



GARWARE SYNTHETICS LIMITED

CIN: L99999MH1969PLC014371

53RD

ANNUAL REPORT

2021- 2022

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CORPORATE INFORMATION

53rd ANNUAL GENERAL MEETING

Day & Date: Wednesday, 28th September, 2022 Time: 9.30 A.M.
Venue: Video Conferencing or Other Audio-Visual Means (“VC/ OAVM”)

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. Swati Shah
(Company Secretary and Compliance Officer)

STATUTORY AUDITORS:

Jayesh Dadia & Associates LLP
(Chartered Accountants)
422, Arun Chambers,
Tardeo Mumbai -400034

SECRETRIAL AUDITORS:

S.G & Associates
(Practicing Company Secretary)
203, Second Floor, Mehek Plaza,
Maharashtra Nagar, Borivali West,
Mumbai- 400092

**REGISTRARS AND SHARE
TRANSFER AGENTS:**

**Universal Capital Securities Private
Limited**
C-101, 247 Park, 1st Floor, LBS Road,
Gandhi Nagar, Vikhroli (West),
Mumbai – 400 083

REGISTERED OFFICE:

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

BANKERS

Bank of Baroda
HDFC Bank Ltd.
ICICI Bank Ltd.

NOTICE

Notice is hereby given that the 53rd Annual General Meeting of the members of Garware Synthetics Limited will be held on Wednesday, 28th September, 2022 at 9.30 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, 2022 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.
3. To re-appoint M/s. **Jayesh Dadia & Associates LLP**, Chartered Accountants, (ICAI Firm Registration No. 121142W), as the Statutory Auditors of the Company for a second term of five (5) years.

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

“RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors, approval of the Members of the Company, be and is hereby accorded for the re-appointment of M/s. **Jayesh Dadia & Associates LLP**, Chartered Accountants, (ICAI Firm Registration No. 121142W), as the Statutory Auditors of the Company for their second term of five (5) years, to hold office from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting of the Company to be held for the F.Y. 2026-27 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof which may be empowered by the Board of Directors in this regard), be and is hereby authorized to do all such acts, deeds and things including fixing the remuneration in consultation with the above Statutory Auditor, which may be deemed necessary and expedient to give effect to this resolution.”

Special Business:

4. To approve the appointment of Mr. Deepak Pandurang Kamble (DIN No. 09718203) as an Executive Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections, 152 read with rule 8,9, and 14 of companies act, Appointment and qualification of directors) Rule 2014 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and provisions of article of associations of the company consent of the shareholder of the company be and is hereby accorded Mr. Deepak Pandurang Kamble (DIN: 09718203), be and is hereby appointed as Director of the Company w.e.f date of AGM and who is liable to retire by rotation.



RESOLVED FURTHER THAT Directors/Company Secretary of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

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

Date: 27th August, 2022

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

NOTES:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings 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 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021, 21/2021 dated 14th December, 2021 and 02/2022 dated 05th May, 2022. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020, February, 2021 and 13th May, 2022 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after 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 atleast 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.
4. 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.
5. 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. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.garwaresyn.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at 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.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, 21/2021 dated 14th December, 2021 and 02/2022 dated 05th May, 2022.

8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021. As per circular No. 21/2021 dated 14th December, 2021 and General Circular No. 02/2022 dated 05th May, 2022 Companies are further allowed to conduct AGM/ EGM through VC/OAVM till 31st December, 2022.

THE INTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on 25th September, 2022 at 09.00 AM and ends on 27th September, 2022 at 05.00 PM. 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 21st September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the Meeting date would not be entitled to vote at the meeting venue.
- (iii) The Board of Directors has appointed SG and Associates, Practicing Company Secretaries, as the Scrutiniser for scrutinising the e-Voting and venue voting process in a fair and transparent manner.
- (iv) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing E-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the Shareholders.

In order to increase the efficiency of the voting process, pursuant to a Public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/ Depository Participants. Demat Account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (v) In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in Demat mode with CDSL | <p>1) Users who have opted for CDSL Easi/ Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/Easi Registration.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLoginThe system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| Individual Shareholders holding securities in demat mode with NSDL | <p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p> |

| | |
|---|--|
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
|---|--|

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

| Login type | Helpdesk details |
|---|---|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

(vi) **Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

| For Physical shareholders and other than individual shareholders holding shares in Demat. | |
|--|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • 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) | 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. <ul style="list-style-type: none"> • 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. |

(vii) After entering these details appropriately, click on “SUBMIT” tab.

- (viii) 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.
- (ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Garware Synthetics Limited on which you choose to vote.
- (xi) 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.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) 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.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - 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.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; garware.synthetic@gmail.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
 - Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend Meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/ iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. 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 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at garware.synthetic@gmail.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 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.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. 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.
10. 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.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

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 Company/RTA email id.
2. For Demat shareholders- Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

1. The Statutory Registers and documents in accordance with the Companies Act, 2013 will be available for inspection in electronic mode.
2. The result of the voting shall be displayed on the Notice Board of the Company at its Registered Office and Corporate Office. The result along with the Scrutiniser's Report shall also be placed on the website of the Company www.garwaresyn.com and of CDSL.
3. Members may also write to the Company Secretary in case of grievances connected with voting by electronic means at the mail id: garware.synthetic@gmail.com.

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

Date: 27th August, 2022

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 OF THE COMPANIES ACT, 2013:

Item No.3:

M/s. Krunal H. Shah and Associates, Chartered Accountants (ICAI Membership No. 143308) have tendered their resignation from the position of Statutory Auditor of Garware Synthetics Limited for the financial year 2021-22, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013 ("Act"). Casual vacancy caused by the resignation of auditor can be filled by the shareholders in General Meeting within three months from the date of recommendation of the Board of Directors of the Company. The Board of Directors of the Company recommended that M/s. Jayesh Dadia & Associates LLP, Chartered Accountants (ICAI Registration no. 121142W) be appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Krunal H. Shah, Chartered Accountants. M/s. Jayesh Dadia & Associates LLP, Chartered Accountants (ICAI Registration no. 121142W) have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013. Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members. None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution

Item No.4:

Appointment of Mr. Deepak Pandurang Kamble as a Executive Director with the recommendation of Nomination and Remuneration Committee and with further approval of members at Annual General Meeting Mr. Deepak Pandurang Kamble will be appointed as executive director of the company, liable to retire by rotation.

In view of the provisions of Sections 152 and any other applicable provisions of the Companies Act, 2013, the Board recommends the Ordinary Resolution set out at Item No. 4 of the accompanying Notice for the approval of the Members.

None of the Director other than Mr. Deepak Pandurang Kamble and his relatives is deemed to be concerned or interested in the said resolution.

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 | Mr. Deepak Pandurang Kamble |
|---|--------------------------------|-----------------------------|
| Date of Birth | 14/10/1968 | 15/09/1969 |
| Date of appointment | 05/06/2009 | NA * |
| Qualification | Graduate | Graduate |
| Directorship held in other public companies | Nil | Nil |
| Membership/chairmanship of other public companies | Nil | Nil |
| Number of shares held in the company | 200 shares | 5 Shares |

* will be appointed as executive director in AGM dated 28.09.2022

DIRECTOR'S REPORT

To
The Members,
Garware Synthetics Limited

Your directors have pleasure in presenting their 53rd Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2022.

FINANCIAL RESULTS:

(Amount in Rs.)

| PARTICULARS | 2021-2022 | 2020-2021 |
|---|--------------------|--------------------|
| Revenue from operation | 12,70,12,821 | 8,26,59,551 |
| Other Income | 33,40,972 | 10,951 |
| Profit/(Loss) for the year before providing Depreciation & Financial Charges | 1,30,06,004 | 1,06,15,153 |
| Less: Depreciation | 26,38,682 | 2,14,462 |
| Financial Charges | 59,13,581 | 43,13,212 |
| Profit/(Loss) Before Exceptional Items and Tax | 44,53,741 | 60,87,479 |
| Exceptional Items and Extraordinary Item | 11,14,592 | - |
| Profit Before Tax | 55,68,333 | 60,87,479 |
| Current Tax | 10,00,000 | 2,56,560 |
| Short provision of Income tax relating to earlier years | 62,171 | - |
| Deferred tax | 22,03,699 | - |
| Profit After Tax | 23,02,463 | 58,30,919 |

BUSINESS REVIEW:

The Company achieved the Revenue from Operations of Rs. 12,70,12,821 /- during the financial year ended on 31st March, 2022 as against Rs. 8,26,59,551/- achieved during the previous year ended on 31st March, 2021.

During the year Company incurred Net Profit of Rs. 23,02,463/- as against Net Profit of Rs. 58,30,919/- during the previous year ended on 31st March, 2021.

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.

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 2021 – 2022 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:**

None of the Director has been appointed during the year 2021-2022.

Cessation:

None of the Directors has been ceased from their office during the year 2021 – 2022.

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 meetings is not more than 120 Days, but the same has been extended by MCA to conduct the Board meeting not exceeding gap more than 180 days between two Board meetings.

| | | | | | | |
|------------|------------|------------|------------|------------|------------|------------|
| 30.06.2021 | 09.08.2021 | 01.09.2021 | 28.09.2021 | 02.11.2021 | 01.12.2021 | 02.02.2022 |
| 04.02.2022 | | | | | | |

Details of the changes in composition and attendance of Members of the Board during the year 2021-2022 are as follows:

| Sr. No. | Name of Director | Designation | Category | No. of Meetings | |
|---------|------------------------------|----------------------------|-------------------------------------|-----------------|----------|
| | | | | Held | Attended |
| 1. | Mr. Sunder Moolya | Chairman | Whole time Director | 8 | 8 |
| 2. | Mr. Santosh Borkar | Director | Executive Director | 8 | 8 |
| 3. | Mr. Kirtikumar Bhailal Doshi | Independent Director | Non- Executive Independent Director | 8 | 8 |
| 4. | Mrs. Shilpa Parab | Independent Woman Director | Non- Executive Independent Director | 8 | 8 |
| 5. | Mr. Sandip Pawar | Independent Director | Non- Executive Independent Director | 8 | 8 |

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 composition and attendance of Members of the Audit Committee during the year 2021-2022 are as follows

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

| | | | |
|------------|------------|------------|------------|
| 30.06.2021 | 09.08.2021 | 02.11.2021 | 04.02.2022 |
|------------|------------|------------|------------|

The Following are the members of the Audit Committee:

| Sr. No. | Name of Director | Designation | Category | No. of Meetings | |
|---------|--------------------|-------------|--|-----------------|----------|
| | | | | Held | Attended |
| 1. | Mr. Sandip Pawar | Chairman | Non- Executive Independent Director | 4 | 4 |
| 2. | Mr. Kirti B. Doshi | Member | Non- Executive Independent Director | 4 | 4 |
| 3. | Mrs. Shilpa Parab | Member | Non-Executive Independent Woman Director | 4 | 4 |

There were no changes in composition of Audit committee; it remained the same as last year.

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 composition and attendance of Members of the Nomination and Remuneration committee during the year 2021-2022 are as follows:

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

| |
|------------|
| 30.06.2021 |
|------------|

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. Sandip Pawar | Chairman | Non- Executive Independent Director | 1 | 1 |
| 2. | Mr. Kirtikumar Bhailal Doshi | Member | Non-Executive Independent Director | 1 | 1 |
| 3. | Mrs. Shilpa Parab | Member | Non-Executive Independent Woman Director | 1 | 1 |

There were no changes in composition of Nomination and Remuneration Committee. it remained the same as last year.

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 composition and attendance of Members of the Stakeholder relationship Committee during the year 2021-2022 are as follows:

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

| | | | |
|------------|------------|------------|------------|
| 30.06.2021 | 09.08.2021 | 02.11.2021 | 04.02.2022 |
|------------|------------|------------|------------|

The Following are the members of the Stakeholder relationship Committee:

| Sr. No. | Name of Director | Designation | Category | No. of Meetings | |
|---------|------------------------------|-------------|--|-----------------|----------|
| | | | | Held | Attended |
| 1. | Mr. Sandip Pawar | Chairman | Non- Executive Independent Director | 4 | 4 |
| 2. | Mr. Kirtikumar Bhailal Doshi | Member | Non- Executive Independent Director | 4 | 4 |
| 3. | Mrs. Shilpa Parab | Member | Non-Executive Independent Woman Director | 4 | 4 |

There were no changes in composition of Stakeholder committee. It remained the same as last year.

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 fulfills the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management.

During the year under review, the Independent Directors met on 04.02.2022, interalia:

- 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, 2022 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 2021 – 2022 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 | 3 |
| Mr. Santosh Borkar | Executive Director | 2 |

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 | 31.32 |
| Mr. Santosh Borkar | Executive Director | 19.43 |
| Mr. Dinesh Gurav | Chief Financial Officer | 23.54 |
| Mrs. Swati Shah | Company Secretary and Compliance officer | First Year |

During the Year, there was no increase in salary/ remuneration to employees/ Directors of the Company. The above percentage has been increased as the payment of salary was less in Year 2020-2021 due to COVID-19 pandemic.

3. The percentage Increase in the median remuneration of the employees in the financial Year was 38.05%
4. As on 31st March, 2022 there were a total of 63 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.

STAUTORY AUDITORS:

M/s. Jayesh Dadia & Associates LLP Chartered Accountants (FRN121142W), has been appointed as the Statutory Auditors of the Company by the members passing there resolution on 30th July, 2022 at Extra Ordinary General Meeting filling the casual vacancy caused by the resignation of M/s. Krunal H Shah & Associates to hold office upto the date of 54th AGM to be held in the year 2023. The Audit Committee and Board further recommended the appointment of Jayesh Dadia & Associates LLP, as the auditor of the Company for a term of 5 (five) years to hold office from the conclusion of ensuing 53rd AGM till the conclusion of 58th AGM to be held in the year 2027 .M/s. Jayesh Dadia & Associates LLP have conveyed their consent and eligibility to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013. Therefore, resolution to the appointment of M/s. Jayesh Dadia & Associates LLP Chartered Accountants, as the Statutory Auditor of the company has been proposed to the members of the Company in the notice of convening AGM of the Company

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 2021-2022. 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.

ANNUAL RETURN:

Form MGT-7 along with the attachments will be available on the Website of the Company at <https://www.garwaresyn.com> once its uploaded on MCA site.

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 2021-2022, 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 IV” 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 2021-2022 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,**

**Date: 27th August, 2022
Place: Thane**

**Sd/-
Sunder. K. Moolya
Whole Time Director
DIN: 02926064**

**Sd/-
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 | 711000 | 30.06.2021 |
| Santosh Borkar | Director | Remuneration | Annual | 551500 | 30.06.2021 |
| Garware Finance Corporation Limited | Entity controlled by person having control over reporting entity | Inter Corporate Loan(Payables) | NA | 5310000 | 30.06.2021 |
| Garware Finance Corporation Ltd | Entity controlled by person having control over reporting entity | Inter Corporate Loan(Interest) | NA | 1618532 | 30.06.2021 |
| Satman Strategies Pvt. Ltd. | Entity controlled by person having control over reporting entity | Inter Corporate Loan(Interest) | NA | 240000 | 30.06.2021 |

**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: 27th August, 2022
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 | F. Y. 2021-2022 | F. Y. 2020-2021 |
|---------|-------------------------------|-----------------|-----------------|
| 1 | Electricity Units KWH (Lakhs) | 7.92 | 6.78 |
| 2 | Value in Rs. (Lakhs) | 65.20 | 59.29 |

Consumption per unit of production

| Sr. No. | Particulars | F. Y. 2021-2022 | F. Y. 2020-2021 |
|---------|-----------------------------------|-----------------|-----------------|
| 1 | Cost per Unit | 18.18 | 21.94 |
| 2 | Consumption per ton of Production | 18182 | 21944 |

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 | F. Y. 2021-2022 | F. Y. 2020-2021 |
|---------|----------------------------|-----------------|-----------------|
| 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
Whole Time Director
DIN: 02926064**

**Santosh Borkar
Director
DIN: 03134348**

Date: 27th August, 2022
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, 2022**

**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, 2022 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, 2022 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;;
 - 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;
 - d. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015;

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;
 - (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;
 - (4) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ;
 - (5) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ;
- 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 is 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 SG & Associates

Sd/-

(Suhas S. Ganpule)
Practicing Company Secretary
Proprietor
Membership No. 12122
CP No. 5722
UDIN: A012122D000858396

Date: 27th August, 2022

Place: Mumbai

ANNEXURE A

To,
The Members,
Garware Synthetics Limited,
Thane

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.

For SG & Associates

Sd/-

(Suhas S. Ganpule)
Practicing Company Secretary
Proprietor
Membership No. 12122
CP No. 5722
UDIN: A012122D000858396

Date: 27th August, 2022
Place: Mumbai

ANNEXURE IV

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

World Economy

The world economy and in specific the emerging economies, stare at an extended period of inflation and weakened growth from the damage caused by the global COVID-19 pandemic and the subsequent geopolitical crisis as Russia invaded Ukraine. Further, China's zero-tolerance Covid policy and prolonged supply-chain disruptions will have ramifications on the overall economic recovery given the country's dominance in the global economy. All these factors, as per World Bank's latest outlook, may increase fears of a possible recession in most parts of the world. The World Bank has once again cut its forecast for the year, which is significantly lower than growth rate last year as well as the forecast for January 2022.

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

Despite a challenging external environment, India's economy has remained buoyant given strong macroeconomic fundamentals. The third monetary policy of 2022-23 announced by the Reserve Bank of India in the months of April and May 2022, indicates a firm recovery in domestic economic activity, substantiated by movements in railway freight and port traffic, domestic air traffic, steel consumption, cement product, bank credits and GST collections. As urban demand recovers, rural demand is also witnessing gradual improvement. That said, the adverse impact of geopolitical situations, elevated commodity prices, and slowdown in the world economy continue to weigh on the country's economic outlook. RBI's move to hike the overall repo rate might slightly affect the industry for a very short term, but this move will tame inflation ultimately benefiting the sector. The effect of the hike is expected to be offset by the improving pent-up demand and positive buyer sentiment.

INDUSTRY STRUCTURE AND DEVELOPMENT

Garware Synthetics Limited manufactures wide range of bristles made from Nylon 6, 66, 610, 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 total numbers of employees as on 31st March, 2022 were 63. The industrial relations in all units of the Company continue to be cordial. Your Company believes that its employees are its core strength and development of people is a key priority for the organization to drive business objectives and goals. Robust HR policies are in place which enables building a stronger performance culture.

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:

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include finished goods prices, raw materials costs and availability, global and domestic demand-supply conditions, fluctuations in exchange rates, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts. The Company assumes no responsibility in respect of the forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events

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

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

**Date: 27th August 2022
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 2021-2022 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 2021-2022 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 2021-2022
 2. Significant changes in the accounting policies during the year 2021-2022 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: 27th August, 2022
Place: Thane**



CERTIFICATE FROM PRACTICING COMPANY SECRETARY

(Pursuant to Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**To,
The Board of Directors,
GARWARE SYNTHETICS LIMITED
Thane**

Pursuant to Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and on the basis of the declaration received from the Directors of GARWARE SYNTHETICS LIMITED (the 'Company'), I Mr. Suhas Sadanand Ganpule, Company Secretary in Practice hereby declare that the under stated Directors of the Company are not debarred or disqualified from being appointed or to continue as Directors of the Company by the SEBI/Ministry of Corporate Affairs or any another Statutory Authority for the year ended March 31, 2022:

| Name of the Director | DIN |
|--------------------------------|------------|
| Mr. Sunder Kocha Moolya | 02926064 |
| Mr. Santosh Bhalchandra Borkar | 03134348 |
| Mr. Kirtikumar Bhailal Doshi | 02897948 |
| Mr. Sandip Keshav Pawar | 05245634 |
| Mrs. Shilpa Sagar Parab | 08338221 |

**For S G & Associates
Practicing Company Secretary**

Sd/-

**Suhas S. Ganpule
Proprietor
ACS: 12122, CP No. 5722
Date: 27th August, 2022
UDIN: A012122D000858374**

INDEPENDENT AUDITORS' REPORT

To the Members of GARWARE SYNTHETICS LIMITED Report on the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **M/s. Garware Synthetics Limited** (“the Company”), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss (Including Other Comprehensive Income), Statement of changes in Equity and Statement of Cash flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view, in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended (“Ind As”) and the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, its profit, total comprehensive income, 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 on the standalone 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. Our opinion is not modified in respect of these matters.

Key Audit Matters

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.

INDEPENDENT AUDITORS' REPORT

| The Key Audit Matter | How the matter was addressed in our audit |
|---|--|
| Evaluation of uncertain positions related to tax and regulatory matters | |
| <p>The Company has material uncertain positions related to and direct tax matters under disputes that involves significant judgment to determine the possible outcome of these disputes, provisions required, if any, and/or write back of provision in respect of such matters.</p> <p>Refer accounting policies for “Provisions & Contingencies” as given in the notes.</p> | <p>In view of the significance of the matter we applied following procedures:</p> <p>We have obtained details of tax litigations under Income Tax Act for as on 31st March, 2022 from the management.</p> <p>We have reviewed the management’s underlying assumptions in estimating the tax provision and the possible outcome of the disputes.</p> <p>We have also reviewed the legal precedence and other rulings provided for review by the management in evaluating its position in Income tax matters.</p> <p>We have also reviewed the assumptions made by the management as at 31st March, 2022 and evaluated whether any change was required on account of information and updates made available during the year.</p> <p>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 respectively in the financial statements.</p> |

Information other than the financial statements & Auditor’s report thereon

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the standalone financial statements and our auditors’ report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

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

INDEPENDENT AUDITORS' REPORT

Management's Responsibility 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 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 accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. 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.

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

Auditor's Responsibilities for the Audit of the Standalone 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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITORS' REPORT

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality & qualitative factors in (i) planning the scope of our audit and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143(3) of the Act, we report, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company in so far as it appears from our examination of those books;

INDEPENDENT AUDITORS' REPORT

- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder.
- e. On the basis of the written representations received from the directors as on 31st March, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”
- g. With respect to the matter to be included in the Auditor’s Report under section 197(16) of the Act: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act
- h. 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, as amended, 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 standalone Ind AS financial statements. Refer notes to the standalone Ind AS 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.
 - (iv) (a) The Management has represented that, to the best of it’s knowledge and belief, as disclosed in the notes to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

INDEPENDENT AUDITORS' REPORT

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) & (b) above, contain any material misstatement.

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm's Registration No. 121142W / W100122

Sd/-

Samir Shah
Partner
Membership No. 124298
Place of Signature: Mumbai
Date: 19th July, 2022
UDIN: 22124298ANGANG1077

ANNEXURE “A” TO THE AUDITORS’ REPORT

Report on Companies (Auditor’s Report) Order, 2020 (“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”)

The Annexure referred to in the Independent Auditors’ Report to the members of the Company on the Standalone IND-AS financial statements for the year ended 31st March, 2022

In our opinion and to the best our information and according to the explanations provided to us by the Company and based on our examination of the books of account in the normal course of audit, we state that:

- (i) In respect of the Company’s Property, Plant & Equipment and Intangible Assets:
- (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment and relevant details of right –of-use-assets.
- (B) The Company does not own any intangible assets as at the year ended 31st March, 2022. Accordingly, comment under this clause has not been given.
- (b) A substantial portion of the Property, Plant & Equipment has been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) In our opinion and according to information and explanation given to us, the title in respect of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), disclosed in the financial statements included under Property, Plant & Equipment, is not held in the name of the Company as at the balance sheet date and is under dispute. The same is subject to resolution of dispute by the adjudicating authority.
- (d) The Company has not revalued any of its the Property, Plant & Equipment (including right–of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2022 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and the rules made thereunder.
- (a) As explained to us, the inventories have been physically verified during the year by the management, except for stock in transit. The intervals at which the inventories are physically verified are, in our opinion, reasonable in relation to the size of the Company and the nature of its business. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) The Company has not made investments in companies, firms, Limited Liability partnerships or other parties but granted unsecured loan to related party during the year, in respect of which:

ANNEXURE “A” TO THE AUDITORS’ REPORT

- (a) The Company has not provided any loans or advances in the nature of loans or guarantees or securities to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
- (b) In our opinion, the terms and conditions of the grant of loans, during the year are prima facie, not prejudicial to the Company’s interest.
- (c) The Company has not provided any loans or advances in the nature of loans to any other entity during the year, and hence reporting under clause 3(iii)(c) of the Order is not applicable.
- (d) The Company has not provided any loans or advances in the nature of loans to any other entity during the year, and hence reporting under clause 3(iii)(d) of the Order is not applicable.
- (e) The Company has not granted any loans which have fallen due during the year, and hence reporting under clause 3(iii) (e) of the Order is not applicable.
- (f) The Company has granted loans repayable on demand or advances to related parties. The details are as under. (₹ in lacs)

| | All Parties | Promoters | Related Parties |
|---|--------------------|------------------|------------------------|
| Aggregate amount of loans/advances in nature of loans | | | |
| Repayable on demand (A) | 15.50 | 0 | 15.50 |
| Agreement does not specify any terms or period of repayment (B) | 0 | 0 | 0 |
| Total (A) + (B) | 15.50 | 0 | 15.50 |
| Percentage of loans/ advances in nature of loans to the total loans | 100% | - | 100% |

- (iv) In our opinion and according to information and explanation given to us the company has neither granted any loans or provided any guarantee nor made any investments. Therefore provisions of clause 3(iv) of the order is not applicable.
- (v) The Company has not accepted any deposits or amounts deemed to be deposits during the year. Therefore reporting under clause 3(v) of the Order is not applicable.
- (vi) In our opinion and according to information and explanation given to us, 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) In our opinion, the Company is generally regular in depositing undisputed statutory dues including Goods & Service Tax, Provident Fund, Employees State Insurance, Income Tax, Sales-tax, Service tax, duty of Customs, duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it with the appropriate authorities. There were no undisputed statutory dues as mentioned above in arrears as at 31st March, 2022 for a period of more than 6 months from the date they became payable, except Profession Tax with the appropriate authorities in India.

ANNEXURE “A” TO THE AUDITORS’ REPORT

(b) Details of disputed statutory dues referred to in Clause (a) above which have not been deposited or partially deposited as on 31st March, 2022 are as follows:

| Name of the Statute | Nature of Dues | Amount disputed (₹ in Lacs) | Period to which the amount relates (F.Y.) | Forum where dispute is pending |
|----------------------------|-----------------------|------------------------------------|--|---------------------------------------|
| Income Tax Act, 1961 | Income Tax | 14.12 | 2012-13 | Commissioner of Income Tax (Appeal) |
| Income Tax Act, 1961 | Income Tax | 16.33 | 2017-18 | Commissioner of Income Tax (Appeal) |
| Income Tax Act, 1961 | Income Tax | 0.15 | 2019-20 | Commissioner of Income Tax (Appeal) |

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) (a) In our opinion and according to information and explanation given to us, the company has not defaulted in repayment of loans or in the payment of interest thereon to lenders during the year. The outstanding loans taken from other lenders other than financial institution amounting to Rs. 11.58 crores are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. It is further represented by the management of company that, these loans and interest thereon have not been demanded for repayment during the year.

In respect of, loan from financial institution amounting to Rs. 0.41 crore, the payment of principal and interest is as per the stipulated terms and conditions.

(b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to information and explanation given to us, the term loan was applied for the purpose for which it was obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company does not hold investments in any subsidiary, associate or joint ventures as defined under Companies Act, 2013. Hence reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company has not raised any loans during the year on the pledge of securities held in subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix) (f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer including debt instruments during the year. Hence reporting under clause 3(x) (a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally). Hence reporting under clause 3(x)(b) of the Order is not applicable.

ANNEXURE “A” TO THE AUDITORS’ REPORT

- (xi) (a) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act, 2013, has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit & Auditors) Rules, 2014 with the central government, during the year and upto the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with the provisions of section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) In our opinion and based on our examination, though the company is required to have an internal audit system under section 138 of the Act, it does not have the same established for the year.
- (xv) According to the information & explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected to its directors and hence the provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) & (b) In our opinion, the Company is not required to be registered under section 45-1(A) of the Reserve Bank of India Act, 1934. Hence reporting under clause 3(xvi)(a) & (b) of the Order is not applicable.
- (c) & (d) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi) (c) & (d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors of the Company during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any

ANNEXURE “A” TO THE AUDITORS’ REPORT

guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) In our opinion provisions of section 135(5) of the Act are not applicable to the company for the financial year covered by our report. Accordingly, reporting under clause 3(xx) (a) of the Order is not applicable for the year.

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm’s Registration No. 121142W / W100122

Sd/-

Samir Shah
Partner
Membership No. 124298
Place of Signature: Mumbai
Date: 19th July, 2022
UDIN: 22124298ANGANG1077

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") referred to in paragraph 2 (f) on Report on Other Legal and Regulatory Requirements of our report.

Opinion

We have audited the internal financial controls over financial reporting with reference to the standalone financial statements of **Garware Synthetics Limited** ("the Company") as of 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, 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.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

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 control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm's Registration No. 121142W / W100122

Sd/-

Samir Shah
Partner
Membership No. 124298
Place of Signature: Mumbai
Date: 19th July, 2022
UDIN: 22124298ANGANG1077

BALANCE SHEET AS AT MARCH 31, 2022

(₹ in lakhs)

| SR. NO. | PARTICULARS | NOTE NO. | 2021-22 | 2020-21 |
|----------|-------------------------------------|----------|------------------------|------------------------|
| | ASSETS | | | |
| 1 | Non-current assets | | | |
| | (a) Property, Plant and Equipment | 3 | 1,352.81 | 1,043.70 |
| | (b) Financial Assets | | | |
| | (i) investments | 4 | - | 0.00 |
| | (ii) loans | 5 | 15.50 | 15.50 |
| | (c) Deferred tax assets (net) | | - | 20.78 |
| | (d) Other non-current assets | 6 | 39.20 | 34.00 |
| 2 | Current assets | | | |
| | (a) Inventories | 7 | 103.46 | 104.73 |
| | (b) Financial Assets | | | |
| | (i) trade receivables | 8 | 168.25 | 146.86 |
| | (ii) cash & cash equivalents | 9 | 13.15 | 3.86 |
| | (c) Other current assets | 10 | 0.11 | 1.29 |
| | Total Assets | | <u>1,692.48</u> | <u>1,370.72</u> |
| | EQUITY AND LIABILITIES | | | |
| A | Equity | | | |
| | (a) Equity Share Capital | 11 | 580.89 | 580.89 |
| | (b) Other Equity | 12 | (837.42) | (796.35) |
| B | Liabilities | | | |
| 1 | Non-current liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) borrowings | 13 | 32.83 | - |
| | (ii) other financial liabilities | 14 | 244.79 | - |
| | (b) Provisions | 15 | 86.81 | 26.66 |
| | (c) Deferred Tax liabilities (Net) | | 1.26 | - |
| | (d) Other non-current liabilities | 16 | 0.50 | 2.00 |
| 2 | Current liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) borrowings | 17 | 1,165.87 | 1,241.62 |
| | (ii) trade payables | 18 | 226.93 | 171.92 |
| | (iii) other financial liabilities | 19 | 98.04 | 43.97 |
| | (b) Other current liabilities | 20 | 71.44 | 90.08 |
| | (c) Provisions | 21 | 20.54 | 9.93 |
| | Total Equity and Liabilities | | <u>1,692.48</u> | <u>1,370.72</u> |

In terms of our report attached

For Jayesh Dadia & Associates LLP
Chartered Accountants
FRN No.: 121142W
Sd/-
Samir Shah

Partner

Membership No.: 124298

Place: Mumbai

Date: 19/07/2022

For and on behalf of the Board of Directors
Sd/-
Sunder Moolya

Whole Time Director

Sd/-
Swati Shah

Company Secretary

Date: 19/07/2022

Sd/-
Santosh Borkar

Executive Director

Sd/-
Dinesh Gurav

CFO

STATEMENT OF PROFIT & LOSS AS AT MARCH 31, 2022

(₹ in lakhs)

| SR. NO. | PARTICULARS | NOTE NO. | 2021-22 | 2020-21 |
|----------------|---|-----------------|-----------------|----------------|
| 1 | Revenue from operations (gross) | 22 | 1,270.13 | 826.60 |
| 2 | Other income | 23 | 33.41 | 0.11 |
| 3 | Total Revenue (1+2) | | 1,303.54 | 826.71 |
| 4 | Expenses | | | |
| | Cost of materials consumed | 24 | 722.95 | 370.58 |
| | Purchases of stock-in-trade | | - | - |
| | Changes in inventories of finished goods, work-in-progress and stock-in-trade | 25 | (5.58) | 6.06 |
| | Employee benefits expense | 26 | 190.57 | 146.58 |
| | Finance costs | 27 | 59.14 | 43.13 |
| | Depreciation and amortisation expense | | 26.39 | 2.14 |
| | Other expenses | 28 | 248.37 | 197.33 |
| | Provision for Impairment of Asset | | 17.16 | - |
| | Total Expenses | | 1,259.00 | 765.83 |
| 5 | Profit before exceptional items and tax | | 44.54 | 60.87 |
| 6 | Exceptional items | 29 | 11.15 | - |
| 7 | Profit before extraordinary items and tax | | 55.68 | 60.87 |
| 8 | Extraordinary items | | - | - |
| 9 | Profit / (Loss) before tax | | 55.68 | 60.87 |
| 10 | Tax expense: | | | |
| | Current tax expense for current year | | 10.00 | 2.57 |
| | Short provision of Income tax relating to earlier years | | 0.62 | - |
| | Deferred tax | | 22.04 | - |
| 11 | Net Profit / (Loss) for the year | | 23.02 | 58.31 |
| 12 | Profit / (loss) from discontinued operations | | - | - |
| 13 | Tax expense of discontinuing operation | | - | - |
| 14 | Profit/(loss) from Discontinuing operations (after tax) | | 23.02 | 58.31 |
| 15 | Profit/(loss) for the period (A) | | 23.02 | 58.31 |
| 16 | Other Comprehensive Income | | | |
| | Items that will not be reclassified to profit & loss | | | |
| | Reimbursement benefit of defined benefit plans | | (64.10) | - |
| | Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| 17 | Other Comprehensive Income (B) | | (64.10) | - |
| 18 | Total Comprehensive Income for the period (A-B) | | (41.08) | 58.31 |

In terms of our report attached

For Jayesh Dadia & Associates LLP
Chartered Accountants
FRN No.: 121142W
Sd/-
Samir Shah

Partner

Membership No.: 124298

Place: Mumbai

Date: 19/07/2022

For and on behalf of the Board of Directors
Sd/-
Sunder Moolya
 Whole Time Director

Sd/-
Santosh Borkar
 Executive Director

Sd/-
Swati Shah
 Company Secretary

Sd/-
Dinesh Gurav
 CFO

Date: 19/07/2022

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs)

| Particulars | 2021-22 | 2020-21 |
|--|----------------|----------------|
| A. Cash flow from operating activities | | |
| Net Profit / (Loss) before tax | 55.68 | 60.87 |
| Adjustments for: | | |
| Depreciation and amortisation | 26.39 | 2.14 |
| Provision for impairment | 17.16 | - |
| Provision for Gratuity | 5.80 | - |
| Gratuity paid | (9.75) | - |
| Borrowings Written back | (30.42) | - |
| Finance costs | 59.14 | 43.13 |
| Interest income | (0.18) | (0.08) |
| Investments w/off | 0.00 | - |
| Lease Rent paid | (15.67) | - |
| Operating profit / (loss) before working capital changes | 108.16 | 106.08 |
| Movements in working capital: | | |
| Adjustments for (increase) / decrease in operating assets: | | |
| Inventories | 1.28 | 0.86 |
| Trade receivables | (21.39) | (36.86) |
| Other current assets | 1.18 | (1.29) |
| Other non-current assets | (5.20) | 0.03 |
| Adjustments for increase / (decrease) in operating liabilities: | | |
| Trade payables | 55.01 | (11.40) |
| Other current liabilities | (18.64) | (3.71) |
| Other Current financial liabilities | 14.14 | - |
| Other non-current liabilities | (1.50) | - |
| Non Current provisions | - | (7.05) |
| | 24.89 | (59.42) |
| Cash generated from operations | 133.05 | 46.65 |
| Net income tax (paid) / refunds | (0.02) | (5.70) |
| Net cash flow from / (used in) operating activities (A) | 133.03 | 40.95 |
| B. Cash flow from investing activities | | |
| Fixed Assets Purchased | (63.79) | (1.21) |
| Interest received | 0.18 | 0.08 |
| Net cash flow from / (used in) investing activities (B) | (63.61) | (1.14) |
| C. Cash flow from financing activities | | |
| Proceeds from non current borrowings | 32.83 | - |
| Repayment of current borrowings | (45.33) | (49.33) |
| Finance cost | (47.64) | (2.89) |
| Net cash flow from / (used in) financing activities (C) | (60.13) | (52.22) |
| Net increase / (decrease) in Cash and cash equivalents (A+B+C) | 9.29 | (12.40) |
| Cash and cash equivalents at the beginning of the year | 3.86 | 16.26 |
| Cash and cash equivalents at the end of the year | 13.15 | 3.86 |

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

| | | |
|--|--------------|-------------|
| Reconciliation of Cash and cash equivalents with the Balance Sheet: | | |
| Cash and cash equivalents at the end of the year * | | |
| * Comprises: | | |
| (a) Cash on hand | 1.32 | 1.46 |
| (b) Balances with banks | | |
| (i) In current accounts | 11.83 | 2.39 |
| | 13.15 | 3.86 |

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 Jayesh Dadia & Associates LLP

Chartered Accountants

FRN No.: 121142W

Sd/-

Samir Shah

Partner

Membership No.: 124298

Place: Mumbai

Date: 19/07/2022

For and on behalf of the Board of Directors

Sd/-

Sunder Moolya

Whole Time Director

Sd/-

Swati Shah

Company Secretary

Date: 19/07/2022

Sd/-

Santosh Borkar

Executive Director

Sd/-

Dinesh Gurav

CFO

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022
A. Equity Share Capital

(₹ in lakhs)

| For the Year ended 31st March, 2022 | Balance as at 1st April 2021 | Changes during the year | Balance as at 31st March 2022 |
|-------------------------------------|------------------------------|-------------------------|-------------------------------|
| | | 580.89 | - |

| For the Year ended 31st March, 2021 | Balance as at 1st April 2020 | Changes during the year | Balance as at 31st March 2021 |
|-------------------------------------|------------------------------|-------------------------|-------------------------------|
| | | 580.89 | - |

B. Other Equity

(₹ in lakhs)

| Particulars | Reserves and Surplus | | | | Total |
|--|----------------------|----------------------------|------------------------------|-------------------------|----------|
| | Capital Reserve | Securities Premium Reserve | Investment Allowance Reserve | Profit and Loss Account | |
| Balance as at 1st April 2021 | 871.82 | 251.32 | 10.56 | (1930.05) | (796.35) |
| Profit for the year | | | | 23 | 23 |
| Items of OCI for the year ended, net of tax- | | | | | |
| Reimbursement benefit of defined benefit plans | | | | 64 | 64 |
| Total Comprehensive Income for the Year | - | - | - | (41) | (41) |
| Balance as at 31st March 2022 | 871.82 | 251.32 | 10.56 | (1971.13) | (837.42) |
| Balance as at 1st April 2020 | 871.82 | 251.32 | 10.56 | (1988.36) | (854.66) |
| Profit for the year | | | | 58.31 | 58.31 |
| Items of OCI for the year ended, net of tax- | | | | | |
| Reimbursement benefit of defined benefit plans | | | | - | - |
| Total Comprehensive Income for the Year | - | - | - | 58 | 58 |
| Balance as at 31st March 2021 | 871.82 | 251.32 | 10.56 | (1930.05) | (796.35) |

In terms of our report attached

For Jayesh Dadia & Associates LLP
Chartered Accountants
FRN No.: 121142W
Sd/-
Samir Shah
Partner

Membership No.: 124298

Place: Mumbai

Date: 19/07/2022

For and on behalf of the Board of Directors
Sd/-
Sunder Moolya
 Whole Time Director

Sd/-
Swati Shah
 Company Secretary

Date: 19/07/2022

Sd/-
Santosh Borkar
 Executive Director

Sd/-
Dinesh Gurav
 CFO

NOTES FORMING PART OF FINANCIAL STATEMENT**Note 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.

**Note 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES
(Annexed to and forming part of financial statements for the year ended 31st March, 2022)****(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.

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

NOTES FORMING PART OF FINANCIAL STATEMENT

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.

(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.

NOTES FORMING PART OF FINANCIAL STATEMENT**(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.

The company has not recognised deferred tax for the year ended 31st March 2021 as management is of opinion that it is probable that the temporary difference will not reverse in the foreseeable future.

(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) Segment Reporting**Geographical Segment**

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

(o) 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.

NOTES FORMING PART OF FINANCIAL STATEMENT

(p) 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.

(q) 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.

(r) 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.

(s) 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.

(t) 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
(u) Employee benefits

The employee benefits plan as per Ind AS 19 is given as under

(all figures in Indian Rupees)

| Accounting Disclosures Statement | | GRATUITY |
|--|-----------|-----------------------|
| Period of accounting | | 1-Apr-21 To 31-Mar-22 |
| Valuation Result as at | 31-Mar-21 | 31-Mar-22 |
| I Changes in present value of obligations | | |
| PVO at beginning of period | - | 26,65,746 |
| Interest cost | - | 1,54,655 |
| Current Service Cost | - | 4,25,799 |
| Past Service Cost- (non vested benefits) | - | - |
| Past Service Cost -(vested benefits) | - | - |
| Benefits Paid | - | (9,75,000) |
| Contributions by plan participants | - | - |
| Business Combinations | - | - |
| Curtailments | - | - |
| Settlements | - | - |
| Actuarial (Gain)/Loss on obligation | - | 64,10,090 |
| PVO at end of period | - | 86,81,290 |
| II Interest Expenses | | |
| Interest cost | - | 1,54,655 |
| III Fair Value of Plan Assets | | |
| Fair Value of Plan Assets at the beginning | - | - |
| Interest Income | - | - |
| IV Net Liability | | |
| PVO at beginning of period | - | 26,65,746 |
| Fair Value of the Assets at beginning report | - | - |
| Net Liability | - | 26,65,746 |
| V Net Interest | | |
| Interest Expenses | - | 1,54,655 |
| Interest Income | - | - |
| Net Interest | - | 1,54,655 |
| VI Actual return on plan assets | | |
| Less Interest income included above | - | - |
| Return on plan assets excluding interest income | - | - |
| VII Actuarial (Gain)/loss on obligation | | |
| Due to Demographic Assumption* | - | - |
| Due to Financial Assumption | - | - |
| Due to Experience | - | 64,10,090 |
| Total Actuarial (Gain)/Loss | | 64,10,090 |
| VIII Fair Value of Plan Assets | | |
| Opening Fair Value of Plan Asset | - | - |
| Adjustment to Opening Fair Value of Plan Asset | - | - |
| Return on Plan Assets excl. interest income | - | - |
| Interest Income | - | - |

NOTES FORMING PART OF FINANCIAL STATEMENT

| Accounting Disclosures Statement | | GRATUITY |
|---|------------------|------------------------------|
| Period of accounting | | 1-Apr-21 To 31-Mar-22 |
| Valuation Result as at | 31-Mar-21 | 31-Mar-22 |
| Contributions by Employer | - | 9,75,000 |
| Contributions by Employee | - | - |
| Benefits Paid | - | (9,75,000) |
| Fair Value of Plan Assets at end | - | - |
| IX Past Service Cost Recognised | | |
| Past Service Cost- (non vested benefits) | - | - |
| Past Service Cost -(vested benefits) | - | - |
| Average remaining future service till vesting of the benefit | - | - |
| Recognised Past service Cost- non vested benefits | - | - |
| Recognised Past service Cost- vested benefits | - | - |
| Unrecognised Past Service Cost- non vested benefits | - | - |
| X Amounts to be recognized in the balance sheet and statement of profit & loss account | | |
| PVO at end of period | - | 86,81,290 |
| Fair Value of Plan Assets at end of period | - | - |
| Funded Status | - | (86,81,290) |
| Net Asset/(Liability) recognized in the balance sheet | - | (86,81,290) |
| XI Expense recognized in the statement of P & L A/C | | |
| Current Service Cost | - | 4,25,799 |
| Net Interest | - | 1,54,655 |
| Past Service Cost- (non vested benefits) | - | - |
| Past Service Cost -(vested benefits) | - | - |
| Curtailment Effect | - | - |
| Settlement Effect | - | - |
| Unrecognised Past Service Cost- non vested benefits | - | - |
| Actuarial (Gain)/Loss recognized for the period | - | - |
| Expense recognized in the statement of P & L A/C | - | 5,80,454 |
| XII Other Comprehensive Income (OCI) | | |
| Actuarial (Gain)/Loss recognized for the period | - | 64,10,090 |
| Asset limit effect | - | - |
| Return on Plan Assets excluding net interest | - | - |
| Unrecognized Actuarial (Gain)/Loss from previous period | - | - |
| Total Actuarial (Gain)/Loss recognized in (OCI) | - | 64,10,090 |
| XIII Movements in the Liability recognized in Balance Sheet | | |
| Opening Net Liability | - | 26,65,746 |
| Adjustment to opening balance | - | - |
| Expenses as above | - | 5,80,454 |
| Contribution paid | - | (9,75,000) |
| Other Comprehensive Income(OCI) | - | 64,10,090 |
| Closing Net Liability | - | 86,81,290 |

NOTES FORMING PART OF FINANCIAL STATEMENT

| Accounting Disclosures Statement | | GRATUITY |
|---|------------------------|------------------------------|
| Period of accounting | | 1-Apr-21 To 31-Mar-22 |
| Valuation Result as at | 31-Mar-21 | 31-Mar-22 |
| XIV Schedule III of The Companies Act 2013 | | |
| Current Liability | - | 5,03,577 |
| Non-Current Liability | - | 81,77,713 |
| XV Projected Service Cost 31 Mar 2023 | | 4,38,265 |
| XVI Asset Information | Total Amount | Target Allocation% |
| Cash and Cash Equivalents | | |
| Gratuity Fund | - | |
| Debt Security - Government Bond | | |
| Equity Securities - Corporate debt securities | | |
| Other Insurance contracts | | |
| Property | | |
| Total Itemized Assets | - | 0% |
| Not Applicable as the plan is unfunded. | | |
| XVII Assumptions as at | 31-Mar-21 | 31-Mar-22 |
| Mortality | IALM (2012-14) Ult. | IALM (2012-14) Ult. |
| Interest / Discount Rate | 7.10% | 7.10% |
| Rate of increase in compensation | 4.00% | 4.00% |
| Annual increase in healthcare costs | | |
| Future Changes in maximum state healthcare benefits | | |
| Expected average remaining service | | 12.52 |
| Retirement Age | 58 Years | 58 Years |
| Employee Attrition Rate | Age: 0 to 58 : 1% | Age: 0 to 58 : 1% |

XVIII Sensitivity Analysis

| | DR: Discount Rate | | ER: Salary Escalation Rate | |
|-----|-------------------|-----------|----------------------------|-----------|
| | PVO DR + 1% | PVO DR-1% | PVO ER +1 % | PVO ER-1% |
| PVO | 81,39,366 | 92,89,227 | 92,96,361 | 81,24,269 |

XIX Expected Payout

| Year | Expected Outgo First | Expected Outgo Second | Expected Outgo Third | Expected Outgo Fourth | Expected Outgo Fifth | Expected Outgo Six to ten years |
|---------|----------------------|-----------------------|----------------------|-----------------------|----------------------|---------------------------------|
| Payouts | 5,03,577 | 5,16,392 | 3,04,218 | 5,10,902 | 13,39,901 | 66,65,382 |

NOTES FORMING PART OF FINANCIAL STATEMENT
XX Asset Liability Comparisons

| Year | 31-03-2018 | 31-03-2019 | 31-03-2020 | 31-03-2021 | 31-03-2022 |
|---------------------------------------|------------|------------|------------|-------------|-------------|
| POV at end of period | - | - | - | 26,65,746 | 86,81,290 |
| Plan Assets | - | - | - | - | - |
| Surplus/(Deficit) | - | - | - | (26,65,746) | (86,81,290) |
| Experience adjustments on plan assets | - | - | - | - | - |

Weighted average remaining duration of Defined Benefit Obligation
7.19
(v) OTHER NOTES
i) Capital Commitment

The estimated amount of contracts remaining to be executed on capital account not provided for as on the Balance Sheet dated in NIL.

ii) Details of Benami Property Held

No proceedings have been initiated or pending against the company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

iii) Borrowings from Banks for Credit Facility

The Company has not availed off any credit facilities from banks or financial institutions against the security of current assets during the year.

iv) Willful Defaulter

The company has not been declared as willful defaulter by any bank or financial institution or any lender during the year.

v) Relationship With Struck Off Companies

The company has the following transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year.

| Name of the Company | Nature of transactions with struck-off Company | Balance Outstanding (Rs. in Lacs) | Relationship with the Struck off company, if any, to be disclosed |
|---|--|-----------------------------------|---|
| a) Aalloytek Polymers and Fibers Pvt Ltd. | Payables | 0 | - |
| b) Ashwamegh Engineering Works Pvt. Ltd. | Unsecured Loan | 7.28 | - |

vi) Registration of Charges or Satisfaction with Registrar of Companies (Roc)

During the year, there are no instances of any registration, modification or satisfaction of charges which are pending for registration with Registrar of Companies (ROC) beyond the statutory period.

NOTES FORMING PART OF FINANCIAL STATEMENT
vii) Compliance with Number of Layers of Companies

The company is in compliance with the relevant provisions of Companies Act, 2013 with respect to the number of layers under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restriction on number of layers) Rules, 2017.

viii) Utilisation of Borrowed Funds and Share Premium under Rule 11(E)

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“intermediaries”) with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the company (“Ultimate Beneficiaries”)

The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ix) Analytical Ratio

| Sr. No. | Financial Ratios | 2021-22 | 2020-21 | Variance % | Reasons |
|---------|--|---------|---------|------------|--|
| i | Current Ratio = Current Assets / Current Liability | 0.18 | 0.16 | 9.22 | |
| ii | Debt-Equity Ratio = Total Debt / Shareholder's Equity | - | - | NA | In view of negative Shareholders' Equity the ratio has not been provided. |
| iii | Debt Service Coverage Ratio = NPAT + Non-Cash Exp + Depr. + Int. / Debt Service (Interest + Principal) | 1.38 | 1.46 | -5.52 | |
| iv | Return on Equity Ratio = NPAT - Pref. Dividend / Avg. Shareholder's Equity | -0.10 | -0.12 | -18.14 | In view of negative Shareholders' Equity the ratio has not been provided. |
| v | Inventory Turnover Ratio = Cost of Goods Sold OR Sales / Avg. Inventory | 12.20 | 7.86 | 55.24 | Increase in the ratio during current year is mainly on account of increase in sales. However, there is no corresponding increase in the value of inventory as compared to previous year. |
| vi | Trade Payable Turnover Ratio = Credit Purchase / Avg. Trade Payable | 4.52 | 2.58 | 75.5 | Due to liquidity issues the trade payables could not be paid according to the credit period allowed. |

NOTES FORMING PART OF FINANCIAL STATEMENT

| Sr. No. | Financial Ratios | 2021-22 | 2020-21 | Variance % | Reasons |
|---------|--|---------|---------|------------|---|
| vii | Trade Receivable Turnover Ratio = Credit Sales / Avg. Receivable | 8.06 | 6.44 | 25.25 | |
| viii | Net Capital Turnover Ratio = Net Sales / Avg. Working Capital | - | - | NA | In view of Negative working capital this ratio has not been provided. |
| ix | Net Profit Ratio = Net Profit / Net Sales | 0.02 | 0.07 | -74.3 | Decrease in net profit during the year is attributed the fact that the company has recognized Right of Use of a factory in accordance with the provisions of Ind AS 116 resulting in increase in finance cost as compared to previous year. |
| x | Return on Capital Employed = EBIT / Capital Employed | 0.12 | 0.1 | 20.08 | |
| xi | Return on Investment = ((MV T1 - MV T0)- Sum CT) / (MV T0+Sum (Wt * Ct)) | - | - | NA | In the absence of Investments this ratio has not been provided. |

- x) Previous year figures are regrouped wherever necessary to make them comparable with the figures of the current year.
- xi) All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.
- xii) Balances of loans/advances/ sundry creditors, debtors and fixed assets are subject to reconciliations, confirmation and adjustment, if any.
- xiii) 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.
- xiv) 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.
- xv) In the absence of adequate information regarding the MSME 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.

NOTES FORMING PART OF FINANCIAL STATEMENT

- xvi) 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.
- xvii) 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.
- xviii) Figures in Brackets in the Notes forming part of the accounts relate to the previous year.

For Jayesh Dadia & Associates LLP
Chartered Accountants

FRN No.: 121142W

Sd/-

Samir Shah

Partner

Membership No.: 124298

Place: Mumbai

Date: 19/07/2022

For and on behalf of the Board of Directors

Sd/-

Sunder Moolya

Whole Time Director

Sd/-

Santosh Borkar

Executive Director

Sd/-

Swati Shah

Company Secretary

Date: 19/07/2022

Sd/-

Dinesh Gurav

CFO

NOTES FORMING PART OF FINANCIAL STATEMENT
Note 3 Property, Plant and Equipment

| Sr. No. | Particulars | Gross Block | | | Depreciation | | | Impairment of Loss | | Net Block | |
|---------|--------------------------|------------------|-----------------------|------------------|------------------|--------------|------------------|--------------------|------------------|------------------|-----------------|
| | | As on 01.04.2021 | Addition / (Deletion) | As on 31.03.2022 | As on 01.04.2021 | For the year | As on 31.03.2022 | As on 31.03.2022 | As on 31.03.2021 | As on 31.03.2022 | |
| | | (₹ in lakhs) | | | | | | | | | |
| (I) | Tangible Assets | | | | | | | | | | |
| 1 | Land* | 1,009.96 | | 1,009.96 | - | - | - | - | - | 1,009.96 | 1,009.96 |
| 2 | Building | 71.24 | | 71.24 | 53.72 | 0.35 | 54.08 | 17.16 | | - | 17.51 |
| 3 | Plant & Machinery | 59.73 | | 59.73 | 47.63 | 0.99 | 48.62 | - | | 11.10 | 12.09 |
| 4 | Furniture & Fixtures | 3.67 | | 3.67 | 1.31 | 0.35 | 1.66 | - | | 2.01 | 2.36 |
| 5 | Office Equipments | 2.10 | 3.69 | 5.79 | 1.50 | 0.62 | 2.12 | - | | 3.67 | 0.60 |
| 6 | Electrical Installations | 2.70 | 0.13 | 2.83 | 1.51 | 0.28 | 1.79 | - | | 1.04 | 1.18 |
| 7 | Motor Car | - | 59.97 | 59.97 | - | 3.16 | 3.16 | - | | 56.81 | - |
| 8 | Right of Use (ROU) | - | 288.88 | 288.88 | - | 20.63 | 20.63 | - | | 268.24 | - |
| | Total | 1,149.38 | 352.67 | 1,502.05 | 105.68 | 26.39 | 132.07 | 17.16 | | 1,352.81 | 1,043.70 |
| | Previous Year | 1,148.17 | 1.21 | 1,149.38 | 103.54 | 2.14 | 105.68 | - | | 1,043.70 | 1,044.63 |

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.

c) The title deed of the land is not in the name of company and is under dispute.

d) * The company had acquired land measuring 4180.65 Sq. Meters through an open auction some 50 years back. However, the action sale was challenged by the owner and the dispute is still pending before the Bombay High Court. Therefore, the title of the property is still not registered in the name of the company. According to the management the company has right in that property in view of lower court judgement in favour of the bidder (i.e. company)

NOTES FORMING PART OF FINANCIAL STATEMENT

e) Following are the changes in the carrying value of right of use (ROU) for the year ended 31 March 2022

| Particulars | Amount (₹ Lakhs) |
|-----------------------------------|-----------------------------|
| Gross carrying value | |
| As at 1 st April 2021 | 0.00 |
| Additions | 288.88 |
| Disposals | 0.00 |
| As at 31 st March 2022 | 288.88 |
| Accumulated depreciation | |
| As at 01 April 2021 | 0.00 |
| Depreciation charge for the year | 20.63 |
| Disposals | 0.00 |
| As at 31 March 2022 | 20.63 |
| Net carrying value | |
| As at 31 March 2022 | 268.25 |

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The table below provides details regarding the contractual maturities of lease liabilities of non-cancellable contractual commitments as on an undiscounted basis.

| Sr. No. | Particulars | As on 31/03/2022 | As on 31/03/2021 |
|----------------|--|-------------------------|-------------------------|
| a) | Not later than one year | 39.92 | 0.00 |
| b) | Later than one year but not later than five year | 233.66 | 0.00 |
| c) | Later than five years | 0.00 | 0.00 |

The following are the amounts recognized in profit or loss:

| Particulars | 31st March 2022 |
|--|-----------------------------------|
| Depreciation expense of right-of-use assets | 20.63 |
| Interest expense on lease liabilities | 11.49 |
| Interest income on fair value of security deposit | 0.00 |
| Expense relating to short-term leases (included in other expenses) | 0.00 |
| Total | 32.12 |

NOTES FORMING PART OF FINANCIAL STATEMENT

(₹ in lakhs)

| PARTICULARS | 2021-22 | 2020-21 |
|---|----------------|----------------|
| Note No. 4 Non-current investments | | |
| (a) Other non-current investments | | |
| Other Investments (Unquoted) | - | 0.00 |
| | <u>-</u> | <u>0.00</u> |

(₹ in lakhs)

| PARTICULARS | 2021-22 | 2020-21 |
|---|----------------|----------------|
| Note No. 5 Non Current loans | | |
| (a) Loans to related parties | | |
| Loans Receivables considered good-Unsecured | 15.50 | 15.50 |
| | <u>15.50</u> | <u>15.50</u> |

(₹ in lakhs)

| PARTICULARS | 2021-22 | 2020-21 |
|--|----------------|----------------|
| Note No. 6 Other non-current assets | | |
| (a) Advances other than capital advances | | |
| Security deposits | 7.70 | 7.70 |
| Prepaid Expenses | 0.06 | 0.10 |
| (b) Advance Income Tax & TDS receivables | 31.45 | 26.20 |
| | <u>39.20</u> | <u>34.00</u> |

(₹ in lakhs)

| PARTICULARS | 2021-22 | 2020-21 |
|---|----------------|----------------|
| Note No. 7 Inventories (At lower of cost and net realisable value) | | |
| (a) Raw materials | 39.11 | 45.97 |
| (b) Work-in-progress | 10.67 | 17.75 |
| (c) Finished goods | 46.33 | 25.78 |
| (d) Stores and spares | 7.34 | 15.23 |
| | <u>103.46</u> | <u>104.73</u> |

(₹ in lakhs)

| PARTICULARS | 2021-22 | 2020-21 |
|---|----------------|----------------|
| Note No. 8 Current Trade receivables | | |
| (a) Considered good-Unsecured | 168.25 | 146.86 |
| | <u>168.25</u> | <u>146.86</u> |

Trade Receivables ageing

As at 31st March, 2022

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|---|--|------------------|-----------|-----------|-------------------|--------|
| | Less than 6 months | 6 month - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade Receivables- Considered good | 167.63 | 0.62 | - | - | - | 168.25 |

NOTES FORMING PART OF FINANCIAL STATEMENT

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|--|------------------|-----------|-----------|-------------------|-------|
| | Less than 6 months | 6 month - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (ii) Undisputed Trade Receivables- Considered Doubtful | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables- Credit Impaired | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables- Considered good | - | - | - | - | - | - |
| (v) Disputed Trade Receivables- Considered Doubtful | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables- Credit impaired | - | - | - | - | - | - |

As at 31st March, 2021

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|--|------------------|-----------|-----------|-------------------|--------|
| | Less than 6 months | 6 month - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade Receivables- Considered good | 143.37 | - | 1.01 | 0.73 | 1.75 | 146.86 |
| (ii) Undisputed Trade Receivables- Considered Doubtful | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables- Credit Impaired | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables- Considered good | - | - | - | - | - | - |
| (v) Disputed Trade Receivables- Considered Doubtful | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables- Credit impaired | - | - | - | - | - | - |

(₹ in lakhs)

| PARTICULARS | 2021-22 | 2020-21 |
|---|----------------|----------------|
| Note No. 9 Cash and cash equivalents | | |
| (a) Balances with banks | | |
| In current accounts | 10.80 | 2.39 |
| In deposit accounts | 1.03 | - |
| (b) Cash on hand | 1.32 | 1.46 |
| | 13.15 | 3.86 |

(₹ in lakhs)

| PARTICULARS | 2021-22 | 2020-21 |
|--|----------------|----------------|
| Note No. 10 Other current assets | | |
| (a) Advances other than capital advances | | |
| Loans to employees | 0.11 | 1.29 |
| | 0.11 | 1.29 |

NOTES FORMING PART OF FINANCIAL STATEMENT

(₹ in lakhs)

| PARTICULARS | 2021-22 | | 2020-21 | |
|---|------------------|-----------------|------------------|----------------|
| | Number of Shares | ₹ | Number of Shares | ₹ |
| Note No. 11 Equity Share capital | | | | |
| (a) Authorised | | | | |
| Equity shares of ₹ 10/- each with voting rights | 99.50 | 995.00 | 99.50 | 995.00 |
| 13.5% Non Cumulative Redeemable preference shares of ₹ 100/- each | 0.05 | 5.00 | 0.05 | 5.00 |
| | 99.55 | 1,000.00 | 99.55 | 1000.00 |
| (b) Issued, Subscribed and fully paid up | | | | |
| Equity shares of ₹ 10/- each with voting rights | 58.09 | 580.89 | 58.09 | 580.89 |
| | 58.09 | 580.89 | 58.09 | 580.89 |

| (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period | 2021-22 | | 2020-21 | |
|---|------------------|---------------|------------------|---------------|
| | Number of Shares | ₹ | Number of Shares | ₹ |
| Equity Shares | | | | |
| Opening Balance | 58.09 | 580.89 | 58.09 | 580.89 |
| Changes made during the year | | | | |
| Fresh Issue | 0.00 | - | 0.00 | - |
| Bonus | 0.00 | - | 0.00 | - |
| ESOP | 0.00 | - | 0.00 | - |
| Conversion | 0.00 | - | 0.00 | - |
| Buy Back | 0.00 | - | 0.00 | - |
| Other Changes | 0.00 | - | 0.00 | - |
| Closing Balance | 58.09 | 580.89 | 58.09 | 580.89 |

(₹ in lakhs)

| PARTICULARS | 2021-22 | 2020-21 |
|---|-----------------|-----------------|
| Note No. 12 Reserves and surplus | | |
| (a) Capital reserve | 871.82 | 871.82 |
| (b) Securities premium account | 251.32 | 251.32 |
| (c) Other reserves (specify the nature and purpose of each reserve) | 10.56 | 10.56 |
| (d) Surplus / (Deficit) in Statement of Profit and Loss | | |
| Opening balance | (1,930.05) | (1,988.36) |
| Add: Profit / (Loss) for the year | (41.08) | 58.31 |
| | (837.42) | (796.35) |

(₹ in lakhs)

| PARTICULARS | 2021-22 | 2020-21 |
|---|--------------|----------|
| Note No. 13 Non Current Borrowings | | |
| (a) Term loans | | |
| From banks | 32.83 | - |
| | 32.83 | - |

NOTES FORMING PART OF FINANCIAL STATEMENT

| PARTICULARS | (₹ in lakhs) | |
|--|---------------|----------|
| | 2021-22 | 2020-21 |
| Note No. 14 Other Non Current Financial Liabilities | | |
| (a) Lease Liability | 244.79 | - |
| | 244.79 | - |

| PARTICULARS | (₹ in lakhs) | |
|---|--------------|--------------|
| | 2021-22 | 2020-21 |
| Note No. 15 Non Current Provisions | | |
| (a) Provision for employee benefits: | | |
| Provision for gratuity (net) | 86.81 | 26.66 |
| | 86.81 | 26.66 |

| PARTICULARS | (₹ in lakhs) | |
|--|--------------|-------------|
| | 2021-22 | 2020-21 |
| Note No. 16 Other Non Current Liabilities | | |
| (a) Advances from customers | 0.50 | 2.00 |
| | 0.50 | 2.00 |

| PARTICULARS | (₹ in lakhs) | |
|---------------------------------------|-----------------|-----------------|
| | 2021-22 | 2020-21 |
| Note No. 17 Current Borrowings | | |
| (a) Term loans | | |
| From banks | 7.77 | - |
| (b) Loans from related parties | | |
| Unsecured-Payable on Demand | 415.14 | 468.24 |
| (c) Other loans | | |
| Unsecured-Payable on Demand | 742.96 | 773.38 |
| | 1,165.87 | 1,241.62 |

| PARTICULARS | (₹ in lakhs) | |
|---|---------------|---------------|
| | 2021-22 | 2020-21 |
| Note No. 18 Current Trade payables | | |
| (a) Others | 226.93 | 171.92 |
| | 226.93 | 171.92 |

**Trade Payables ageing
As at 31st March, 2022**

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---------------------------|--|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 222.04 | 1.49 | 0.18 | 3.22 | 226.93 |
| (iii) Disputed dues-MSME | - | - | - | - | - |
| (iv) Disputed dues-Others | - | - | - | - | - |

NOTES FORMING PART OF FINANCIAL STATEMENT
As at 31st March, 2021

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---------------------------|--|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 167.83 | 0.61 | - | 3.47 | 171.92 |
| (iii) Disputed dues-MSME | - | - | - | - | - |
| (iv) Disputed dues-Others | - | - | - | - | - |

(₹ in lakhs)

| PARTICULARS | 2021-22 | 2020-21 |
|--|--------------|--------------|
| Note No. 19 Other Current Financial Liabilities | | |
| (a) Interest accrued | 58.12 | 43.97 |
| (b) Lease Liability | 39.92 | - |
| | 98.04 | 43.97 |

(₹ in lakhs)

| PARTICULARS | 2021-22 | 2020-21 |
|---|--------------|--------------|
| Note No. 20 Other Current Liabilities | | |
| (a) Other Advances from Customers | 4.05 | 11.35 |
| (b) Others | | |
| Employee benefits Payable | 18.16 | 16.52 |
| Statutory remittances (GST, PF, ESIC, PT, TDS, Sales Tax etc) | 47.79 | 59.82 |
| Other Dues | 1.45 | 2.39 |
| | 71.44 | 90.08 |

(₹ in lakhs)

| PARTICULARS | 2021-22 | 2020-21 |
|---------------------------------------|--------------|-------------|
| Note No. 21 Current Provisions | | |
| (a) Provision Others | | |
| Provision for Income Tax | 20.54 | 9.93 |
| | 20.54 | 9.93 |

(₹ in lakhs)

| PARTICULARS | 2021-22 | 2020-21 |
|--|-----------------|---------------|
| Note No. 22 Revenue from operations | | |
| (a) Sale of products | | |
| Finished goods | 1,270.13 | 817.10 |
| (b) Sale of services | - | 9.50 |
| | 1,270.13 | 826.60 |

(₹ in lakhs)

| PARTICULARS | 2021-22 | 2020-21 |
|---------------------------------|--------------|-------------|
| Note No. 23 Other income | | |
| (a) Interest income | 0.18 | 0.08 |
| (b) Miscellaneous income | 33.23 | 0.03 |
| | 33.41 | 0.11 |

NOTES FORMING PART OF FINANCIAL STATEMENT

| PARTICULARS | (₹ in lakhs) | |
|---|----------------------|----------------------|
| | 2021-22 | 2020-21 |
| Note No. 24 Cost of materials consumed | | |
| (a) Opening stock | 45.97 | 40.77 |
| (b) Add: Purchases | 716.10 | 375.79 |
| (c) Less: Closing stock | 39.11 | 45.97 |
| | <u>722.95</u> | <u>370.58</u> |

| PARTICULARS | (₹ in lakhs) | |
|--|----------------------|--------------------|
| | 2021-22 | 2020-21 |
| Note No. 25 Changes in inventories of finished goods, work-in-progress and stock-in-trade | | |
| (a) Inventories at the end of the year: | | |
| Finished goods | 46.33 | 25.78 |
| Work-in-progress | 10.67 | 17.75 |
| Stores and spares | 7.34 | 15.23 |
| | <u>64.35</u> | <u>58.77</u> |
| (b) Inventories at the beginning of the year: | | |
| Finished goods | 25.78 | 38.19 |
| Work-in-progress | 17.75 | 10.17 |
| Stores and spares | 15.23 | 16.46 |
| | <u>58.77</u> | <u>64.83</u> |
| Net (increase)/decrease | <u>(5.58)</u> | <u>6.06</u> |

| PARTICULARS | (₹ in lakhs) | |
|--|----------------------|----------------------|
| | 2021-22 | 2020-21 |
| Note No. 26 Employee benefits expenses | | |
| (a) Salaries and wages | 161.32 | 129.02 |
| (b) Contributions to provident and other funds | 21.49 | 11.12 |
| (c) Staff welfare expenses | 7.76 | 6.44 |
| | <u>190.57</u> | <u>146.58</u> |

| PARTICULARS | (₹ in lakhs) | |
|----------------------------------|---------------------|---------------------|
| | 2021-22 | 2020-21 |
| Note No. 27 Finance costs | | |
| (a) Interest expense on: | | |
| Borrowings | 18.59 | 21.73 |
| Trade payables | 23.21 | 20.73 |
| Interest on Lease Obligation | 11.49 | - |
| Others | 5.85 | 0.68 |
| | <u>59.14</u> | <u>43.13</u> |

| PARTICULARS | (₹ in lakhs) | |
|---------------------------------------|----------------|----------------|
| | 2021-22 | 2020-21 |
| Note No. 28 Other expenses | | |
| Consumption of stores and spare parts | 10.54 | 6.32 |
| Processing Charges | 46.80 | 22.15 |

NOTES FORMING PART OF FINANCIAL STATEMENT

| PARTICULARS | (₹ in lakhs) | |
|-------------------------------------|----------------|----------------|
| | 2021-22 | 2020-21 |
| Power and fuel | 65.20 | 59.29 |
| Water | 0.70 | 0.26 |
| Rent including lease rentals | 21.70 | 35.81 |
| Repairs and maintenance - Machinery | 4.85 | 3.41 |
| Repairs and maintenance - Others | 1.28 | 0.49 |
| Rates and taxes | 2.05 | 1.02 |
| Travelling and conveyance | 11.52 | 9.14 |
| Printing and stationery | 2.25 | 0.57 |
| Freight and forwarding | 14.10 | 12.02 |
| Sales commission | 24.39 | 16.34 |
| Business promotion | 1.09 | 0.99 |
| Legal and professional | 18.45 | 9.95 |
| Payments to auditors | | |
| Audit Fees | 2.00 | 0.90 |
| Taxation Matter | - | 0.15 |
| Miscellaneous expenses | 21.45 | 18.54 |
| | 248.37 | 197.33 |

| PARTICULARS | (₹ in lakhs) | |
|--------------------------------------|----------------|----------------|
| | 2021-22 | 2020-21 |
| Note No. 29 Exceptional Items | | |
| (a) Exceptional items | | |
| PF Related Payment | 78.57 | - |
| Sales Tax Related Balances | (89.71) | - |
| | (11.15) | - |

| PARTICULARS | (₹ in lakhs) | |
|--|----------------|----------------|
| | 2021-22 | 2020-21 |
| Note 30 Disclosure as per Ind AS 33 Earning Per Share | | |
| Basic & Diluted | | |
| Profit after tax available for equity share holders | 23.02 | 58.31 |
| Weighted average number of equity shares outstanding during the year | 58.09 | 58.09 |
| Nominal Value of the share (in INR) | 10.00 | 10.00 |
| Basic Earning per share (in INR) | 0.40 | 1.00 |
| Diluted Earning per share (in INR) | 0.40 | 1.00 |

Note 31 - Disclosures as per Ind AS -24 'Related Party Disclosures (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) Swati Shah |
| | (e) Shilpa S. Parab (Non-executive Director) |
| | (f) Sandip K. Pawar (Non-executive Director) |
| | (g) Kirtikumar B. Doshi (Non-executive Director) |

NOTES FORMING PART OF FINANCIAL STATEMENT

- | | |
|---|---|
| (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 |

(2) Transactions carried out with the related parties mentioned above in ordinary course of business

| 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 | | (₹ in lakhs) Total | |
|----------|-----------------------------|--------------------------|--------------------|---|-------|--|--------|------------------------------|-------|-----------------------|--------|
| | | 21-22 | 20-21 | 21-22 | 20-21 | 21-22 | 20-21 | 21-22 | 20-21 | 21-22 | 20-21 |
| | | A | Transaction | | | | | | | | |
| 1 | Remuneration to KMP | 19.37 | 15.05 | - | - | - | - | - | - | 19.37 | 15.05 |
| 2 | Employee Benefit Expense | - | - | - | - | - | - | - | - | - | - |
| 3 | Director Sitting Fees | 0.40 | 0.40 | - | - | - | - | - | - | 0.40 | 0.40 |
| 4 | Loan Received | - | - | - | - | 16.00 | 1.77 | - | - | 16.00 | 1.77 |
| 5 | Loan Repaid | - | - | - | - | 69.10 | 50.10 | - | - | 69.10 | 50.10 |
| 6 | Interest Expenses | - | - | - | - | 18.59 | 21.73 | - | - | 18.59 | 21.73 |
| B | Outstanding Balances | | | | | | | | | | |
| 1 | Receivables | - | - | - | - | 15.50 | 15.50 | - | - | 15.50 | 15.50 |
| 2 | Payables | - | - | 24.78 | 24.78 | 389.28 | 444.46 | - | - | 414.06 | 469.24 |

Note:

- 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.
- Above transactions does not includes Re-imbusement of expenses

Note 32 - 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, 2022.

NOTES FORMING PART OF FINANCIAL STATEMENT

| Particulars | 2021-22 (₹ in lakhs) | 2020-21 (₹ in lakhs) |
|--|-------------------------|-------------------------|
| Contingent liabilities and commitments (to the extent not provided for) | | |
| Income Tax Related | 30.60 | 30.45 |
| Sales Tax Related | - | 113.22 |
| Provident Fund related | - | 78.57 |

Note 33 - 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.