tax assets (net)		2,078,062	2,078,062
	(e) Other non-current assets	7	772,687	762,687
2	Current assets			
	(a) Inventories	8	10,559,481	11,415,338
	(b) Financial Assets			
	(i) trade receivables	9	10,999,685	11,824,904
	(ii) cash & cash equivalents	10	1,625,584	2,521,791
	(c) Other current assets	11	10,000	-
	Total Assets		133,372,406	136,289,761
	EQUITY AND LIABILITIES			
A	Equity			
	(a) Equity Share Capital	12	58,089,000	58,089,000
	(b) Other Equity	13	(85,465,706)	(86,570,256)
B	Liabilities			
1	Non-current liabilities			
	(a) Financial Liabilities			
	(i) borrowings	14	129,094,797	124,266,082
	(b) Provisions	15	3,370,746	4,614,746
	(c) Other non-current liabilities	16	200,003	200,003
2	Current liabilities			
	(a) Financial Liabilities			
	(i) trade payables	17	18,331,641	20,116,905
	(ii) other financial liabilities	18	1,831,324	1,492,107
	(b) Other current liabilities	19	7,920,602	14,081,175
	Total Equity and Liabilities		133,372,406	136,289,761
	Corporate Information	1		
	Significant Accounting Policies	2		

In terms of our report attached

For **Krunal H. Shah & Associates**
Chartered Accountants

FRN No.: 133038W

Sd/-

Krunal H. Shah

Proprietor

Membership No. :143308

Place:Mumbai

For and on behalf of the Board of Directors

Sd/-

Sunder Moolya

Whole Time Director

Sd/-

Vrunda Mehta

Company Secretary

Sd/-

Santosh Borkar

Executive Director

Sd/-

Dinesh Gurav

CFO

Date: 31/07/2020



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2020

SR. NO.	PARTICULARS	NOTE NO.	Amount in ₹	
			2019-20	2018-19
1	Revenue from operations (gross)	20	91,135,887	106,409,176
2	Other income	21	34,068	3,306,394
3	Total Revenue (1+2)		91,169,955	109,715,570
4	Expenses			
	Cost of materials consumed	22	46,127,794	62,465,638
	Purchases of stock-in-trade	23	13,024	-
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	785,791	(2,116,758)
	Employee benefits expense	25	18,912,537	20,325,981
	Finance costs	26	853,972	1,970,528
	Depreciation and amortisation expense		259,723	263,053
	Other expenses	27	22,375,664	25,440,743
	Total Expenses		89,328,506	108,349,184
	Profit before exceptional items and tax (3 - 4)		1,841,450	1,366,386
6	Exceptional items	28	-	15,114,517
7	Profit / (Loss) before tax (5-6)		1,841,450	(13,748,131)
8	Tax expense:			
	Current tax expense for current year		706,310	-
	Short provision of Income tax relating to earlier years		30,590	-
			736,900	-
9	Net Profit / (Loss) for the year (7-8)		1,104,550	(13,748,131)
10	Other comprehensive income		-	-
11	Total comprehensive income for the year (9+10)		1,104,550	(13,748,131)
	Earnings per share (of Rs.10/- each fully paid up):	29		
	Basic		0.19	(2.37)
	Diluted		0.19	(2.37)

In terms of our report attached

For Krunal H. Shah & Associates

Chartered Accountants

FRN No.: 133038W

Sd/-

Krunal H. Shah

Proprietor

Membership No. :143308

Place:Mumbai

For and on behalf of the Board of Directors

Sd/-

Sunder Moolya

Whole Time Director

Sd/-

Vrunda Mehta

Company Secretary

Sd/-

Santosh Borkar

Executive Director

Sd/-

Dinesh Gurav

CFO

Date: 31/07/2020

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Particulars	2019-20	2018-19
	₹	₹
A. Cash flow from operating activities		
Net Profit / (Loss) before tax	1,841,450	(13,748,131)
Adjustments for:		
Depreciation and amortisation	259,723	263,053
Liabilities / provisions written back to the extend no longer required	(10,669)	(3,284,981)
Finance costs	853,972	1,970,528
Prior period expense	-	16,172,337
Interest income	(16,350)	(15,699)
Other non-cash charges (specify)	-	933,606
Operating profit / (loss) before working capital changes	2,928,126	2,290,713
Movements in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	855,857	508,911
Trade receivables	825,219	1,326,861
Other current assets	(10,000)	-
Other non-current assets	(10,000)	-
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(1,774,595)	(12,758,760)
Other current liabilities	(6,160,573)	(8,709,180)
Other Current financial liabilities	(33,484)	344,567
Non Current provisions	(1,244,000)	(933,000)
	(7,551,576)	(20,220,601)
Cash generated from operations	(4,623,450)	(17,929,888)
Net income tax (paid) / refunds	(622,226)	-
Net cash flow from / (used in) operating activities (A)	(5,245,676)	(17,929,888)
B. Cash flow from investing activities		
Proceeds from sale of fixed assets		
Fixed Assets Purchased	(14,326)	(4,200)
Interest received	16,350	15,699
Net cash flow from / (used in) investing activities (B)	2,024	11,499
C. Cash flow from financing activities		
Proceeds from non current borrowings	4,828,715	20,120,373
Finance cost	(481,270)	(1,970,528)
Net cash flow from / (used in) financing activities (C)	4,347,445	18,149,845



Particulars	2019-20	2018-19
	₹	₹
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(896,208)	231,456
Cash and cash equivalents at the beginning of the year	2,521,791	2,290,335
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	-	-
Cash and cash equivalents at the end of the year	1,625,584	2,521,791
* Comprises:		
(a) Cash on hand	421,355	594,744
(b) Balances with banks		
(i) In current accounts	1,204,229	1,927,048
	1,625,584	2,521,791

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.
- (ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.
- (iii) Figures for the P.Y. have been regrouped wherever necessary to conform to the C.Y. classification.

In terms of our report attached

For Krunal H. Shah & Associates

Chartered Accountants

FRN No.: 133038W

Sd/-

Krunal H. Shah

Proprietor

Membership No. :143308

Place:Mumbai

For and on behalf of the Board of Directors

Sd/-

Sunder Moolya

Whole Time Director

Sd/-

Vrunda Mehta

Company Secretary

Sd/-

Santosh Borkar

Executive Director

Sd/-

Dinesh Gurav

CFO

Date: 31/07/2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020
A. Equity Share Capital

(Amount in ₹)

Balance at the beginning of the reporting period i.e. 31st March 2019	Changes in equity share capital during the year 2019-2020	Balance at the end of the reporting period i.e. 31st March 2020
58,089,000	0.00	58,089,000

B. Other Equity

(Amount in ₹)

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	Investment Allowance Reserve	Profit and Loss Account	
Balance at the beginning of the reporting period i.e. 1st April 2019	87,182,309	25,132,000	1,056,100	(199,940,665)	(86,570,256)
Total Comprehensive Income for the Year	-	-	-	1,104,550	1,104,550
Balance at the end of the reporting period i.e. 31st March 2020	87,182,309	25,132,000	1,056,100	(198,836,115)	(85,465,706)

In terms of our report attached

For Krunal H. Shah & Associates
Chartered Accountants
FRN No.: 133038W

Sd/-

Krunal H. Shah
Proprietor
Membership No. :143308
Place:Mumbai
For and on behalf of the Board of Directors

Sd/-

Sunder Moolya
Whole Time Director

Sd/-

Vrunda Mehta
Company Secretary

Sd/-

Santosh Borkar
Executive Director

Sd/-

Dinesh Gurav
CFO
Date: 31/07/2020

Note 3 Property, Plant and Equipment

Sr. No.	Particulars	Gross Block				Depreciation			Net Block	
		As on 01.04.2019	Addition / (Deletion)	As on 31.03.2020	As on 01.04.2019	For the year	As on 31.03.2020	As on 31.03.2020	As on 31.03.2019	
(I)	Tangible Assets									
1	Land	100,995,561		100,995,561	-	-	-	100,995,561	100,995,561	
2	Building	7,123,859		7,123,859	5,279,587	46,502	5,326,089	1,797,770	1,844,272	
3	Plant & Machinery	5,886,091		5,886,091	4,534,679	133,640	4,668,319	1,217,772	1,355,612	
4	Furniture & Fixtures	366,511		366,511	60,693	35,077	95,770	270,741	305,818	
5	Office Equipments	160,861	14,326	175,187	120,815	17,829	138,644	36,543	35,846	
6	Electrical Installations	269,550		269,550	98,099	26,675	124,774	144,776	171,451	
	Total	114,802,432	14,326	114,816,758	10,093,873	259,723	10,353,596	104,463,162	104,708,560	
	Previous Year	114,798,233	4,200	114,802,433	9,830,820	263,053	10,093,873	104,708,560	104,967,413	

Note: a) Depreciation is calculated as per Schedule II of Companies Act, 2013.

b) The Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.



NOTES FORMING PART OF FINANCIAL STATEMENT

PARTICULARS	Amount in ₹	
	2019-20	2018-19
Note No. 4 Non-current investments		
(a) Other investments		
Other non-current investments (Unquoted)	250	250
	<u>250</u>	<u>250</u>
Note No. 5 Non Current loans		
(a) Loans to related parties		
Unsecured, considered good	1,550,000	1,550,000
	<u>1,550,000</u>	<u>1,550,000</u>
Note No. 6 Non Current Tax Assets (Net)		
(a) Advance income tax & TDS receivable (Net of provisions)	1,313,495	1,428,169
	<u>1,313,495</u>	<u>1,428,169</u>
Note No. 7 Other non-current assets		
(a) Security deposits	762,687	762,687
Unsecured, considered good		
(b) Prepaid expenses	10,000	-
	<u>772,687</u>	<u>762,687</u>
Note No. 8 Inventories (At lower of cost and net realisable value)		
(a) Raw materials	4,076,533	4,146,599
(b) Work-in-progress	1,017,425	1,837,658
(c) Finished goods	3,819,093	3,788,150
(d) Stores and spares	1,646,430	1,642,930
	<u>10,559,481</u>	<u>11,415,338</u>
Note No. 9 Trade receivables		
(a) Other Trade receivables		
Unsecured, considered good	10,999,685	11,824,904
	<u>10,999,685</u>	<u>11,824,904</u>
Note No. 10 Cash and cash equivalents		
(a) Cash on hand	421,355	594,744
(b) Balances with banks		
In current accounts	1,204,229	1,927,048
	<u>1,625,584</u>	<u>2,521,791</u>



NOTES FORMING PART OF FINANCIAL STATEMENT

Amount in ₹

PARTICULARS	2019-20	2018-19
Note No. 11 Other current assets		
(a) Prepaid expenses	10,000	-
	10,000	-

Note No. 12 Equity Share capital

	2019-20		2018-19	
	Number of Shares	₹	Number of Shares	₹
(a) Authorised				
Equity shares of ₹ 10/- each with voting rights	9950000	99,500,000	9950000	99,500,000
13.5% Non Cumulative Redeemable preference shares of ₹ 100/-each	5000	500,000	5000	500,000
	9955000	100,000,000	9955000	100,000,000

(b) Issued, Subscribed and fully paid up

Equity shares of ₹ 10/- each with voting rights	5808900	58,089,000	5808900	58,089,000
	5808900	58,089,000	5808900	58,089,000

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

	2019-20		2018-19	
	Number of Shares	₹	Number of Shares	₹
<u>Equity Shares</u>				
Opening Balance	5808900	58,089,000	5808900	58,089,000
Changes made during the year				
Fresh Issue	-	-	-	-
Bonus	-	-	-	-
ESOP	-	-	-	-
Conversion	-	-	-	-
Buy Back	-	-	-	-
Other Changes	-	-	-	-
Closing Balance	5808900	58,089,000	5808900	58,089,000

Note: The company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. In The event of liquidation, the equity shareholders are eligible to receive the remaining assets if the company, after distribution of all preferential amount, in proportion of their shareholding.

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	2019-20		2018-19	
	No of shares held	% of holding	No of shares held	% of holding
Equity shares with voting rights				
Nihal C. Garware	2274682	39.16%	2274682	39.16%
	2274682	39.16%	2274682	39.16%

NOTES FORMING PART OF FINANCIAL STATEMENT

PARTICULARS	Amount in ₹	
	2019-20	2018-19
Note No. 13 Other Equity		
(a) Capital reserve	87,182,309	87,182,309
(b) Securities premium account	25,132,000	25,132,000
(c) Investment allowance reserve	1,056,100	1,056,100
(d) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(199,940,665)	(186,192,534)
Add: Profit/(Loss) during the year	1,104,550	(13,748,131)
Closing balance	(198,836,115)	(199,940,665)
	(85,465,706)	(86,570,256)
Note No. 14 Non Current Borrowings		
(a) Loans and advances from related parties		
Unsecured	51,756,869	46,928,154
(b) Other loans and advances		
Unsecured	77,337,928	77,337,928
	129,094,797	124,266,082
Note No. 15 Non Current Provisions		
(a) Provision for employee benefits:		
Provision for gratuity (net)	3,370,746	4,614,746
	3,370,746	4,614,746
Note No. 16 Non Current other Liabilities		
(a) Deposits		
Unsecured	200,003	200,003
	200,003	200,003
Note No. 17 Trade payables		
(a) Trade payables:		
Other than Acceptances	18,331,641	20,116,905
	18,331,641	20,116,905
Note No. 18 Other current financial liabilities		
(a) Interest accrued and due on borrowings	39,895	-
(b) Interest accrued on trade payables	332,807	-
(c) Employee benefits Payable	1,330,090	1,349,933
(d) Other Payables	128,532	142,174
	1,831,324	1,492,107



NOTES FORMING PART OF FINANCIAL STATEMENT

PARTICULARS	Amount in ₹	
	2019-20	2018-19
Note No. 19 Other current liabilities		
(a) Statutory remittances (GST, PF, ESIC, PT, TDS, Sales Taxes etc)	6,761,947	13,920,905
(b) Advances from customers	1,158,655	160,270
	7,920,602	14,081,175
Note No. 20 Revenue from operations		
(a) Sale of products		
Finished Goods	89,122,955	106,409,176
Traded Goods	12,932	-
(b) Sale of services	2,000,000	-
	91,135,887	106,409,176
Note No. 21 Other income		
(a) Interest income	16,350	15,699
(b) Miscellaneous Income	7,049	5,714
(c) Liabilities no longer required written back	10,669	3,284,981
	34,068	3,306,394
Note No. 22 Cost of materials consumed		
(a) Opening stock	4,146,599	6,772,268
(b) Add: Purchases	46,057,728	59,839,969
(c) Less: Closing stock	4,076,533	4,146,599
	46,127,794	62,465,638
Note No. 23 Purchase of traded goods		
	13,024	-
	13,024	-
Note No. 24 Changes in inventories of finished goods, work-in-progress and stock-in-trade		
(a) Inventories at the end of the year:		
Finished goods	3,819,093	3,788,150
Work-in-progress	1,017,425	1,837,658
Stores & Spares	1,646,430	1,642,930
	6,482,948	7,268,739
(b) Inventories at the beginning of the year:		
Finished goods	3,788,150	2,460,275
Work-in-progress	1,837,658	1,048,776
Stores & Spares	1,642,930	1,642,930
	7,268,739	5,151,981
Net (increase)/decrease	785,791	(2,116,758)



NOTES FORMING PART OF FINANCIAL STATEMENT

PARTICULARS	Amount in ₹	
	2019-20	2018-19
Note No. 25 Employee benefits expense		
(a) Salaries and wages	16,771,476	17,064,821
(b) Contributions to provident and other funds	1,617,582	2,432,310
(c) Staff welfare expenses	523,479	828,850
	18,912,537	20,325,981
Note No. 26 Finance costs		
(a) Interest expense on:		
Borrowings	489,996	181,070
Trade payables	308,154	1,780,896
Others	55,822	8,562
	853,972	1,970,528
Note No. 27 Other expenses		
Consumption of stores and spare parts	634,388	352,370
Job Work Charges	2,754,050	3,057,600
Power and fuel	8,258,194	9,043,739
Water	71,353	44,080
Rent including lease rentals	4,131,600	3,861,300
Repairs and maintenance - Machinery	313,608	594,168
Repairs and maintenance - Others	10,100	96,550
Rates and taxes	41,540	443,206
Travelling and conveyance	618,719	635,502
Printing and stationery	303,852	260,990
Freight and forwarding	1,267,053	1,575,740
Sales commission	1,124,711	1,334,392
Business promotion	182,877	206,716
Donations and contributions	2,100	3,600
Legal and professional	914,137	781,787
Payments to auditors		
Audit Fees	90,000	90,000
Taxation Matter	15,000	15,000
Miscellaneous expenses	1,642,383	3,044,002
	22,375,664	25,440,743

NOTES FORMING PART OF FINANCIAL STATEMENT

Amount in ₹

Note 27.1 - Operating Lease

The company had paid compensation for use of premises. These payments are recognized in the profit & loss account on the basis of periodic debit notes raised by the lessors. The specified disclosure in respect of this agreement is given below

	<u>2019-20</u>	<u>2018-19</u>
Lease payments recognized in profit and loss account	4,131,600	3,861,300
Total of future minimum lease payments in the following period (excluding tax):		
- not later than one year	4,400,000	4,131,700
- later than one year and not later than five years	2,309,400	6,709,400

Note No. 28 Exceptional Items

(a) Exceptional items

Prior Period Adjustment (PF Payment)

	<u>2019-20</u>	<u>2018-19</u>
	-	15,114,517
	-	15,114,517

Note 29 - Earning Per Share
Basic & Diluted

	<u>2019-20</u>	<u>2018-19</u>
Profit after tax available for equity share holders	1,104,550	(13,748,131)
Weighted average number of equity shares outstanding during the year	5808900	5808900
Basic & Diluted earning per share	0.19	(2.37)
Nominal Value of the share	10.00	10.00

Note 30 - Related Party Disclosure (As identified by the Management & With whom transactions are carried out.)
1) Names of related parties & their relationship with the Reporting Entity

(a) Key management personnel.	(a) Sunder Moolya (Whole Time Director)
	(b) Santosh Borkar (Executive Director)
	(c) Dinesh Gurav (Chief Financial Officer)
	(d) Vrunda J. Mehta (Company Secretary)
	(e) Shilpa S. Parab (Non-executive Director
	(f) Sandip K. Pawar (Non-executive Director)
	(g) Kirtikumar B. Doshi (Non-executive Director)
(b) Enterprises owned or significantly influenced by key management personnel or their relatives.	(a) Tyson Marketing Private Limited
	(b) Garflon Marketing (India) Private Limited
(c) Entities controlled by person having control over reporting entity.	(a) Garware Finance Corporation Limited
	(b) CBG Trading Private Limited
	(c) Garware Construction Limited
	(d) Satman Strategies Private Limited
(d) Post Employment Benefit Plan.	(a) Garware Synthetics Bristles Employees Provident Fund

NOTES FORMING PART OF FINANCIAL STATEMENT
(2) Transactions carried out with the related parties mentioned above in ordinary course of business
 (Amount in Lakhs)

No.	Particulars	Key Management Personnel		Enterprises owned or significantly influenced by key management personnel		Entities controlled by person having control over reporting entity		Post Employment Benefit Plan		Total	
		19-20	18-19	19-20	18-19	19-20	18-19	19-20	18-19	19-20	18-19
A	Transaction										
1	Remuneration to KMP	15.12	9.19	-	-	-	-	-	-	15.12	9.19
2	Employee Benefit Expense	-	-	-	-	-	-	47.50	246.15	47.50	246.15
3	Director Sitting Fees	0.60	-	-	-	-	-	-	-	0.60	-
4	Loan Received	-	-	0.97	-	47.50	250.66	-	-	48.47	250.66
5	Loan Repaid	-	-	-	-	-	11.15	-	-	-	11.15
6	Interest Expenses	5.43	-	-	-	-	-	-	-	5.43	-
B	Outstanding Balances										
1	Receivables	-	-	-	-	15.50	15.50	-	-	15.50	15.50
2	Payables	-	-	24.78	23.82	492.79	445.46	-	-	517.57	469.28

Note: i) No amounts pertaining to related parties have been provided for as doubtful debts. Further, no amounts have either been written off or written back during the year.
 ii) Above transactions does not includes Re-imbusement of expenses

Note 31 - Contingent Liabilities

The Company's pending litigations comprise of claims against the Company primarily by the proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at March 31, 2020.

(Amount in ₹)

Particulars	2019-20 ₹	2018-19 ₹
Contingent liabilities and commitments (to the extent not provided for)		
Income Tax Related	9,137,779	11,473,319
Sales Tax Related	22,899,794	22,899,794
Provident Fund related	7,856,651	-

Note 32 - Disclosure under MSMED Act, 2006

The disclosure required under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) has not been given since classification with respect to MSME and others is not available and hence not given herein above.

NOTES FORMING PART OF FINANCIAL STATEMENT**1) CORPORATE INFORMATION**

Garware Synthetics Limited is a company limited by shares, incorporated and domiciled in India. The Company is primarily engaged in business of manufacturing wide range of bristles made from Nylon.

**2) STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES
(Annexed to and forming part of financial statements for the year ended 31st March, 2020)****(a) Statement of Compliance**

The financial statements of the Company have been prepared in accordance with the Indian Accounting standards ('Ind AS'), prescribed under section 133 including the rules notified under the relevant provisions of the Companies Act, 2013.

(b) Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis. Historical Cost is generally based on the fair value of the consideration given in exchange for goods and services. All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle.

(c) Use of Estimates

The preparation of the financial statements is in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

(d) Inventories

Inventories are valued as under: - Raw Materials, Packing Materials, Stores & Spares are valued at cost on FIFO basis after making provision for obsolescence & un-serviceability. Finished Goods and Work in Progress is recognised at lower of cost or net realizable value. Cost comprises Material cost, cost of conversion, other expenses incurred to bring the inventories to their current condition and location.

(e) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

NOTES FORMING PART OF FINANCIAL STATEMENT

All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to IndAS:

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

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

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(f) Revenue Recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

(g) Investments

Non-Current investments are stated at cost less provision for diminution in value, other than temporary. Current investments are stated at the lower of cost and fair value.

(h) Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

The Company pays gratuity to the employees, which are accounted on the basis of liability accrued.

(i) Borrowing Costs

The company has not incurred any borrowing cost during the year.

NOTES FORMING PART OF FINANCIAL STATEMENT**(j) Earnings per Share**

Basic earnings per share are computed by dividing the profit after tax by the number of equity shares outstanding during the year. Since there are no dilutive potential equity shares, diluted earnings per share is computed in the manner same as used for basic earnings per share.

(k) Taxes on Income

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognized in other comprehensive income or equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

(l) Impairment of Assets

The carrying amounts of assets / cash generating units are reviewed at each Balance Sheet date to assess whether there is any indication of impairment based on internal / external factors. After review of this year, no impairment is recognized, as there was no necessity.

(m) Provisions and Contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

(n) Cash and Cash Equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and bank balances in current account.

(o) Segment Reporting**Geographical Segment**

Company's entire business is conducted within India but there are no separate reportable geographical segments.

NOTES FORMING PART OF FINANCIAL STATEMENT**(p) Related Party Disclosure**

The Company has entered into transaction with related parties during the current year; however the terms are not prejudicial to the interest of the company.

(q) Lease

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of Ownership to the lessee. All other leases are classified as operating leases.

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

(r) Exemptions and exceptions availed

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

(s) Deemed cost:

Ind AS 101 permits a first - time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de - commissioning liabilities.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

(t) Leases

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

The Company has elected to apply this exemption for such contracts/arrangements.

(u) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. IndAS estimates as at 1 April 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP.

NOTES FORMING PART OF FINANCIAL STATEMENT**(v) Other Notes**

- i. Previous year figures are regrouped wherever necessary to make them comparable with the figures of the current year.
- ii. Balances of loans/advances/ sundry creditors, debtors and fixed assets are subject to reconciliations, confirmation and adjustment, if any.
- iii. In the opinion of Board of Directors the Current Assets, Loans and advances are stated at net realizable value in the ordinary course of business.
- iv. In case of few creditors, actual liability does not arise during the year since it has been paid off in the past years and therefore company has written back the same during the year.
- v. Certain legal cases are pending with the court of law, the quantum of the same is not ascertainable. However, the management is of the opinion that, decision of the court will be in favor of the company.
- vi. In the absence of adequate information regarding the SSI Creditors, the Company is unable to give full particulars as required by Notification No. GSR - 376 (E) dated 22nd May 2002 issued by the Department of Company Affairs, Ministry of Law and Justice and Company Affairs.
- vii. As there is no Managing Director in the company, hence terms of Section 197 and 198 of the Companies Act, 2013 are not applicable to the Company.
- viii. Unless otherwise stated, in the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value if realized in the ordinary course of business. The provisions for all known liabilities made are adequate and are neither short nor in excess of the amount reasonably necessary.
- ix. Figures in Brackets in the Notes forming part of the accounts relate to the previous year.

For Krunal H. Shah & Associates
Chartered Accountants
Firm Regn. No: 133038W

Sd/-
(Krunal H. Shah)
Proprietor
M. No. : 143308
Place: Mumbai
Date: 31/07/2020

For and on behalf of the Board
For Garware Synthetics Limited,

Sd/-	Sd/-
Sunder. K. Moolya	Santosh Borkar
Whole Time Director	Director
DIN: 02926064	DIN: 03134348

Sd/-	Sd/-
Vrunda Mehta	Dinesh Gurav
Company Secretary	CFO