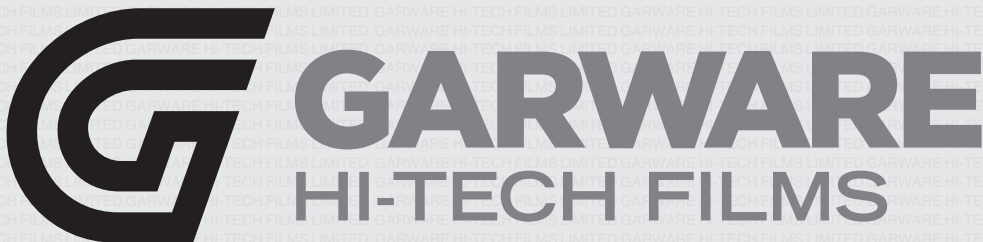


GARWARE HI-TECH FILMS LIMITED
(Formerly known as Garware Polyester Limited)



ANNUAL REPORT
2020-21

CORPORATE INFORMATION

BOARD OF DIRECTORS

S. B. Garware – Chairman & Managing Director (DIN: 00943822)
 Monika Garware (Ms.) – Vice Chairperson & Jt. Managing Director (DIN: 00143400)
 Sarita Garware Ramsay (Mrs.) - Jt. Managing Director (DIN: 00136048)
 Sonia Garware (Ms.) (DIN: 00135995)
 B. Moradian (DIN: 00242123)
 M. C. Agarwal (Dr.) (DIN: 02595878)
 Ramesh P. Makhija (DIN: 00209869)
 T. M. Parikh (DIN: 00049287)
 Nilesh R. Doshi (DIN: 00249715)
 B. D. Doshi (DIN: 02950198)
 C. J. Pathak - Whole-Time Director (DIN: 00601668)
 Vivekanand H. Kamath (DIN: 07260441)
 Devanshi H. Nanavati (Ms.) (DIN: 08770422)

CHIEF FINANCIAL OFFICER

Pradeep Mehta

COMPANY SECRETARY & VICE PRESIDENT (LEGAL)

Awaneesh Srivastava

<p>AUDIT COMMITTEE T.M.Parikh - Chairman B. Moradian M. C. Agarwal Nilesh R. Doshi B. D. Doshi C. J. Pathak</p> <p>STAKEHOLDERS' RELATIONSHIP COMMITTEE M. C. Agarwal - Chairman B. Moradian B. D. Doshi</p> <p>NOMINATION & REMUNERATION COMMITTEE M. C. Agarwal - Chairman B. Moradian T. M. Parikh B. D. Doshi</p> <p>CORPORATE SOCIAL RESPONSIBILITY COMMITTEE Sarita Garware Ramsay - Chairperson B. Moradian M. C. Agarwal B. D. Doshi</p> <p>RISK MANAGEMENT COMMITTEE C. J. Pathak - Chairman B. Moradian T.M.Parikh M. C. Agarwal B. D. Doshi Pradeep Mehta</p>	<p>BANKERS Indian Overseas Bank Bank of Baroda Bank of India The Federal Bank Limited</p> <p>STATUTORY AUDITORS M/s. Manubhai & Shah, LLP Chartered Accountants (Mumbai) M/s. Kirtane & Pandit, LLP Chartered Accountants (Mumbai)</p> <p>SOLICITORS & ADVOCATES Crawford Bayley & Co. (Mumbai)</p> <p>REGISTRARS & TRANSFER AGENTS Link Intime India Private Limited, Mumbai.</p>	<p>REGISTERED OFFICE Naigaon, Post Waluj, Aurangabad - 431 133.</p> <p>CORPORATE OFFICE Garware House, 50-A, Swami Nityanand Marg, Vile Parle (East), Mumbai - 400 057.</p> <p>WORKS</p> <ol style="list-style-type: none"> 1) L- 5 & L- 6, Chikalthana Industrial Area, Dr. Abasaheb Garware Marg, Aurangabad - 431 210. 2) Naigaon, Post Waluj, Aurangabad - 431 133. 3) A-1 & A-2, MIDC, Ambad, Nashik - 422 010. <p>OFFICES</p> <ol style="list-style-type: none"> 1) 1203, Suryakiran Building, Kasturba Gandhi Marg, New Delhi - 110001. 2) Old No. 37, New No. 55, Ambercrest, 4th Floor, Pantheon Road Lane Egmore, Chennai - 600 008. <p>OVERSEAS OFFICE</p> <ol style="list-style-type: none"> 1) Unit 2-17, The Plaza, 535, Kings Road, London - SW10 OSZ. 2) 101, Lake Forest Blvd. Street No. 403, Gaithersburg MD, 20887, U.S.A. <p>WEBSITE www.garwarehitechfilms.com</p>
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NOTICE

GARWARE HI-TECH FILMS LIMITED

(Formerly Known as Garware Polyester Limited)

CIN: L10889MH1957PLC010889

Registered Office: Naigaon, Post Waluj, Aurangabad – 431 133.

Website: www.garwarehitechfilms.com Email: cs@garwarehitech.com

Tel. No.: 022 6698 8000.

Notice is hereby given that the 64th Annual General Meeting (“AGM”) of the members of Garware Hi-Tech Films Limited (Formerly Known as Garware Polyester Limited) will be held on Tuesday, September 28, 2021 at 11.30 a.m. at the Registered Office of the Company situated at Naigaon, Post Waluj, Aurangabad – 431133 to transact the following businesses:

ORDINARY BUSINESS:

1. Adoption of Audited Standalone and Consolidated Financial Statements

To consider and adopt:

- The Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and Auditors thereon; and
- The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 together with the report of the Auditors thereon.

2. Declaration of Dividend

To declare Dividend on equity shares for the financial year ended March 31, 2021.

3. Re-appointment of Mrs. Sarita Garware Ramsay (DIN: 00136048) as Director, liable to retire by rotation

To appoint a Director in place of Mrs. Sarita Garware Ramsay (DIN: 00136048), who retires by rotation and being eligible, offers herself for re-appointment in terms of Section 152(6) of the Companies Act, 2013.

4. Re-appointment of Ms. Sonia Garware (DIN: 00135995) as Director, liable to retire by rotation

To appoint a Director in place of Ms. Sonia Garware (DIN: 00135995), who retires by rotation and being eligible, offers herself for re-appointment in terms of Section 152(6) of the Companies Act, 2013.

SPECIAL BUSINESS:

5. Ratification of the remuneration of Cost Auditors

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

“**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company hereby ratifies the remuneration of ₹ 3,00,000/- (Rupees Three Lakhs only) plus taxes and reimbursement of out of pocket expenses at actuals, if any, incurred in connection with the audit to M/s. M. R. Pandit & Co., Cost Accountants (Firm Registration No. 00268) who were appointed by the Board of Directors as Cost Auditors of the Company, based on recommendations of Audit Committee, to conduct cost audits relating to cost records of the

Company for the financial year ending March 31, 2022.

RESOLVED FURTHER THAT the Board of Directors (including Committee thereof) and/ or Company Secretary of the Company, be and is hereby authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution.”

6. Appointment of Ms. Devanshi H. Nanavati (DIN: 08770422) as an Independent Director

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with Schedule IV to the Act and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the approvals and recommendations of the Nomination & Remuneration Committee and the Board of Directors, Ms. Devanshi H. Nanavati (DIN: 08770422), who was appointed by the Board as an Additional Director of the Company till the date of ensuing Annual General Meeting and who being eligible, offers herself for appointment and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Independent Director and Board having considered and recommended, be and is hereby appointed as an Independent Director of the Company, for a second term of 5 (Five) years commencing from June 25, 2021 up to June 24, 2026.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

7. Re-appointment of Ms. Monika Garware (DIN: 00143400), as a Joint Managing Director of the Company

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 (“Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force) and as recommended by Nomination and Remuneration Committee and approved by the Board, the consent of the members of the Company be and is hereby accorded for the re-appointment of Ms. Monika Garware (DIN: 00143400), as a Joint Managing Director of the Company for a period of 3 (Three) years, with effect from November 01, 2021 to October 31, 2024, on such terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting.

RESOLVED FURTHER THAT if in any financial year during the currency of the tenure, the Company has no profits or the profits of the Company are inadequate, the Company will pay to Ms. Monika Garware the remuneration as specified in the Explanatory Statement to this resolution as and by way of minimum remuneration.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter, vary or modify the scope and terms of remuneration, perquisites, benefits and amenities, as provided under the provisions of the Companies Act, 2013 and Schedule V of the Act, payable to Ms. Monika Garware any time during the tenure of her term, in such manner as may be agreed between the Board and Ms. Monika Garware, without requiring to obtain any further approval from the Members of the Company and for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and settle any/or all questions/matters arising with respect to the above matter, and to execute all such deeds, documents, agreements and writings as may be necessary and take such further steps in this regard, as may be considered desirable or expedient by the Board in the best interest of the Company.”

8. Re-appointment of Mrs. Sarita Garware Ramsay (DIN: 00136048), as a Joint Managing Director of the Company

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 (“Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force) and as recommended by Nomination and Remuneration Committee and approved by the Board, the consent of the members of the Company be and is hereby accorded for the re-appointment of Mrs. Sarita Garware Ramsay (DIN: 00136048), as a Joint Managing Director of the Company for a period of 3 (Three) years, with effect from November 01, 2021 to October 31, 2024, on such terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting.

RESOLVED FURTHER THAT if in any financial year during the currency of the tenure, the Company has no profits or the profits of the Company are inadequate, the Company will pay to Mrs. Sarita Garware Ramsay the remuneration as specified in the Explanatory Statement to this resolution as and by way of minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter, vary or modify the scope and terms of remuneration, perquisites, benefits and amenities, as provided under the provisions of the Companies Act, 2013 and Schedule V of the Act, payable to Mrs. Sarita Garware Ramsay any time during the tenure of her term, in such manner as may be agreed between the Board and Mrs. Sarita Garware Ramsay, without requiring to obtain any further approval from the Members of the Company and for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and

settle any/or all questions/matters arising with respect to the above matter, and to execute all such deeds, documents, agreements and writings as may be necessary and take such further steps in this regard, as may be considered desirable or expedient by the Board in the best interest of the Company.”

9. To contribute to bona fide charitable and other funds

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in suppression of the Ordinary Resolution passed at the 61st Annual General Meeting of the Company held on September 28, 2018 and pursuant to the provisions of Section 181 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder and such other applicable Regulations, if any, (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (which shall include Committee thereof) to contribute, donate, subscribe or otherwise provide assistance from time to time to any bona fide charitable, social, benevolent and other funds, body, university, institute, society, trust, etc. for charitable and other purposes in any financial year, any amounts the aggregate of which shall not exceed ₹ 20,00,00,000/- (Rupees Twenty Crore only) or 5% of its average net profits for the three immediately preceding financial years whichever is higher.

RESOLVED FURTHER THAT the Board or any Committee thereof, be and are hereby authorized to do all such acts, deeds and things as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.”

10. To alter the Articles of Association of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Section 5, 14 and other applicable provisions, if any, of the Companies Act, 2013, read with The Companies (Incorporation) Rules, 2014 and other applicable rules and regulations made there under, the applicable provisions of the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulations) Rules, 1957 and Listing Agreement/ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force) and the enabling provisions of the Memorandum and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded for alteration of certain clauses of the Articles of Association, as set out under the Explanatory Statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT any of the Directors or Key Managerial Personnel of the Company be and is hereby severally authorised to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents,

applications, returns and writings as may be necessary, proper, desirable or expedient, in the best interest of the Company, to accede to such modifications and alterations to the aforesaid resolution as may be suggested by the Ministry of Corporate Affairs or such other Authority arising from or incidental to the said amendment.”

By order of the Board of Directors
For **Garware Hi-Tech Films Limited**
(Formerly known as Garware Polyester Limited)

Awaneesh Srivastava
Company Secretary
(ICSI M. No. FCS 8513)

Place: Mumbai
Date: July 29, 2021

Registered Office:
Naigaon, Post Waluj,
Aurangabad – 431 133.

Notes:

1. The AGM will be held at the said venue by strictly adhering to the Social Distancing Norms and Other Safety Protocols including face masks, hand sanitization etc. as per the latest guidelines / advisories / SOP's issued by the Ministry of Health & Family Welfare, Government of India and the State Govt. amid COVID-19 Pandemic. Entry to the venue will be made on 'first come first basis' according to the maximum permissible limit for a gathering at a place as per the lock down restrictions prevailing at that time. The Company has taken necessary approval from the local authority to convene the meeting.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE 'MEETING') IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND TO VOTE ONLY ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Pursuant to Section 105 of the Companies Act, 2013, person can act as a proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other Member.

If a Proxy is appointed for more than fifty Members, the Proxy shall choose any fifty Members and confirm the same to the Company not later than 48 hours before the commencement of the meeting. In case, if the Proxy fails to do so, only the first fifty proxies received by the Company shall be considered as valid.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than forty-eight hours before the commencement of the meeting.

A Proxy Form is attached herewith. Proxies submitted on behalf of the companies, societies, body corporate etc., must be supported by an appropriate resolution/authority, as applicable.

3. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 5 & 9 of the Notice is annexed hereto. The relevant

details, pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards -2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at the AGM is provided as annexure to the Notice. Requisite declarations have been received from Director/s for seeking appointment/re-appointment.

4. Members desiring any information on the business to be transacted at the Meeting are requested to write to the Company at least 15 days in advance to enable the Management to keep the information, as far as possible, ready at the Meeting.
5. Members / Proxies / Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
6. **Book Closure and Dividend:**

The Register of Members and the Share Transfer Books of the Company will be closed from Wednesday, September 22, 2021 to Tuesday, September 28, 2021 (both days inclusive) for the purpose of this AGM and for determining entitlement of members to final dividend for the financial year ended March 31, 2021, if approved at the AGM.

The dividend of ₹ 10/- per equity share of ₹ 10/- each (100%), if declared at the AGM, will be paid subject to deduction of tax at source ('TDS') on or after Wednesday, September 29, 2021.

- (a) To all the Beneficial Owners as at the end of the day on Tuesday, September 21, 2021 as per the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
- (b) To all Members in respect of shares held in physical form after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company as of the close of business hours on Tuesday, September 21, 2021.

Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Members, subject to availability of postal services and /or courier services.

7. Further, in order to receive the dividend in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means are requested to send the following documents to our RTA - Link Intime India Private Limited, at C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400 083, latest by Tuesday, September 14 2021:
 - (a) A signed request letter by the first holder, mentioning the name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
 - i) Name of Bank and Bank Branch ;
 - ii) Bank Account Number & Type allotted by your bank after implementation of Core Banking Solutions; and

- iii) 11-digit IFSC Code.
- iv) 9 digit MICR Code
- (b) Original cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
- (c) Self-attested copy of the PAN Card; and
- (d) Self-attested copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs.

8. Tax Deductible at Source / Withholding tax:

Pursuant to the requirement of the Income Tax Act, 1961, the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status of the shareholder and documents submitted by shareholder with the Company/ RTA/ Depository Participant.

A. Resident Shareholders:

- (i) Tax Deductible at Source for Resident Shareholders

Sr. No.	Particulars	Withholding tax rate	Documents required (if any) / Remarks
1.	Valid PAN updated in the Company's Register of Members	10%	No document required. If dividend does not exceed ₹ 5,000/-, no TDS/ withholding tax will be deducted.
2.	No PAN/Valid PAN not updated in the Company's Register of Members	20%	TDS/ Withholding tax will be deducted, regardless of dividend amount, if PAN of the shareholder is not registered with the Company/ RTA/ Depository Participant. All the shareholders are requested to update, on or before Tuesday, September 14, 2021, their PAN with their Depository Participant (if shares are held in electronic form) and Company / RTA (if shares are held in physical form). Please quote all the folio numbers under which you hold your shares while updating the records.
3.	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of the Income Tax Act, 1961	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority to be submitted on or before Tuesday, September 14, 2021

- (ii) No Tax Deductible at Source on dividend payment to resident shareholders if the Shareholders submit following documents as mentioned in column no.4 of the below table with the Company / RTA/Depository Participant on or before Tuesday, September 14, 2021

Sr. No. (1)	Particulars (2)	Withholding tax rate (3)	Documents required (if any) / Remarks (4)
1.	Submission of form 15G/15H	NIL	Declaration in Form No. 15G (applicable to an individual who is below 60 years) / Form 15H (applicable to an individual who is 60 years and above), fulfilling certain conditions
2.	Shareholders to whom section 194 of the Income Tax, 1961 does not apply as per second proviso to section 194 such as LIC, GIC. etc.	NIL	Documentary evidence for exemption u/s 194 of the Income Tax Act, 1961
3.	Shareholder covered u/s 196 of the Income Tax Act, 1961 such as Government, RBI, corporations established by Central Act & mutual funds.	NIL	Documentary evidence for coverage u/s 196 of the Income Tax Act, 1961
4.	Category I and II Alternate Investment Fund	NIL	SEBI registration certificate to claim benefit under section 197A (1F) of Income Tax Act, 1961
5.	<ul style="list-style-type: none"> • Recognised provident funds • Approved superannuation fund • Approved gratuity fund 	NIL	Necessary documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT)

Sr. No. (1)	Particulars (2)	Withholding tax rate (3)	Documents required (if any) / Remarks (4)
6.	National Pension Scheme	NIL	No TDS/ withholding tax as per section 197A (1E) of the Income Tax Act, 1961
7.	Any resident shareholder exempted from TDS deduction as per the provisions of the Income Tax Act or by any other law or notification	NIL	Necessary documentary evidence substantiating exemption from deduction of TDS

B. Non-Resident Shareholders:

The table below shows the withholding tax on dividend payment to non-resident shareholders who submit, on or before Tuesday, September 14, 2021, the following document(s), as mentioned in column no. 4 of the below table, to the Company / RTA. In case all necessary documents are not submitted, then the TDS/ Withholding tax will be deducted @ 20% (plus applicable surcharge and cess).

Sr. No. (1)	Particulars (2)	Withholding tax rate (3)	Documents required (if any) / Remarks (4)
1.	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs) / Other Non- Resident shareholders	20% (plus applicable surcharge and cess) or tax treaty rate, whichever is beneficial	FPI registration certificate in case of FIIs / FPIs. To avail beneficial rate of tax treaty following tax documents would be required: 1. Tax Residency certificate issued by revenue authority of country of residence of shareholder for the year in which dividend is received 2. PAN or declaration as per Rule 37BC of Income Tax Rules, 1962 in a specified format. 3. Form 10F filled & duly signed 4. Self-declaration for non-existence of permanent establishment/ fixed base in India (Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non-Resident shareholder and review to the satisfaction of the Company)
2.	Indian Branch of a Foreign Bank	NIL	Lower tax deduction certificate u/s 195(3) obtained from Income Tax Authority Self-declaration confirming that the income is received on its own account and not on behalf of the Foreign Bank and the same will be included in taxable income of the branch in India
3.	Availability of Lower/NIL tax deduction certificate issued by Income Tax Authority	Rate specified in certificate	Lower tax deduction certificate obtained from Income Tax Authority
4.	Any non-resident shareholder exempted from WHT deduction as per the provisions of the Income Tax Act or any other law such as the United Nations (Privileges and Immunities) Act 1947, etc.	NIL	Necessary documentary evidence substantiating exemption from WHT deduction

- Application of TDS rate is subject to necessary verification by the Company of the shareholder details as available in Register of Members as on the Record Date, and other documents available with the Company/ RTA.
- In case TDS is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund.
- No TDS will be deducted in case of resident individual shareholders who furnish their PAN details and whose dividend does not exceed ₹ 5,000/-.** However, where the PAN is not updated in Company/ RTA/ Depository Participant records or in case of an invalid PAN, the Company will deduct TDS u/s 194 without considering the exemption limit of ₹ 5,000/-. All the shareholders are requested to update their PAN with their Depository Participant (if shares are held in electronic form) and RTA (if shares are held in physical form) against all their folio holdings on or before Tuesday, September 14, 2021.
- In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, such shareholder will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.

This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the

matter of dividend payment. Shareholders should consult their tax advisors for requisite action to be taken by them.

No communication would be accepted from members after Tuesday, September 14, tax withholding matters.

9. Transfer of Unclaimed Dividend Amounts to the Investor Education and Protection Fund (IEPF):

- (a) Pursuant to the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), dividends that are unpaid or unclaimed for a period of 7 (seven) years from the date of their transfer are required to be transferred by the Company to the IEPF, administered by the Central Government. Further, according to the said IEPF Rules, shares in respect of which dividend has not been claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.
 - (b) The dividend amount and shares transferred to the IEPF can be claimed by the concerned members from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The details of the unclaimed dividends are also available on the Company’s website at www.garwarehitechfilms.com and the said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link www.iepf.gov.in. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on www.iepf.gov.in
10. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company’s Registrar and Share Transfer Agent, Link Intime India Private Limited, at mt.helpdesk@linkintime.co.in for assistance in this regard.
 11. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their Depository Participant (“DP”) in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.
 12. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. The said forms can be downloaded from the RTA’s website at <https://linkintime.co.in>. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting your folio no.
 13. A route map showing directions to reach the venue of the 64th AGM is given along with this Annual Report as per the requirement of “Secretarial Standard-2” on General Meeting.
 14. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and had issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this initiative of the Government in full measure members are requested to register their e-mail address in respect of electronic holdings with the Depository through their concerned Depository Participants. A member who holds shares in physical form are requested to send their e-mail address to the Registrar and Share Transfer Agent of the Company.

Registrar and Share Transfer Agent

**Link Intime India Private Limited
(Unit: Garware Hi-Tech Films Limited)**

C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai - 400 083.
Tel No. 022- 491 86000; Fax: 022- 491 86060.
Email: mt.helpdesk@linkintime.co.in

Electronic copy of the Annual Report for 2020-21 and Notice of the 64th Annual General Meeting of the Company *inter-alia* indicating the process and manner of electronic voting (‘e-voting’) along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2020-21 and Notice of the 64th Annual General Meeting of the Company *inter-alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent by the permitted mode.

15. Members may note that this Notice and Annual Report shall also be available on the Company’s website at www.garwarehitechfilms.com, websites of the Stock Exchange where Company’s shares are listed i.e. BSE Limited at www.bseindia.com. and Notice of the AGM is also available on the website of National Securities Depository Limited (‘NSDL’) at www.evoting.nsdl.com.

16. Voting through electronic means

- (a) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as amended from time to time, the Company is pleased to provide members facility to exercise their right to vote at the 64th Annual General Meeting (AGM) by

electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

- (b) The facility for voting through poll paper shall be made available at the venue of the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through poll paper.
- (c) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (d) The remote e-voting period begins on Friday, September 24, 2021 at 9:00 AM and ends on Monday, September 27, 2021 at 5:00 PM. During this period, members of the Company, holding shares, either in physical form or in dematerialized form, as on the cut-off date of Tuesday, September 21, 2021, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Tuesday, September 21, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

- (e) A person who is not a member as on the cut-off date should treat this notice for information purpose only.
- (f) The instructions for members for remote e-Voting are as under:

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

Step 2: Cast your vote electronically on NSDL e-Voting system.

Step 1: Access to NSDL e-Voting system:

(A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their 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 www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

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. Upon logging in, 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
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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. NSDL and CDSL.

Login type	Helpdesk details
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
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 or 022-23058542-43

(B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

How to Log-in to NSDL e-Voting website?

- i. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- ii. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
- iii. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- iv. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- v. Password details for shareholders other than Individual shareholders are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will prompt you to change your password.
 - c. How to retrieve your ‘initial password’?
 - i. If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Kindly trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
 - vi. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- vi. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
- vii. Now, you will have to click on “Login” button.
- viii. After you click on the “Login” button, Home page of e-Voting will open.
- iv. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

General Guidelines for shareholders

Step 2: Cast your vote electronically on NSDL e-Voting system

How to cast your vote electronically on NSDL e-Voting system?

- i. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
- ii. Select “EVEN” of the company for which you wish to cast your vote during the remote e-Voting period.
- iii. Now you are ready for e-Voting as the Voting page opens.
- iv. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- v. Upon confirmation, the message “Vote cast successfully” will be displayed.
- vi. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- vii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- i. In case shares are held in physical mode please provide 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 cs@garwarehitech.com.
- ii. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@garwarehitech.com. If you are an Individual shareholder- holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- iii. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

- i. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to nilesh@ngshah.com with a copy marked to evoting@nsdl.co.in.
- ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
- iii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in.
- iv. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of Tuesday, September 21, 2021.
- v. M/s. Nilesh Shah & Associates, Company Secretarie has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner.
- vi. The Scrutinizer shall after the conclusion of voting at an AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and will make, not later than 48 hours of the conclusion of an AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, submit it to the Chairman of the Company or in his absence to a person authorised by him in writing, who shall counter sign the Scrutinizer’s Report and shall declare the result forthwith.
- vii. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.garwarehitechfilms.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in this behalf. The results shall also be uploaded on the BSE Listing Portal.

17. Updation of Members’ Details:

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company / Share Registrars and Transfer Agents to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. Members

holding shares in physical form are requested to submit the details to the Company at cs@garwarehitech.com or Link Intime India Private Limited. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.

By order of the Board of Directors
For **Garware Hi-Tech Films Limited**
(Formerly known as Garware Polyester Limited)

Awaneesh Srivastava
Company Secretary
(ICSI M. No. FCS 8513)

Place: Mumbai
Date: July 29, 2021

Registered Office:
Naigaon, Post Waluj,
Aurangabad – 431 133.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 5

Ratification of the remuneration of Cost Auditors

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of M/s. M. R. Pandit & Co., Cost Accountants, to conduct the audit of the Cost Records of the Company for the financial year ending March 31, 2022.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration recommended by the Audit Committee under Rule 14 (a) (i) shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for approval of the remuneration of ₹ 3,00,000/- (Rupees Three Lakhs only) plus taxes and reimbursement of out of pocket expenses at actuals, if any, payable to the Cost Auditors, for the financial year ending March 31, 2022.

The Board recommends the Ordinary Resolution as set out at Item No. 5 of the Notice for approval by the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is / are in anyway concerned or interested, financially or otherwise, in this resolution.

ITEM NO.6

Appointment of Ms. Devanshi Nanavati (DIN: 08770422) as a Director in the category of Woman Independent Director

The members of the Company at its 63rd Annual General Meeting (AGM) held on December 23, 2020, had approved the appointment of Ms. Devanshi Nanavati (DIN: 08770422) as a Woman Independent Director on the Board of the Company w.e.f. June 25, 2020 for a period of 1 (one) year and the said term of Ms. Nanavati was up to June 24, 2021.

The Board of Directors of the Company by passing a circular resolution on June 25, 2021, based on the outcome of performance evaluation,

recommendations of the Nomination and Remuneration Committee and experience and significant contributions made by Ms. Devanshi Nanavati (DIN: 08770422), recommended her for appointment as an Independent Woman Director for a period of five years w.e.f. June 25, 2021, subject to the approval of members at this Annual General Meeting.

The Company has received a notice as required under the provisions of Section 160 of the Companies Act, 2013 from a member proposing the candidature of Ms. Nanavati as Independent Directors on the Board of the Company, to hold office for the second term of five (5) consecutive years commencing from June 25, 2021 to June 24 2026. During the term, Ms. Nanavati shall not be liable to retirement by rotation.

Ms. Nanavati, BLS, LLB and Solicitor is a law practitioner, associated with Crawford Bayley & Co. Ms. Nanavati has assisted in advising top 500 listed companies in India, High Net worth Individuals and foreign corporations, in wide array of legal matters. She has been actively involved in liaising with regulatory authorities such as SEBI and RBI. She has actively advised and represented clients in transactional matters such as rights issue, setting up of a company, issue of bonus, debentures and incorporation of LLPs.

The Company has received declaration from Ms. Nanavati, confirming that she meets the criteria of independence as prescribed under the Companies Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). In the opinion of the Board, Ms. Nanavati fulfills the conditions specified in the Act, the Rules made there under and the SEBI Listing Regulations, for being appointed as an Independent Director.

The Board considers her continued association would be of immense benefit to the Company and it is desirable to re-appoint Ms. Nanavati as a Woman Independent Director for a second term of five years.

The Board recommends the Special Resolution as set out at Item No. 6 of the Notice for approval by the members. Brief profile of Ms. Nanavati is annexed with this notice.

Other than Ms. Nanavati and her relatives, none of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in these resolutions, except to the extent of their respective shareholding, if any, in the Company.

ITEM NO. 7

Re-appointment of Ms. Monika Garware (DIN: 00143400), as a Joint Managing Director of the Company

Ms. Monika Garware (DIN: 00143400) was re-appointed as a Joint Managing Director of the Company for a period of 3 (Three) years from November 01, 2018 to October 31, 2021, by the members of the Company at the 61st Annual General Meeting (AGM) held on September 28, 2018 and the terms of her remuneration were approved by the members at the said AGM.

The Board of Directors at their meeting held on July 29, 2021, based on the outcome of performance evaluation, recommendations of the Nomination and Remuneration Committee and experience and significant contributions made by Ms. Monika Garware, considered and approved the re-appointment of Ms. Monika Garware for a further period of 3 (Three) years with effect from November 01, 2021 to October 31, 2024, upon the terms and conditions including remuneration hereinafter indicated, subject to approval of the Members.

Ms. Monika Garware has been associated with the Company since April 1989 and later on appointed as the Vice-Chairperson in the year 2002. The Board of Directors elevated her to the position of Joint Managing Director w.e.f. 1st July, 2003. She is graduated from Vasaar College,

U.S.A. and subsequently completed her M.B.A. from Lubin Business School, Pace University, New York, U.S.A. She has requisite knowledge and experience to manage the corporate affairs division of the Company. She manages the finance vertical of the organization comprising of fund raising and fund management, audit, taxation, Capex and inventory management. Additionally, she monitors the 'Safety' and adherence to 'TPM', 'ISO' norms etc. She is also responsible for the business development and other strategic issues of the Company.

Ms. Monika Garware satisfies all the conditions as set out in Part I of Schedule V read with Section 197(11) of the Companies Act, 2013 for being eligible to be re-appointed as a Joint Managing Director of the Company. She is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

Brief profile of Ms. Monika Garware along with other details as required in compliance with Schedule V of the Companies Act, 2013, Listing Regulations and Secretarial Standards issued by ICSI are provided in the "Annexure" to the Notice.

The draft agreement between the Company and Ms. Monika Garware, *inter-alia*, contains the following terms and conditions:

a) **Basic Salary:**

₹ 29,60,000/- per month from November 01, 2021. (With an annual increase of 10% per annum w.e.f. April 01, 2022 until the expiry of the term).

b) **Perquisites & Allowances :**

She will be entitled to furnished housing accommodation, gas, electricity, water and furnishings and other perquisites such as reimbursement of medical expenses incurred for self and family, leave travel concession for self and family once in a year, club fees, personal accident insurance, provision of a car with driver, telephone at residence etc. The monetary value of the perquisites will be calculated in accordance with the Income Tax Rules. The aggregate value of the above perquisites shall be restricted to a maximum of 40% of Basic Salary. Ms. Monika Garware shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration:

- i. Contribution to Provident Fund, Superannuation Fund or Annuity Fund/ National Pension Scheme shall be in accordance with the Company's policy (including perquisites as per the Income Tax Rules).
- ii. Gratuity payable at the rate not exceeding half a months of basic salary for each completed year of service.
- iii. Encashment of leave at the end of her tenure.

c) **Commission :**

She will be paid commission, equivalent to the annual salary, in addition to salary and perquisites, based on the net profits of the Company in a particular year in accordance with the provisions of Sections 198 and such other applicable provisions, if any of the Companies Act, 2013.

d) She will be entitled to leave on full remuneration as per the rules of the Company but not exceeding one month's leave for every 11 months of service.

e) She will also be entitled to reimbursement of all expenses actually incurred by her in the course of business of the Company.

f) She will also be entitled to receive from the Company travelling, hotel and other expenses incurred by her in the performance of her duties on behalf of the Company.

In anticipation that during the term of her employment -, the Company may have inadequacy of profits in any such financial year/s, in such case the above mentioned remuneration paid / payable to her, would be in excess of the limits prescribed under Schedule V read with relevant provisions of Companies Act, 2013 therefore, the Special Resolution is proposed for the approval of the shareholders.

The draft agreement and the Resolution of the Annual General Meeting referred to in the Resolution under Item No. 7 of the notice will be open for inspection by the Members at the Registered Office of the Company during the office hours on all the working days except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting, subject to COVID-19 restrictions.

The Board of Directors are of the opinion that the re-appointment and payment of remuneration as contained in this resolution to Ms. Monika Garware as the Joint Managing Director is in the best interest of the Company and accordingly, recommend the Special Resolution as set out in Items No. 7 of this notice for approval of the members.

This statement may also be regarded as an appropriate disclosure under the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). This may also be treated as an abstract of the draft agreement and the Memorandum of Interest of Directors therein pursuant to the provisions of Section 190 of the Companies Act, 2013.

Your Directors recommend this Special Resolution as set out at Item No. 7 of the Notice for approval of the members.

Ms. Monika Garware is interested in the resolution set out at Item No. 7. None of the Directors or Key Managerial Personnel of the Company other than Shri Shashikant B. Garware, Mrs. Sarita Garware Ramsay and Ms. Sonia Garware are deemed to be interested in this resolution.

ITEM NO 8.

Re-appointment of Mrs. Sarita Garware Ramsay (DIN: 00136048), as a Joint Managing Director of the Company

Mrs. Sarita Garware Ramsay (DIN: 00136048) was re-appointed as a Joint Managing Director of the Company for a period of 3 (Three) years from November 01, 2018 to October 31, 2021, by the members of the Company at the 61st Annual General Meeting (AGM) held on September 28, 2018 and the terms of her remuneration were approved by the members at the said AGM.

The Board of Directors at their meeting held on July 29, 2021, based on the outcome of performance evaluation, recommendations of the Nomination and Remuneration Committee and experience and significant contributions made by Mrs. Sarita Garware Ramsay, considered and approved the re-appointment of Mrs. Sarita Garware Ramsay for a further period of 3 (Three) years with effect from November 01, 2021 to October 31, 2024, upon the terms and conditions including remuneration hereinafter indicated, subject to approval of the Members.

Mrs. Sarita Garware Ramsay has been associated with the Company as Director since 1993. She holds an M.B.A. degree from European University in Switzerland with specialization in marketing. She has requisite knowledge and experience to manage the corporate affairs division of the Company. She joined the Company as Director in December 1993 and was appointed as a Whole-time Director from

April 1994 to March 1997. The Board of Directors elevated her as Joint Managing Director for a term of five years with effect from July 01, 2002. Since then, Mrs. Sarita Garware Ramsay is on the Board of the Company designated as Joint Managing Director. She is looking after the legal, secretarial, human resource and the property related matters of the Company. She is instrumental in devising the strategies for managing the Intellectual Property Rights of the Organization both in India and overseas.

Mrs. Sarita Garware Ramsay satisfies all the conditions as set out in Part I of Schedule V read with Section 197(11) of the Companies Act, 2013 for being eligible to be re-appointed as a Joint Managing Director of the Company. She is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

Brief profile of Mrs. Sarita Garware Ramsay along with other details as required in compliance with Schedule V of the Companies Act, 2013, Listing Regulations and Secretarial Standards issued by ICSI are provided in the "Annexure" to the Notice.

The draft agreement between the Company and Mrs. Sarita Garware Ramsay, *inter-alia*, contains the following terms and conditions:

a) Basic Salary:

₹ 25,50,000/- per month from November 01, 2021. (With an annual increase of 10% per annum w.e.f. April 01, 2022 until the expiry of the term).

b) Perquisites & Allowances:

- i. She will be entitled to furnished housing accommodation, gas, electricity, water and furnishings and other perquisites such as reimbursement of medical expenses incurred for self and family, leave travel concession for self and family once in a year, club fees, personal accident insurance, provision of a car with driver, telephone at residence etc. The monetary value of the perquisites will be calculated in accordance with the Income Tax Rules. The aggregate value of the above perquisites shall be restricted to a maximum of 40% of Basic Salary. Mrs. Sarita Garware Ramsay shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration:
- ii. Contribution to Provident Fund, Superannuation Fund or Annuity Fund/ National Pension Scheme shall be in accordance with the Company's policy (including perquisites as per the Income Tax Rules).
- iii. Gratuity payable at the rate not exceeding half a months of basic salary for each completed year of service.
- iv. Encashment of leave at the end of her tenure.

c) Commission :

She will be paid commission, equivalent to the annual salary, in addition to salary and perquisites, based on the net profits of the Company in a particular year in accordance with the provisions of Sections 198 and such other applicable provisions, if any of the Companies Act, 2013.

- d) She will be entitled to leave on full remuneration as per the rules of the Company but not exceeding one month's leave for every 11 months of service.
- e) She will also be entitled to reimbursement of all expenses actually incurred by her in the course of business of the Company.
- f) She will also be entitled to receive from the Company travelling,

hotel and other expenses incurred by her in the performance of her duties on behalf of the Company.

In anticipation that during the term of employment of her, the Company may have inadequacy of profits in any such financial year/s, in such case the above mentioned remuneration paid / payable to her, would be in excess of the limits prescribed under Schedule V read with relevant provisions of Companies Act, 2013 therefore, the Special Resolution is proposed for the approval of the shareholders.

The draft agreement and the Resolution of the Annual General Meeting referred to in the Resolution under Item No. 8 of the notice will be open for inspection by the Members at the Registered Office of the Company during the office hours on all the working days except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting, subject to COVID-19 restrictions.

The Board of Directors are of the opinion that the re-appointment and payment of remuneration as contained in this resolution to Mrs. Sarita Garware Ramsay as the Joint Managing Director is in the best interest of the Company and accordingly, recommend the Special Resolution as set out in Items No. 8 of this notice for approval of the members.

This statement may also be regarded as an appropriate disclosure under the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). This may also be treated as an abstract of the draft agreement and the Memorandum of Interest of Directors therein pursuant to the provisions of Section 190 of the Companies Act, 2013.

Your Directors recommend this Special Resolution as set out at Item No. 8 of the Notice for approval of the members.

Mrs. Sarita Garware Ramsay is interested in the resolution set out at Item No. 8. None of the Directors or Key Managerial Personnel of the Company other than Shri Shashikant B. Garware, Ms. Monika Garware and Ms. Sonia Garware are deemed to be interested in this resolution.

ITEM NO. 9

To contribute to bona fide charitable and other funds

At the 61st Annual General Meeting of the Company held on September 28, 2018, the members, by means of an Ordinary Resolution, accorded their approval, in terms of Section 181 and other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors of the Company, to contribute from time to time to charitable and other funds, not directly relating to the business of the Company or the welfare of its employees in any financial year, any amounts the aggregate of which will not exceed ₹ 12,00,00,000/- (Rupees Twelve Crore only) or 5% of the profits of the Company, whichever is greater. Considering Company's obligations towards social, educational, philanthropic and other welfare activities, it would be necessary to increase the aforesaid monetary limits from ₹ 12,00,00,000/- (Rupees Twelve Crore only) to ₹ 20,00,00,000/- (Rupees Twenty Crore only).

Pursuant to the provisions of Section 181 of the Companies Act, 2013, consent of the members is sought by means of an Ordinary Resolution, to contribute, donate, subscribe or otherwise provide assistance from time to time to any bona fide charitable, social, benevolent and other funds, body, university, institute, society, trust, etc. for charitable and other purposes in any financial year, any amounts the aggregate of which shall not exceed ₹ 20,00,00,000/- (Rupees Twenty Crore only) or 5% of its average net profits for the three immediately preceding financial years whichever is higher.

The Board recommends the Ordinary Resolution as set out at Item No. 9 of the Notice for approval by the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is / are in anyway concerned or interested, financially or otherwise, in this resolution.

ITEM NO. 10

To alter the Articles of Association of the Company

In order to align certain clauses of the Articles of Association with the requirements of the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulations) Rules, 1957 and Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following alterations in the Articles of Association of the Company are required to be carried out:

- a) after Article 47 (c), the following Article shall be inserted as Article 47 (d):
“47 (d) the Company shall use a common form of transfer as stated in sub-clause (a) above.”
- b) after Article 25 (3), the following Article shall be inserted as Article 25 (4):
“25 (4) The fully paid shares will be free from all lien.”
- c) after Article 110, the following Article shall be inserted as Article 110 (A):
“110 (A) the unclaimed dividends shall not be forfeited unless the claim becomes barred by law.”
- d) after Article 15 (4), the following Article shall be inserted as Article 15 (5):

“15 (5) The option or right to call of shares shall not be given to any person except with the sanction of the company in general meeting.”

The copy of the Articles with proposed alterations will be available at the meeting for the perusal of the Shareholders.

In accordance with Section 14 of the Companies Act, 2013, approval of members by way of special resolution is required for altering Articles of Association of the Company.

In view of the above, your Directors recommend Resolution at Item No. 10 as a Special Resolution for approval of the members for effecting alteration in articles of association of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is / are in anyway concerned or interested in this resolution.

By order of the Board of Directors
For **Garware Hi-Tech Films Limited**
(Formerly known as Garware Polyester Limited)

Awaneesh Srivastava
Company Secretary
(ICSI M. No. FCS 8513)

Place: Mumbai
Date: July 29, 2021

Annexure to the Notice of AGM

Statement as per Section II of Part II of Schedule V of the Companies Act, 2013 with reference to the Resolutions at Item Nos. 7 & 8 of the Notice.

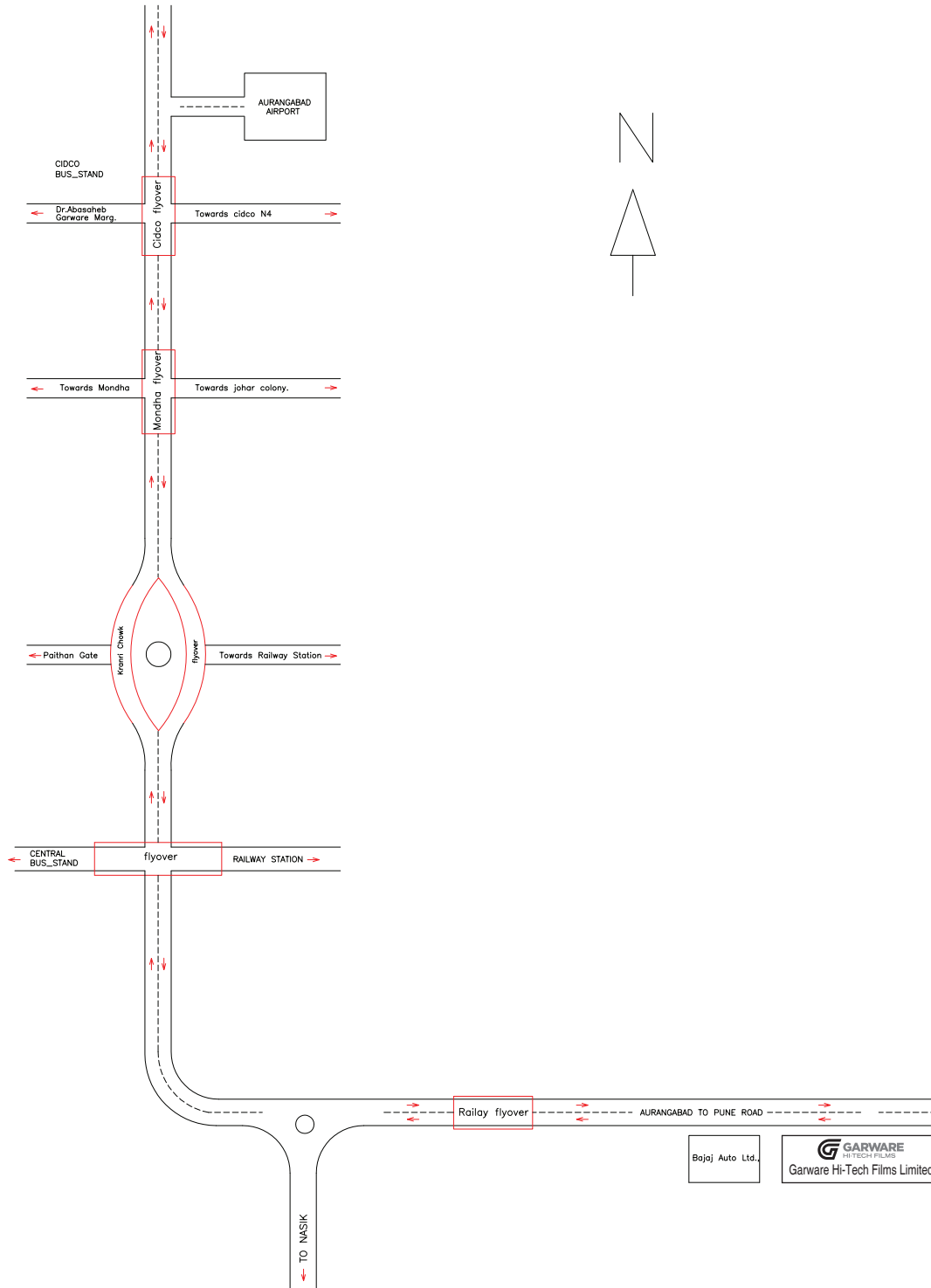
I. General Information:				
1. Nature of Industry	Manufacturer of Polyester Films			
2. Date or expected date of commencement of commercial production	Existing Company which is in operation since 06/06/1957			
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
4. Financial performance based on given indicators	(₹ in lakhs)			
	Sr.	Particulars	2020-21	2019-20
	1.	Turnover	96,039	87,731
	2.	Profit Before Tax	18,053	13,027
	3.	Net Profit	11,870	8,694
	4.	Paid-up Share Capital	2,323	2,323
	5.	Reserves & Surplus	1,52,421	1,37,184
	6.	Dividend Payout/ Proposed	2,323	2,323
5. Foreign investments or collaborators, if any	NIL			
II. Information about the appointee				
1. Name of the appointee	Ms. Monika Garware		Mrs. Sarita Garware Ramsay	
2. Background Details	<p>She is graduated from Vasaar College, in U.S.A. and subsequently completed her M.B.A. degree from Lubin Business School, Pace University, New York, U.S.A. With her immense knowledge and experience, she has been able to manage the functions of corporate affairs division of the Company.</p> <p>She has been associated with the Company as a Whole Time Director since April, 1989. Since then, she has been effectively and efficiently discharging her duties and responsibilities to the Company.</p>		<p>She holds an M.B.A. degree from European University in Switzerland with specialization in marketing. She has requisite knowledge and experience to manage the corporate affairs.</p> <p>She has been associated with the Company as Director since 1993. She is looking after legal, secretarial, human resource and property related matters of the Company. She is instrumental in devising the strategies for managing the Intellectual Property Rights of the Organization, both in India and overseas.</p>	
3. Past Remuneration	₹ 523.12 Lakh		₹ 477.26 Lakh	
4. Recognition or awards	Nil		Nil	
5. Job profile and her suitability	<p>She has been associated with the Company as a Whole Time Director since last 32 years effectively from April 1989. Later on she was appointed as the Vice-Chairperson in the year 2002. The Board of Directors elevated her to the position of Joint Managing Director w.e.f. 1st July, 2003. Ms. Monika Garware is managing the business finance vertical of the Company comprising of fund raising and fund management, audit, taxation, Capex and inventory management.</p> <p>Additionally, she is monitoring the 'Safety' and adherence to 'TPM', 'ISO' norms etc. She is also responsible for the business development and other strategic issues of the Company.</p>		<p>She joined the Company as Director in December 1993 and was appointed a Whole-time Director from April 1994 to March 1997. The Board of Directors elevated Mrs. Sarita Garware Ramsay as Joint Managing Director for a term of five years w.e.f. July 01, 2002. Since then Mrs. Sarita Garware Ramsay is on the Board of the Company designated as Joint Managing Director. She is looking after the legal, secretarial, human resource and the property matters of the whole group companies. Besides that she is instrumental in devising the strategies for managing the Intellectual Property Rights of the Organization both in India and overseas.</p>	
6. Remuneration proposed	Refer Explanatory Statement- Item No. 7		Refer Explanatory Statement- Item No. 8	

7. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):	Revised remuneration proposed to Ms. Monika Garware is comparable to that drawn by the peers in the similar capacity in the similar industry and is commensurate with the size of the Company and diverse nature of its businesses.	Revised remuneration proposed to Mrs. Sarita Garware Ramsay is comparable to that drawn by the peers in the similar capacity in the similar industry and is commensurate with the size of the Company and diverse nature of its businesses.
8. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	<p>Ms. Monika Garware is a Promoter-Director, holding 2,67,504 equity shares of ₹ 10/- each representing 1.15% of the total paidup capital of the Company. She is holding 5,73,917 equity shares of ₹ 10/- each representing 2.47% of the total paid-up capital of the Company as a Trustee of Monika Garware Benefit Trust.</p> <p>Shri. S. B. Garware, Chairman & Managing Director is the father of Ms. Monika Garware. Mrs. Sarita Garware Ramsay and Ms. Sonia Garware are sisters of Ms. Monika Garware.</p>	<p>Mrs. Sarita Garware Ramsay is a Promoter-Director, holding 2,67,810 equity shares of ₹ 10/- each representing 1.15% of the total paid-up of the Company. She is holding 5,73,917 equity shares of ₹ 10/- each representing 2.47% of the total paid-up capital of the Company as a Trustee of Sarita Garware Benefit Trust.</p> <p>Shri. S. B. Garware, Chairman & Managing Director is the father of Mrs. Sarita Garware Ramsay. Ms. Monika Garware and Ms. Sonia Garware are sisters of Mrs. Sarita Garware Ramsay.</p>
III. Other information		
1. Reasons of loss or inadequate profits	The Company has made adequate profit during the financial year 2020-21. However, considering the long lasting impact of Covid-19 pandemic, the Company's revenue and profit may get affected due to external factors.	
2. Steps taken or proposed to be taken for improvement	The Company is earning profits and it would be endeavor of the management to increase profitability by focusing on cost control, introducing new products, exploring new markets etc.	
3. Expected increase in productivity and profits in measurable terms	<p>The management expects normal growth in operations and profitability in the coming years, subject to unforeseen circumstances. The Company is continuously taking steps to reduce costs and optimise the operations of the Company.</p> <p>It is difficult to quantify future projections in view of dynamic business situation.</p>	

Details of the Directors Seeking appointment/ Re-appointment in the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with clause 1.2.5 of the Secretarial Standard-2]

Name of the Director	Ms. Monika Garware	Mrs. Sarita Garware Ramsay	Ms. Sonia Garware	Ms. Devanshi Nanavati
Date of Birth	04/06/1963	25/10/1967	24/07/1971	25/09/1991
Age	58 years	53 Years	50 years	29 Years
Date of Appointment on the Board	31/03/1989	24/12/1993	31/01/2007	25/06/2021
Qualifications	M. B. A from U.S.A.	M. B. A. from European University in Switzerland	M. B. A. from, Boston College USA.	BLS, LLB and Solicitor
Expertise in specific functional areas	Wide experience in Business Finance, fund raising and fund management, audit, taxation, Capex.	Wide experience in Marketing and Corporate Affairs	Wide experience in Finance, Marketing & Strategic Management	Wide experience in corporate governance, insider trading regulations, stamp duty, foreign exchange regulations, wealth management and succession planning and testamentary disposition
Terms and Conditions of Appointment/ Re appointment	Appointed as a Joint Managing Director for a period of 3 (Three) years w.e.f. November 01, 2021 to October 31, 2024	Appointed as a Joint Managing Director for a period of 3 (Three) years w.e.f. November 01, 2021 to October 31, 2024	Re-appointment as Director liable to retire by rotation.	Appointed for a period of 5 (Five) years w.e.f. June 25, 2021 to 24 th June, 2026 and shall not be liable to retire by rotation.
Remuneration to be paid	As per the Agreement of appointment	As per the Agreement of appointment	Eligible for sitting fees	Eligible for sitting fees
Remuneration last drawn	₹ 523.12 Lakh	₹ 477.26 Lakh	₹ 0.60 Lakh as sitting fees	₹ 0.80 Lakh as sitting fees
Number of Meetings of the Board attended during the year	5 out of 5	5 out of 5	3 out of 5	4 out of 5
Directorship(s) held in other public companies	NIL	NIL	NIL	NIL
Chairmanships / Memberships of Committees of other public companies (includes only Audit & Stakeholders Relationship Committee)	NIL	NIL	NIL	NIL
Disclosure of relationship with Directors and Key Managerial Personnel (KMP) inter-se	Daughter of Shri Shashikant Garware and sister of Mrs. Sarita Garware Ramsay and Ms. Sonia Garware	Daughter of Shri Shashikant Garware and sister of Ms. Monika Garware and Ms. Sonia Garware.	Daughter of Shri Shashikant Garware and sister of Ms. Monika Garware and Ms. Sarita Garware.	Ms Devanshi Hemant Nanavati is not related to any of the Directors or Key Managerial Personnel of the Company
Shareholding in the Company as on 31/03/2021	2,67,504	2,67,810	2,68,595	NIL

ROUTE MAP FOR AGM



VENUE : AGM Hall,
Garware Hi-Tech Films Limited
Waluj, Aurangabad.

DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2021

Your Directors present the 64th Annual Report together with the Audited Statement of Accounts of the Company for the year ended March 31, 2021.

1. FINANCIAL RESULTS

(₹ IN CRORE)

Particulars	Standalone		Consolidated	
	2020 – 21	2019 – 20	2020 – 21	2019 – 20
Operating Profit before interest & Depreciation	222.74	168.13	233.65	173.47
Less : Finance Cost	18.37	17.71	19.59	18.46
Depreciation	23.84	20.15	23.98	20.29
Profit before tax for the year	180.53	130.27	190.08	134.72
Provision for Income Tax	61.83	43.33	64.13	48.70
Profit After Tax	118.70	86.94	125.95	86.02
Other Comprehensive income for the year, Net of Tax	33.67	-2.37	33.67	-2.37
Total Comprehensive Income for the year (Net)	152.37	84.57	159.62	83.65
Opening balance in Retained Earnings	450.85	418.32	458.22	426.61
Amount available for Appropriation	568.50	504.14	583.12	511.51
Less : Dividend (Final for FY 18-19 and Interim for FY 19-20)	-	46.46	-	46.46
Less : Tax on Dividend	-	6.83	-	6.83
Closing Balance in Retained Earnings	568.50	450.85	583.12	458.22

2. DIVIDEND

Your Directors are pleased to recommend a Dividend of ₹ 10 per equity share of face value of ₹ 10/- each (100%) for the financial year ended March 31, 2021 on paid-up share capital of the Company.

The Dividend is subject to the approval of the Members at the 64th Annual General Meeting. The dividend of ₹ 10/- per equity share of ₹ 10/- each will amount to ₹ 23.23 Crores. The dividend recommended is in accordance with the Dividend Distribution Policy of the Company. The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is available on the Company's website at www.garwarehitechfilms.com

3. TRANSFER TO RESERVES

The Company do not propose to transfer any amount to General Reserve.

4. CHANGE IN NAME OF THE COMPANY

The name of the Company has been changed from 'Garware Polyester Limited' to 'Garware Hi-Tech Films Limited' with effect from April 20, 2021 vide fresh Certificate of Incorporation pursuant to change of name issued by the Registrar of Companies, Mumbai. The new name of the Company does not represent any change in the existing business activities of the Company. However, the name change is aligned with majority of specialty products which contributed 62.99% of the total revenue for calendar year 2020 (i.e., January 01, 2020 to December 31, 2020).

5. COMPANY'S PERFORMANCE

A. On Standalone Basis

Revenue from operations for the financial year 2020-21 was at ₹ 960.39 Crores, increase by 9.47 % over the last year (₹ 877.31 Crores in FY 2019-20) due to higher sales volume mainly in Sun control film Exports.

The earnings before interest, tax, depreciation and amortization (EBITDA) was ₹ 222.74 Crores as against EBITDA of ₹ 168.13 Crores in FY 2019-20. The standalone audited financial statements forms part of the Annual Report.

The Profit after tax (PAT) for the financial year was ₹ 118.70 Crores as against the PAT of ₹ 86.94 Crores in FY 2019-20. The total comprehensive income (net of taxes) for the financial year was ₹ 152.37 Crores as against ₹ 84.57 Crores in FY 2019-20. The consolidated audited financial statements forms part of the Annual Report.

B. On Consolidated Basis

Revenue from operations for the financial year 2020-21 was at ₹ 989.03 Crores higher by 6.94 % over the last year of ₹ 924.83 Crores in FY 2019-20 due to higher sales volume in Sun control film.

The Earnings before interest, tax, depreciation and amortization (EBITDA) was at ₹ 233.65 Crores as against EBITDA of ₹ 173.47 Crores in FY 2019-20.

The Profit after tax (PAT) for the financial year was ₹ 125.95 Crores as against the PAT of ₹ 86.02 Crores in FY 2019-20.

The total comprehensive income (net of taxes) for the financial year was ₹ 159.62 Crores as against ₹ 83.65 Crores in FY 2019-20. The consolidated audited financial statements forms part of the Annual Report.

6. STATE OF COMPANY'S AFFAIRS AND BUSINESS REVIEW

The details of the Company's affairs including its operations are more specifically given in the Management Discussion and Analysis Report, which forms part of this Report.

7. COVID-19 IMPACT

The outbreak of the deadly COVID-19 virus and the ensuing lockdown imposed across the country affected business operations. The health of the employees and workers became a priority; stoppage of operations for an uncertain period resulted in a large financial burden on the one hand and workforce idling on the other. COVID-19 is an unprecedented challenge. The lockdown gave India time to make a concerted effort to flatten the outbreak curve. However, towards later part of the year consequent to significant opening of the economic activity across the nation the demand picked up compared to that during the initial period of Covid-19.

India is currently experiencing a massive second wave of Covid-19 infections. However, we expect no major changes in the economic activity as the nation is preparing to face the Pandemic with vaccines and preparedness.

Moody's Investors Services said the escalating second wave of corona virus infections in India present a risk to its growth forecast of 13.7% for FY22 as the re-imposition of virus management measures will curb economic activity and could dampen market and consumer sentiment.

8. SHARE CAPITAL

The paid up Equity Share Capital as at March 31, 2021 stood at ₹ 2323.24 lakhs. During the financial year 2020-21, there was no change in the Share Capital of the Company. The Company neither has issued any shares nor has granted any Stock Options nor any Sweat Equity Shares during the year.

9. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There has been no material change/commitment affecting the financial position of the Company during the period from the end of the financial year on March 31, 2021 to the date of this Report. There has been no change in the nature of business of the Company.

10. OPERATIONS

The Profit before tax increased by 38.59 % because of better product mix in expanded market mainly under USA, reduction in input cost, better inventory management, better working capital management, improved plant efficiency. These factors has helped the Company to improve its' performance and bottom line profitability in spite of impact of COVID-19.

11. FUTURE OUTLOOK

The Company has successfully commenced the production of Surface Protection Film / Paint Protection film manufacturing facility which is a value-added product and may add the Top and Bottom line in coming years.

12. RESEARCH & DEVELOPMENT

Your Company's R&D Centre is accredited by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India for decades. Your company is an aggressive leader in development of new products and new applications for BOPET Films and Solar Control Window Films.

The Company has introduced many Coated Products, like Antimicrobial PET film and Flame Retardant PET film, Co Extruded Products, PETG Shrink Films for label applications with Low, Medium, and High Shrink Force. A wide range of high heat rejection films are introduced in International Market.

The R&D team works hand-in-hand with production and marketing team to introduce and establish new products and to ensure proper Quality, Output, Cost and efficiency is achieved. The R&D also focused on cost reduction measures by introducing new methods in processes.

Functioning of R&D Center

The R&D Center is well equipped with qualified and experienced Technical experts and scientists and with adequate lab and measuring equipment/s and pilot scale plant/s to develop application-oriented processes and product developments using the available R&D facility.

13. INFORMATION TECHNOLOGY

- The company has completed project for digital transformation of its ERP System by upgrading its Core ERP system on to

SAP S4HANA 1909.

- The digital transformation project of implementation of supply chain efficiency enhancement and collaboration solutions like implementation of Planning Solutions, Vendor Portal and Customer Portal are under progress.
- The digitization initiatives of implementation of advance analytics coupled with productivity enhancement solutions and performance evaluation tools is also in progress.
- The Company has implemented advanced people collaboration solutions for video conferencing connecting multi-locational conference halls and meeting rooms.
- The Company has upgraded its internet connectivity services at all locations for fast and effective communication.
- The company is planning and evaluating solutions for centralized monitoring and recording of CCTV surveillance systems for all the production facilities and security points.
- The Company is also in process for evaluating Industry 4.0 Solutions for automation of data capturing on manufacturing facilities.
- The Company is evaluating IOT Solutions for energy management which includes energy monitoring, control and saving.
- The Company has used digital technology and GPS system to monitoring and compliances of COVID-19.
- The Company is implemented mobile enabled digital applications for employee self-services, digital solutions for visitor's management and accident reporting and actions tracking within factory premises.
- The company has implemented a digital solution for Centralized monitoring of fire detection system.
- The company is in process of evaluating people and vehicle tracking system within factory premises.
- The company is in process of evaluating the implementation of ISO 27001 along with ITIL and ITSM Framework for enhanced information security and IT service management.

14. AWARDS AND RECOGNITIONS

During this year, your Company has been recipient of Silver Medal under the category of India Green Manufacturing Challenge 2020-21 for Sustainability and Environment which is organized by International Research Institute for Manufacturing and Safety Award at state Level from Maharashtra State Chapter of National Safety Council for Lowest accident average accident frequency rate – A Plaque & longest accident free period – A Plaque.

15. HUMAN RESOURCE DEVELOPMENT

Your Company's Human Resources team successfully ran its talent acquisition, retention and development agenda during the year.

The Company's senior management team was strengthened through hiring of leaders in various domains. The Company's HR policies and processes are aligned to effectively drive its business and other emerging opportunities.

HR has been working to provide an enabling working environment where innovation and performance thrive. Employees are empowered and we believe that it is they who ultimately deliver the results.

The focus on employee development through training modules that were created in-house continued. In spite of Covid-19 pandemic more than 73 training programs were conducted

during the year, over 86 % (Previous Year 90%) of them through in-house trainers and business leaders. The programs added up to over 5673 (Previous Year 13520) man-hours 709 (Previous Year 1690) man-days of training. This has been achieved by continuously investing in learning and development programs by arranging target oriented training programs, creating appropriate work environment and maintaining a structured recognition system.

16. MANUFACTURING AND QUALITY INITIATIVES

The Company has adopted an integrated approach of Quality Management systems comprises of TQM, TPM, Lean and six sigma. The external professionals are also appointed to audit the effectiveness of the systems put in place. The quality culture of your Company ensures that the products are bench marked as best in class by the customers.

The upgradation of plant and machinery helped company to establish its capacity with appropriate quality and improved reliability.

The Company has successfully commissioned Surface Protection Film plant manufacturing in 4th quarter.

17. SUBSIDIARY COMPANIES

Garware Polyester International Limited-UK and Global Pet Films Inc. - USA, continue to be the subsidiaries of your Company. Global Pet Films Inc. become the material subsidiary of your Company w.e.f. April 01, 2021.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's Subsidiaries (in Form AOC-1) is attached to the financial statements.

18. SAFETY, HEALTH & ENVIRONMENTAL PROTECTION

Being a Responsible Corporate Citizen, your Company has regularly undertaken various initiatives for the continual improvement in Health, Safety and Environment (HSE) at the works and surrounding areas. This year we marked our presence by helping the community in the pandemic time by doing disinfection in various localities as demanded by the local authorities.

Some of the prominent activities include–Safety audits of Thermic Fluid system and Electrical System by external expertise, HAZOP study of the process, Internal Safety survey of Plants, Field Safety round safter monthly Safety review meetings, EMS review, training and periodical HSE inspections, schemes on the efficient usage of energy and the conservation of natural resources, activities for the enhancement of employee participation in HSE, emergency mock drills and the support in emergency management operations at public places.

The Company commissioned the Zero discharge effluent facility by installation of Reverse Osmosis plant and using the water for plantation to bring the open area under green cover. The Company has started using LPG for Thermic fluid heaters at one location. The Company is also increasing usage of Biomass briquettes fired boilers.

The Company is a recipient of various safety laurels from the Regulatory Authorities at the State level (National Safety Council-India and Industry, Energy & Labor Dept., the Government of Maharashtra), as stated above during the year. Security system has been upgraded, like awareness training, evacuation drills to meet the new challenges. New fire engines added in the fleet have enhanced the existing emergency preparedness. Our fire Engines have played a major role in maintaining safety and fighting fires in the local vicinity where the manufacturing plants are situated as an mutual aid agreements.

19. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability confirm that:

- a) in the preparation of the annual accounts for the year ended March 31, 2021, the applicable Indian Accounting Standards have been followed and there are no material departures from the same;
- b) your Directors 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 as at March 31, 2021 and of the profit of the Company for the year ended on that date;
- c) your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) your Directors have prepared the annual accounts on a 'going concern' basis;
- e) your Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively and
- f) your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and the Articles of Association of the Company, Mrs. Sarita Garware Ramsay and Ms. Sonia Garware Directors of the Company, are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

Their brief resume and other details as required under the Act and the Listing Regulations for their re-appointment as Directors are provided in the Notes to the Notice of 64th Annual General Meeting of the Company.

Pursuant to the provisions of Section 149 of the Act, all the Independent Directors of the Company have submitted a declaration that each of them meets the criteria of independence as per provisions of the Companies Act, 2013, rules there under, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and there has been no change in the circumstances which may affect their status as an Independent Directors during the year. In the opinion of the Board of Directors, all the Independent Directors fulfill the criteria of independence as provided under the Act, rules made there under and the Listing Regulations and that they are independent of the management.

The Company has complied with the requirements of having Key Managerial Personnel as per the provisions of Section 203 of the Companies Act, 2013.

Shri S. B. Garware - Chairman & Managing Director, Ms. Monika Garware – Vice Chairperson & Jt. Managing Director, Mrs. Sarita Garware Ramsay – Jt. Managing Director, Mr. C. J. Pathak– Whole-Time Director, Mr. Pradeep Mehta - Chief Financial Officer (CFO) and Mr. Awaneesh Srivastava- Company Secretary & Vice President (Legal), are the Key Managerial Personnel of the Company.

During the year Ms. Devanshi Nanavati was appointed as an Independent Woman Director on the Board of the Company w.e.f. June 25, 2020 for a period of one year, which was subsequently approved by the members of the Company at its AGM held on December 23, 2020.

21. MEETINGS OF THE BOARD

Five meetings of the Board of Directors were held during the FY 2020-21 and the gap between two consecutive board meetings was within the statutory limit. The details of the number of meetings held and attended by each Director are provided in the Corporate Governance Report, which forms part of this Report.

22. PERFORMANCE EVALUATION OF BOARD

Pursuant to Regulation 17 of the Listing Regulations read with Schedule IV of the Act, a formal evaluation of Board's performance and that of its Committees and individual directors had been done. A structured questionnaire was prepared after taking into consideration of the various aspects of the Board functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. Said structured questionnaire performance evaluation forms were circulated to all the Directors. Based on feedback, an evaluation Report was prepared and forwarded to the Chairman and the respective Director to maintain the confidentiality of the Report.

The Independent Directors at their meeting held on February 04, 2021 evaluated performance of the Chairman, non-independent directors of the Company. The Directors expressed their satisfaction with the evaluation process.

The Board has carried out and completed the performance evaluation of all the Independent Directors. The performance evaluation of the Chairman and the Non-Independent Directors was also carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

23. UNCLAIMED DIVIDEND AND SHARES

Your company is in compliance with provisions of Section 125 of the Companies Act 2013, along with relevant applicable rules and circulars issued there under from time to time by the Ministry of Corporate Affairs.

During the year the Company was not required to transfer any amount of dividend and shares with respect to said dividend, which have remained unpaid or unclaimed for a period of 7 (seven) years, to IEPF Authority.

24. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the Directors' Report.

The said Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment & re-appointment of Directors on the Board of the Company and persons holding Senior Management positions in the Company, including their remuneration and other matters as provided under Section 178 of the Act and Listing Regulations.

The Policy is also available on the website of the Company www.garwarehitechfilms.com

25. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an Internal Control System commensurate with the size, scale and complexity of its operations and well-documented procedures for various processes which are periodically reviewed for changes warranted due to business needs. The Internal Auditor continuously monitors the efficiency of the internal controls/ compliance with the objective of providing to Audit Committee and the Board of Directors, an independent, objective and reasonable assurance of the adequacy and effectiveness of the organisation's risk management, control and

governance processes. This system of internal control facilitates effective compliance of Section 138 of the Act and the Listing Regulations.

To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee. The Internal Auditor monitors and evaluates the efficiency and adequacy of the internal control system with reference to the Financial Statement. Based on the report of internal auditor, process owners undertake corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee. During the year under review, no reportable material weakness in the operation was observed. Regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

26. COMMITTEES OF THE BOARD

The Board of Directors of your Company had constituted various Committees and approved their terms of reference/ role in compliance with the provisions of the Companies Act, 2013 and Listing Regulations viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, CSR Committee, Vigil Mechanism Committee and Risk Management Committee. The members of the Audit Committee are financial literate and have experience in financial management. The composition of the Committees as given in the Corporate Governance Report is in accordance with applicable provisions of the Companies Act, 2013, Rules thereunder and Listing Regulations.

27. AUDITORS AND THEIR REPORTS

A. Statutory Auditors

The members of the Company have appointed M/s. Manubhai & Shah LLP (FRN: 106041W/W100136), Chartered Accountants, as the Statutory Auditors of the Company for a period of 5 years, until the conclusion of the 67th Annual General Meeting of the Company.

Further, the members of the Company have appointed M/s. Kirtane & Pandit LLP (FRN: 105215W/W100057), Chartered Accountants, as a joint Statutory Auditors of the Company for a period of 2 years, until the conclusion of 65th Annual General Meeting of the Company.

The Auditor's Report on the Standalone and Consolidated Financial Statements of the Company for the Financial Year 2020-21 as submitted by the Statutory Auditors of the Company did not contain any qualifications, reservation, adverse remarks or disclaimer. The Notes on Financial Statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government.

B. Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and on the recommendation of the Audit Committee M/s. Deloitte Touche Tohmatsu India, LLP, Chartered Accountants were appointed as Internal Auditors of the Company.

C. Cost Auditor

As per the requirement of central government and pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your company has been carrying out the audit of cost records.

M/s. M. R. Pandit & Co., Cost Accountants, Aurangabad was appointed as cost auditors to audit the cost accounts of the company for financial year 2020-21.

D. Secretarial Auditor:

Pursuant to Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has obtained the Secretarial Audit Report for the financial year ended March 31, 2021 from M/s. Nilesh Shah & Associates, Practising Company Secretaries, Mumbai and it is annexed as “Annexure IV” to this Report.

During the financial year 2020-21 the Secretarial Auditors had not reported any matter u/s 143(12) of the Act, therefore no details are required to be disclosed u/s 134(3) (ca) of the Act.

The secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

During the year 2020-21, the Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.

28. RISK MANAGEMENT

The Board of Director of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report.

29. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

30. RELATED PARTY TRANSACTIONS ('RPTS')

All the transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The Audit Committee had given omnibus approval for the transactions (which are repetitive in nature) and the same were reviewed and approved by the Board.

There were no material significant transactions with related parties during the financial year 2020-21 which were in conflict with the interest of the Company. The Directors would like to draw attention of the members to Note No. 30 to the financial statement which sets out related party disclosure.

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

31. CORPORATE SOCIAL RESPONSIBILITY.

The expenditure on Corporate Social Responsibility (CSR) incurred by your Company during the financial year 2020-21 was ₹238.50 Lakhs (around 2.68 % of the average net profits of last three financial years) on CSR activities that does not include the expenses made on the activities carried out by the Garware Community Center and Garware Bal Bhawan. The detailed report on the CSR activities is annexed as “Annexure I” and forms part of this Report.

The CSR initiatives of your Company were under the thrust areas of health & hygiene, education, old age home for disabled people and Rehabilitation of Distressed / Depressed people.

The constitution of the CSR Committee and its terms of reference are more particularly stated in the Corporate Governance Report which forms a part of this Report. CSR Policy of the Company is available on the website of the Company at www.garwarehitechfilms.com

32. ANNUAL RETURN

As per provisions of Section 92 (3) and 134(3)(a) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the copy of the Annual Return in the Form MGT-7 is hosted on website of your Company at: <https://www.garwarehitechfilms.com/investors/>

33. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

During the year four Whole-Time Directors were in receipt of remuneration of ₹ 1.02 Crores per annum or more amounting to ₹ 12.63 Crore out of which two directors were relative(s) of Shri S. B. Garware Chairman & Managing Director of the Company. During FY 2020-21 the Company had 921 (Previous Year 968) permanent employees. The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2021 is given in a separate “Annexure II” to this Report.

34. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Pursuant to the provisions of Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013, during the year under review, there were no cases filed and there were NIL Complain received. The Company has constituted the Internal Complaint Committee under Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.

The Company has zero tolerance towards sexual harassment at workplace and has adopted a policy to abide by letter and spirit requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Company has Internal Complaints Committee (ICC) to redress the complaints of sexual harassment. During the year, Company has not received any complaint of sexual harassment.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year	Nil
Number of complaints disposed off during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

35. CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS REPORTS

The Company has implemented procedures and adopted practices in conformity with the code of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Company has implemented Code of Conduct for all its Executive Directors and Senior Management Personnel, Non-Executive Non-Independent Directors and Independent Directors, who have affirmed compliance thereto. The said Codes of Conduct have been posted on the website of the Company. The Management Discussion and Analysis Report and Corporate Governance Report, appearing elsewhere in this Annual Report forms part of the Board's Report. A certificate from the Practising Company Secretary of the Company certifying

the compliance of conditions of Corporate Governance is also annexed hereto

36. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing regulations, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee. No complaints were received under whistle blower mechanism during the year under review.

The Policy on vigil mechanism and whistle blower policy is available on the Company's website at the www.garwarehitechfilms.com.

37. DEPOSITS/ LOANS FROM DIRECTORS

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet. Further, your Company has not accepted any deposit or any loan from the directors during the year under review.

38. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in "Annexure III" to this Report.

39. SIGNIFICANT AND MATERIAL ORDERS

**During the year under review, in response to show cause notice received and defended by the Company, SEBI passed an adjudication order dated January 15, 2021 ("SEBI Order"), imposing a consolidated penalty of ₹ 38,00,000/- upon the Company under section 15A(b) of the Securities and Exchange Board of India Act, 1992 for the alleged violation of Regulation 13(6) of the Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 1992 ("SEBI PIT Regulations") alleging delayed reporting of a certain creeping acquisitions of shares of the Company by the Promoters in the year 2012.

The Company and its Promoters have challenged the SEBI Order by preferring an appeal with the Hon'ble Securities Appellate Tribunal, Mumbai ("SAT"). The Appeal filed by the Company and its Promoters is currently sub-judice before SAT, awaiting final outcome.

40. BUSINESS RESPONSIBILITY REPORT

As per Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Business Responsibility Report is attached and is a part of this Annual Report as set out in "Annexure V" of this report.

41. INDUSTRIAL RELATIONS

The relations between the Employees and the Management remained cordial during the year under review. Your Directors wish to place on record their appreciation of the contribution made by the Employees at all levels.

42. NODAL OFFICER

The Company has appointed Mr. Awaneesh Srivastava, Company Secretary as the Nodal Officer for the purpose of verification of claims filed with the Company in terms of IEPF Rules and for co-ordination with the IEPF Authority. The said details are also available on the website of the Company www.garwarehitechfilms.com

43. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

44. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

45. ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the wholehearted co-operation received by the Company from the various departments of the Central & State Governments, Company's Bankers and Financial & Investment Institutions during the period under review.

For and on behalf of the Board of Directors

S. B. GARWARE

Chairman & Managing Director
DIN: 00943822

Place: Mumbai
Date: May 27, 2021

** Update: In response to the Appeal preferred by the Company and its Promoters against the SEBI Order, SAT has allowed the said Appeal and set aside the SEBI Order in its entirety (including the consolidated penalty imposed by SEBI). By the SAT Order dated August 09, 2021, the Company and its Promoters are effectively exonerated from the charge of the alleged violations of the SEBI PIT Regulations. The Order dated August 09, 2021 passed by SAT can be accessed on <http://sat.gov.in/scripts/search.asp>.

THE ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

Corporate social responsibility of the Company is aligned with 'Garware' tradition of creating wealth in the community with focus on Art, Culture, Sports, health, education and safety.

The management believes in the famous sayings that, 'If you want to walk fast, walk alone. But if you want to walk far, walk together'.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Sarita Garware Ramsay	Chairman of the Committee/ Executive Director	1	1
2	Mr. B. Moradian	Member/ Independent Director	1	1
3	Mr. B.D Doshi	Member/ Non-Independent Director	1	1
4	Mr. M.C Agarwal	Member/ Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

<https://www.garwarehitechfilms.com>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):

- Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

- NIL

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Lakhs)	Amount required to be set-off for the financial year, if any (in Lakhs)
NIL			

6. Average net profit of the company as per section 135(5): ₹ 8,915.25 Lakhs

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 178.31 Lakhs

(b) Surplus arising out of the CSR projects, programmes, or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year, if any : NIL

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 178.31 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer.
238.50	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No)	(5) Location of the project.		(6) Project duration.	(7) Amount allocated for the project (in ₹).	(8) Amount spent in the current financial Year (in ₹)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	(10) Mode of Implementation - Direct (Yes/No).	(11) Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	NIL											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project.		(6) Amount spent for the project (in ₹ Lakhs).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Promoting Education to women, Street Children and Others.	Education Enhancement project	Mumbai, Pune and Sangali (Maharashtra)	Maha-rash-tra	Mumbai, Pune and Sangali	110.00	Yes	Garware Charitable Trust	CSR00001976
2.	Promoting Health Care Measures for poor people.	Health Care project	Mumbai (Maharashtra)	Maha-rash-tra	Mumbai	8.50	Yes	Garware Charitable Trust	CSR00001976
3.	Providing basic needs of elderly & deprived section of society.	Elderly & differently abled and livelihood enhancement project	Mumbai & Thane (Maharashtra)	Maha-rash-tra	Mumbai & Thane	120.00	Yes	Garware Charitable Trust	CSR00001976
Total						238.50			

(d) Amount spent in Administrative Overheads: - NIL

(e) Amount spent on Impact Assessment, if applicable: - Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)- Not Applicable

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	178.31
(ii)	Total amount spent for the Financial Year	238.50
(iii)	Excess amount spent for the financial year [(ii)-(i)]	60.19
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	00.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	60.19

(h) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.				NIL			

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced	Project duration.	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
1					NIL			

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: – Not Applicable

(Asset-wise details)

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):- Not Applicable

S.B. Garware
(Chairman and Managing Director)

Sarita Garware Ramsay
(Chairperson CSR Committee)

Place: Mumbai
Date: May 27, 2021

Annexure - II

Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

PART A

A. Ratio of remuneration of each Director to the median remuneration of all the employees of your company for the Financial Year 2020-21 are as follow

Name of Director(s)	Vice Chairperson & Jt. Managing Director	Total Remuneration ₹ in Lakhs (p.a.)	Ratio of remuneration of director to the Median remuneration
Shri. S. B. Garware	Chairman and Managing Director	744.42	159.45
Ms. Monika Garware	Vice Chairperson & Jt. Managing Director	523.12	112.05
Mrs. Sarita Garware Ramsay	Jt. Managing Director	477.26	102.23
Ms. Sonia Garware	Non-Executive & Non-Independent	0.60	0.13
Mr. B. Moradian	Non-Executive & Independent Director	1.78	0.38
Mr. Ramesh P. Makhija	Non-Executive & Independent Director	0.80	0.17
Dr. M. C. Agarwal	Non-Executive & Independent Director	2.18	0.47
Mr. T. M. Parikh	Non-Executive & Independent Director	1.75	0.37
Mr. Nilesh R. Doshi	Non-Executive & Independent Director	1.00	0.21
Mr. C. J. Pathak	Whole-Time Director	116.44	24.94
Mr. B. D. Doshi	Non-Executive & Non Independent Director	1.98	0.42
Ms. Devanshi Nanavati	Non-Executive & Independent Director	0.80	0.17
Mr. Vivekanand H. Kamath	Non-Executive & Independent Director	1.20	0.26

Median remuneration of the Company for all its employees is ₹ 4.67 Lakhs p.a. for the Financial Year 2020-21.

B. Details of percentage increase in the remuneration of Executive Directors, Chief Financial Officer and Company Secretary in the financial year 2020-21 are as follows

Name	Designation / Category	Remuneration ₹ In Lakhs		Increase (in%)
		2020-21	2019-20	
Shri. S. B. Garware	Chairman and Managing Director	744.42	573.49	29.80
Ms. Monika Garware	Vice Chairperson & Jt. Managing Director	523.12	357.22	46.44
Mrs. Sarita Garware Ramsay	Jt. Managing Director	477.26	326.04	46.38
Ms. Sonia Garware	Non-Executive & Non-Independent	0.60	0.60	0.0
Mr. B. Moradian	Non-Executive & Independent Director	1.78	1.88	(5.33)
Mr. Ramesh P. Makhija	Non-Executive & Independent Director	0.80	1.20	(33.33)
Dr. M. C. Agarwal	Non-Executive & Independent Director	2.18	2.73	(20.18)
Mr. T. M. Parikh	Non-Executive & Independent Director	1.75	2.05	(14.63)
Mr. Nilesh R. Doshi	Non-Executive & Independent Director	1.00	1.60	(37.50)
Ms. Devanshi Nanavati	Non-Executive & Independent Director	0.80	-	#
Mr. Vivekanand H. Kamath	Non-Executive & Independent Director	1.20	1.40	(14.29)
Mr. C. J. Pathak	Whole-Time Director	116.44	76.42	52.36
Mr. B. D. Doshi	Non-Executive & Non-Independent	1.98	2.53	(21.78)
Mr. Awaneesh Srivastava	Company Secretary	68.27	45.06	#
Mr. Pradeep Mehta	Chief Financial Officer	70.19	27.44	#
Mr. Parag Doshi	Company Secretary & Chief Financial Officer	0.00	27.77	#

Since the remuneration is only for part of the year so % increase in remuneration is not comparable and hence not stated.

C. Percentage increase in the median remuneration of all employees in the Financial Year 2020-21:

Particulars	2020-21	2019-20	Increase (in%)
Median remuneration of all employees per annum	4.67	4.58	1.94

D. The number of permanent employees on the rolls of the Company: 921

E. The explanation on the relationship between average increase in remuneration and Company's performance:

Garware's reward principles are influenced by individual performance as well as various factors such as competitive market practices, cost considerations and of course, the business results achieved. The final salary increases that are made depend on the Company's market competitiveness within this comparator group, while at the same time taking into account the performance of the Company as well that of the concerned individual. The Company is committed to pay for performance culture which endeavors to differentiate pay levels on an individual performance basis. The salary increases that were made during the year were in line with both the Company's performance as well as the Company's market competitiveness.

F. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company: Total Remuneration to Key Managerial Personnel (KMP) for the year 2020-21.

Total Revenue (₹ in Lakhs)	97,601.40
Total Remuneration of KMP as % to Revenue	2.05%
Profit Before Tax (PBT) (₹ in Lakhs)	18,053.30
Total Remuneration of KMP as % of PBT	11.08%

- Variations in the market capitalisation of the company: The market capitalization of the company as at the closing date of the current financial year and previous financial year has increase by 322.91 %.
- Earning per Share: ₹ 51.09 per Share on 31st March, 2021 and ₹ 37.42 per Share on 31st March, 2020.
- Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

The closing share price of the Company at BSE Limited on 31st March, 2021 being ₹ 699.50 per equity share of face value of ₹ 10 each has gone up by 637% since the last Right issue by the Company, which was made in the year December 1995.

G. Comparison of average percentage increase in salary of employees other than key managerial personnel and the percentage increase in the key managerial remuneration:

Particulars	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs	Increase (Decrease) %
Salary of all employee(other than Key Managerial Personnel)	7659.95	6968.76	9.92
Key Managerial Personnel			
Salary of MD & Jt.MD	1861.23	1333.17	39.61*
Salary of CFO & CS	138.46	100.27	#

The increase in remuneration of employees other than the managerial personnel is in line with the increase in remuneration of managerial personnel.

*This includes Commission also.

Since the remuneration is only for part of the year so % increase in remuneration is not comparable and hence not stated.

H. Key parameters for the variable component of remuneration paid to the Directors:

The key parameters for the variable component of remuneration to the Directors are decided by the Nomination and Remuneration Committee in accordance with the principles laid down in the Nomination and Remuneration Policy.

- There are no employees of the Company who receive remuneration in excess of the highest paid Director of your Company.

J. Affirmation that the remuneration is as per the Nomination and Remuneration Policy of your Company: It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Nomination and Remuneration Policy of your Company.

PART B.

The statement containing names and other particulars of employees as per Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. The Annual Report is being sent to all the Members of the Company excluding the aforesaid statement. Any Member interested in obtaining a copy of the same may write to the Company Secretary and same will be provided free of cost to the Member.

A. CONSERVATION OF ENERGY

Your Company is always focuses on energy conservation and also strives to improve efficiency. Studies are conducted on regular basis to analyze quantitative energy consumption pattern and to find ways and means to improve efficiency.

We have executed a modernization program and carried out upgradation of the critical equipment in plant. This will ensure uninterrupted service and efficient operations.

Following successful energy conservation efforts were made during the period under review-

Waluj Complex:

- Compressed dry air supply from Central Utility to Thermal Plant
- Line 4 Winder HYD PP
- Line 4 Trim conveying system
- Line 4 system blower
- Line 4 Winder AHU Blower
- L4 Slitter AHU Blower
- LED tube, well glass & high bay fitting
- Stop LP blowers of L4&L5 condus when not on load

The above efforts / installation resulted annual energy saving of Approx. ₹ 21 Lakhs

Chikalhana complex:

- Replacement of reciprocating air compressor with the screw air compressor
- Replacement of Compacting water circulation pump with optimum head
- AHU No. 04 - Air shower water spray pump replaced with optimum head

The installation of above items resulted Annual Saving of Approx. ₹ 8 Lakhs

B. TECHNOLOGY ABSORPTION- RESEARCH AND DEVELOPMENT (R & D)

Company's R&D Centre is accredited by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India, and is engaged in research on new applications and development of new products, improvement of manufacturing processes and debottlenecking activities. Your Company's thrust on R&D activities has paid rich dividends.

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

- a. Low density shrink film for easy recyclability of PET containers during recycling.
- b. Anti-microbial polyester film for various applications.
- c. Flame Retardant polyester film for applications like insulation.
- d. High shrink film development with post consumer recycled (PCR) polyester.
- e. Universal sealable and peel able lidding film for all type of polymeric containers.

2. Benefit derived as result of the above R & D

Value added products developed and production costs reduced.

3. Expenditure on R & D / Product Development

(₹ in Lakhs)

Expenditure on R & D / Product Development	Amount
Capital (Excl. CWIP)	2.22
Recurring	303.30
Total	305.52

Total R & D expenditure as a percentage to total turnover **0.32%**

II. Technology absorption, adaptation and innovation

1 Efforts made towards technology absorption, adaptation and innovation:

Low density opaque film development on production line with special feeding method.

Introduced new concepts like flame retardancy and antimicrobial properties on film and film surface respectively Solar back-sheet film by co-extrusion.

2. Benefits derived as a result of above efforts

Cost effective, value added products developed and established.

3. Technology imported during the last five years: Nil

(A) FOREIGN EXCHANGE EARNINGS AND OUTGO:

I. Activities relating to exports, initiatives taken to increase export markets for products and services and export plans.

1. The export marketing activities are being consolidated to maintain the share of exports in total production. New markets are being explored.

2. Constant endeavor is being made to establish the products in specific overseas regional markets and to accomplish the same, individuals with knowledge and experience of these markets are appointed to service the customers.

3. The Company has established marketing outfits in USA and UK.

II. Total Foreign Exchange used and earned

(₹ in Crores)		
Used	:	₹ 115.42
Earned (FOB Basis)	:	₹ 654.98

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 27, 2021

S. B. GARWARE
Chairman & Managing Director
DIN: 00943822

Annexure - IV

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

To
The Members,
GARWARE HI-TECH FILMS LIMITED
(Formerly known as Garware Polyester Limited)
Naigaon, Post Waluj,
Aurangabad-431133

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by “**GARWARE HI-TECH FILMS LIMITED**” (Formerly known as Garware Polyester 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, Minutes Books, Forms and Returns filed with regulatory authorities 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 financial year ended 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place, to the extent and subject to the reporting made hereinafter.

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records including website is responsibility of management including Key Managerial Personnel’s (KMP) and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test basis the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us either in Physical form or in electronic form, for the financial year ended 31st March, 2021, according to the provisions of:

- (i) The Companies Act, 2013 and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under (to the extent applicable to the Company);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under restricted to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent the same was applicable to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) as amended till date:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) 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 Obligations and Disclosure Requirement) Regulations, 2015.
- (vi) As we have been given to understand that considering activities, there is no specific regulator subject to whose approval company can carry on / continue business operations. However, we have in-principally verified systems and mechanism which is in place and followed by the Company to ensure Compliance of other applicable Laws (in addition to the above mentioned Laws (i to v) viz. Industrial Law, Labor Laws as applicable to the Company) and we have also relied on the representation made by the Company and its Officers (KMP) in respect of systems and mechanism formed / followed by the Company, software maintained at factory premises, which reminds to ensure for compliances of other applicable Acts, including Industrial and Labour Laws and Regulations and found the satisfactory operation of the same.

We have also examined compliance with the applicable clauses of the Secretarial Standards (SS-1 and SS-2) as issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013;

We further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations/ Guidelines as covered under MR-3, since no event occurred which attract compliances of the said Regulations / Guidelines:

- (a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Based on the above said information provided by the Company, we report that during the financial year under report, the Company has substantially complied with the provisions of the above mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards etc. mentioned above. We have not found material observation / instances of material non Compliance in respect of the same. The observations for scope of improvement has been provided separately.

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 as on 31st March, 2021. However, at the beginning of the year, the Company being one among Top 1000 BSE Listed entity was required to have Woman Independent Director with effect from 01st April, 2020, which the Company could appoint only with effect from 25th June, 2020.

We also report that adequate notice was given to all directors to schedule the Board Meetings and agenda and detailed notes on agenda were sent at least seven days in advance and a reasonable system exists for Board Members for seeking and obtaining further information and

clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and proper system is in place which facilitates/ ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of other Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes including software maintained at factory premises which reminds applicable due dates of the compliances applicable to the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that save and except, Change of Name of the Company, the Company has not undertaken any major event / action having a material bearing on the Company's statutory compliance and affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Note: This Report is to be read along with attached Letter PROVIDED AS "Annexure - A"

Date: May 28, 2021
Place: Mumbai
UDIN: F004554C000383779

Name:- Nilesh Shah
For Nilesh Shah & Associates
FCS : 4554 C.P. : 2631
Peer Review No. 698/2020

'ANNEXURE A'

To
The Members,
GARWARE HI-TECH FILMS LIMITED
(Formerly known as Garware Polyester Limited)
Naigaon, Post Waluj,
Aurangabad-431133

Dear Sir / Madam,

Sub.: Our Report of even date is to be read along with this letter;

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

1. Maintenance of secretarial records is the responsibility of the management of the company including Directors and KMP. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes which were appropriate to obtain reasonable assurance about correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records made available to us) and also in the form of digital database to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
3. We have not verified correctness and appropriateness of financial records and Books of Accounts of the company for which we rely on the observation of statutory / internal Auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events and suggested scope of improvement etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. Due to COVID-19 outbreak and Lockdown situation/ partial functioning of office, in respect of carrying out of Audit, for part of audit, we have relied on the information, details, data, documents and explanation as provided by the Company and its officers and agents in electronic form without physically verifying their office.

Date: May 28, 2021
Place:- Mumbai
UDIN: F004554C000383779

Name:- Nilesh Shah
For Nilesh Shah & Associates
FCS : 4554 C.P. : 2631
Peer Review No. 698/2020

Business Responsibility Report

Section A: General Information about the Company

1	Corporate Identification Number	L10889MH1957PLC010889
2	Name of the Company	Garware Hi-Tech Films Limited (Formally Known as Garware Polyester Limited)
3	Registered address	Naigaon, Post Waluj, Aurangabad, Maharashtra – 431133 Ph. No. 0240-2567400 Fax No. 0240-2554672
4	Website	https://www.garwarehitechfilms.com
5	Email address	cs@garwarehitech.com
6	Financial Year reported	1 st April 2020 to 31 st March 2021
7	Sector of the Company is engaged in	Manufacturing
8	Total number of locations where business activity is undertaken by the Company	Aurangabad, Mumbai, Nashik, USA &UK.
9	Markets served by the Company	Company serve in more than 80 countries in continent mainly USA, China, Europe, Russia, Asian countries, South America, Gulf countries, Africa, Australia, New Zealand etc.

Section B: Financial Details of the Company

1	Paid up Capital	INR 23,23,23,940/-
2	Total turnover	₹ 96,038.64 Lakhs
3	Total Profit after tax	₹ 11,869.72 Lakhs
4	Total Spending on CSR as percentage	2.68 %
5	List of the activities in which expenditure listed above has been incurred	<ol style="list-style-type: none"> Street school / education; supplementary education; special education and employment enhancing vocation skills especially among children, woman, elderly and the differently abled and livelihood enhancement projects. Medical relief support and assistance; inclusive healthcare. Setting up homes and hostels for women and orphans, setting up old age homes, day care centers, and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups. Flood relief support to disadvantaged communities. Providing food support (nutrition and meals) to under privileged children, women and communities. Supporting tribal communities in the area of healthcare and education.

Section C: Other Information

1	Does the company have any subsidiary company/ companies?	Garware Polyester International Ltd in UK, Subsidiary and Global Pet Film Inc., Step-down Subsidiary Company in USA
2	Do the Subsidiary Company/ Companies participate in the BR initiatives of the Parent company? If Yes. then indicate the number of such subsidiary Company(s)	No. Subsidiary Company does not participate in the BR initiatives of the company.
3	Do any other entity/ entities (e.g. suppliers, distributors etc.) that the company does business with; participate in the BR initiatives of the company? If yes, then indicate the percentage of such entity/ entities? [Less than 30% - 60%, more than 60%]	No, the entities that the Company does Business with, do not participate in the BR initiatives of the company.

Section D: BR Information

1. Details of Director/s responsible for BR

a) Details of the director responsible for implementation of BR policies

1	DIN Number	00601668
2	Name	Chandrashekhar J. Pathak
3	Designation	Whole-time Director

b) Details of BR head:

1	DIN Number	00601668
2	Name	Chandrashekhar J. Pathak
3	Designation	Whole-Time Director
4	Contact Number	0240-2567404
5	Email	cjp@garwarehitech.com

2. Principle-wise(as per NVG) BR policy/ policies

Principle	Description	Company's Policy
Principle 1	Business should be conducted and governed with Ethics, Transparency and Accountability.	Codes of conduct, Whistle Blower Policy
Principle 2	Business is to provide goods and services and continual improvement in the same.	Quality Policy
Principle 3	Business should promote the happiness and well-being of all the employees.	HR Policy, Prevention of Sexual Harassment at workplace Policy
Principle 4	Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	CSR Policy
Principle 5	Business should respect and promote human rights.	CSR Policy
Principle 6	Business should respect, protect and make efforts to restore the environment.	Environment Policy
Principle 7	Business, when engaged in influencing public regulatory policy, should do so in a responsible manner.	Code of conduct
Principle 8	Does the Company have in house structure to implement the policy/ policies?	Quality Policy
Principle 9	Does the Company have a grievance redressal mechanism related to the policy/ policies?	Quality Policy
Principle 10	Business should support inclusive growth and equitable development.	CSR Policy

Details of Compliance (Reply in Y/N)

Sr No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 10
1	Do you have Policy / Policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the Policy been Formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the Policy conform to any national/ international standards? If Yes, Specify?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the Policy been approved by the Board? If Yes, has it been signed by the MD/ Owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a Specified committee of Board/ Director/ Official to oversee the implementation of the Policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the Policy to be viewed online?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of the policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

3. Governance related to BR:

1. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR Performance of the company.

Reviewed Quarterly and Annually and published annually.

2. Does the Company publish a BR or Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published.

It is part of Annual Report, which is uploaded on the Company Website.

Principle 1: Business should conduct and govern themselves with Ethics,

Transparency and Accountability.

1) Does the policy relating to ethics bribery and corruption cover only the company? Does it extend to the group /Joint ventures/Suppliers/ Contractors/NGOs/Others?

Yes, The Company considers Corporate Governance as an integral part of management. The Company has a code of conduct that is approved by the Board of Directors & this code is applicable to all Board Members, Senior Management and Employees of the Company. The code of conduct outlines standards of personal & professional conduct that is applicable to all employees.

Though the Company's policy cannot be enforced upon the external stakeholders including suppliers, contractors etc, the Company follows zero tolerance on any acts of bribery, corruption etc. by such agencies during their dealings with the company and or with any of its employees.

2) How many stakeholders' complaints have been received in the past financial year and what percentage was satisfactory Resolved by the management?

As Mentioned in the Corporate Governance Report, 3 Complaints were received from investors during the Financial Year 2020-21 and all have been resolved. Complaints/grievances from other stakeholders are dealt with on an ongoing basis by respective departments within the Company.

Principle 2: Business should provide goods and services.

1. List upto 3 products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.

The company is Pioneer in manufacturing of Polyester Film and Sun Control Films in India and manufacture wide range of products, covering all types of Polyester Films, Safety Films, Thermal Laminated & Metalized Films, and various types of Polyester Chips.

Some of the prominent activities include –

The Company has started using LPG for Thermic fluid heaters at one location.

The Company also commissioned the Zero discharge effluent facility by installation of Reverse Osmosis plant and using the water for plantation the open area under green cover.

The Company is also increasing usage of Biomass briquettes fired boilers.

The company is committed towards continual improvement, preventions of pollution and preservation of nature resources for protection of the environment by means of :

- Complying with applicable environmental legislation.
- Optimum & efficient use of natural resources.
- Eliminating, reducing, recycling, recovering and proper disposal of waste generated.
- Developing and implementing programs for minimizing environmental impacts.
- Enhancing awareness among all employees about their roles and responsibilities in maintaining the Environmental Management System.
- Promoting greenery at company premises.
- Developing consciousness among our neighboring community on environmental protection.

2. For each Product, provide the following details in respect of resource use (energy, water, Raw material etc.) Per unit of product (optional).

The Company mainly uses Pure Terephthalate Acid (PTA) and Mono Ethylene Glycol (MEG) and Manufacture of Chips which is further used to Manufacture various type of Film and value added products.

The utility mainly consist of Electrical Power, Furnace Oil, LPG, Bio coal and Water etc as resources.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

The Company does sustainable procurement of its raw materials and mechanism is in place to procure raw materials from different sources considering availability, transportation, requirement of factories etc. this also includes transportation from suppliers to our factories.

4. Has the company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?

If yes, what steps have been taken to improve their capacity and capability of local & small Vendors?

Plants of the company are set up in backward areas of Maharashtra and over the years the company has promoted the local contractors and service providers, to the best possible extent, by patronizing them to supply/provide different services required by the company for its day to day administration/ operations.

5. Does the company have mechanism to recycle products and waste? If yes, the percentage of recycling of products and waste (separately as <5 Percent, 5-10 Percent,>10 Percent) Also, provide details thereof, in about 50 words or so.

Yes, >10 percent. The company has been protectively engage into converting waste in to recycled input which is used in manufacturing process and have dedicated recycling plant at both locations.

Principle 3: Business should promote the well-being of all employees.

1. Please indicate the total number of employees: 921
2. Please indicate the total number of employees hired on temporary/contractual/casual basis: 834
3. Please indicate the number of permanent women employees: 07
4. Please indicate the number of permanent employees with disabilities: NIL.
5. Do you have an employee association that is recognized by management?

No employee association exists. There is no employees association, however mechanisms are in place for employees to represent their issues, if any, and the same is resolved amicably.

6. What percentage of your permanent employees is members of this recognized employee association?

Not applicable

7. Please indicate the number of complaints indicating to child labour, forced labour, sexual harassment in the last financial year and pending , as on the end of the financial year.

The company does not hire child labour, forced labour or involuntary labour and no complaint has been received during the financial year on any of the above subject matter.

8. What safety and skill upgradation training was provided in the last year?

Safety training is imparted to each and every employee on his joining alongside conducting regular safety for everyone. Internal & external training for upgrading and enhancing the skills and knowledge level was given to different categories of employee.

Principle 4: Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has company mapped its internal and external stakeholders?

The Company's key stakeholders include promoters, employees, customers, business associates, recovery agents, investors, agents, suppliers and its local residents and regulatory agencies. Our Investors comprise shareholders (including institutional investors, corporate bodies, foreign institutional investors, and foreign bodies etc.) and financiers.

The Company and its employees strive to provide value – based services to stakeholders. The company is in constant touch with its various stakeholders to understand their concerns and assess their requirements and respond to their needs in an effective manner.

2. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable or marginalized stakeholders? If so, provide details thereof in about 50 words or so.

Yes, the detailed activities are listed in the CSR report, being part of Annual Report.

Principle 5: Does the Company have a Specified committee of Board/Director/ Official to oversee the implementation of the Policy?

1. Does the Policy of the company on human rights cover only the company or extend to Group/all stakeholders.

Ventures/ Suppliers/ Contractors/NGOs/Others

The Company abides by the Principle of respect and support for human Rights and the adheres to spirit of fundamental rights in its policies and systems. The company ensures that all individuals impacted by its business shall have access to grievance redressal mechanisms. The company conducts business in a manner that respects the rights and dignity of all people complying with all legal requirements.

- A. How many stakeholders complaints have been received the past financial year and what percent was satisfactorily resolved by the management?

During the year 3 complaints were received from investors and all the complaints have been resolved, ensuring 100% resolution of complaints as on March 31, 2021.

Principle 6: Indicate the link for the Policy to be viewed online.

1. Does the policy related to Principle 6 cover only the company or extend to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs/ Others.

The company is committed to respect, protect and make the efforts towards renewable resources to avoid the depletion of natural resources. The company shall with legal/ regulatory requirements related to environment protection, management and sustainable development. This initiative is also extended to suppliers of the company.

The Policy can viewed at the website of the Company.

2. Does company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc?

Yes, The Company has been actively working to reducing greenhouse gasses emission and has successful in doing so over the years. In the past years we have reduced our CO2 emission by more than 15 % by strengthening the operation from Boiler which has reduced coal consumption. Company has also independent areas where energy can be recovered from the process of stream and equipment's have been selected to recover those energies which ultimately were being wasted.

Principle 7: Business when engaged in influencing public and regulatory policy should do so in a responsible manner.

1. Is your company a member of any trade and chamber association?

Yes, Federation of Indian Chambers of Commerce and Industries (FICCI), Federation of Indian Export Organisation (FIEO) Plex Council, and Chamber of Marathwada Industries and Agriculture (CMIA), Maharashtra Chamber of commerce

2. Have you advocated through association for the advancement or improvement of public good? Yes.

Principle 8: Does the Company have in house structure to implement the policy/ policies?

It is implemented through the Executive Committee.

Principle 9: Does the Company have a grievance redressal mechanism related to the policy/ policies?

Yes, the stakeholder Relationship Committee which meet on fortnightly basis to resolve all the grievances of stakeholders.

Principle 10: Business should support inclusive growth and equitable development.

1. Does the Company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 10, if yes details thereof.

Requisite details of CSR initiatives are included in the Annual Report on CSR forming part of the Annual Report.

2. Are the programs/projects undertaken through in-house team/own foundation/trust/NGO/any other organization?

The Company undertakes CSR projects through Garware Charitable Trust, Garware Community Center and same is elaborated in the CSR Report, part of Annual Report.

3. What is your Company's direct Contribution to community development projects- (Amount in INR)

Refer details of CSR Contribution in Annual Report on CSR forming part of this report.

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

1. Company Overview & Economic Environment

Garware Hi-Tech Films Limited (Formally Known as Garware Polyester Limited) is the pioneer and the largest exporters of polyester films in India. Also it is the sole manufacture of Solar Control window films in India and among the only two companies in the world having patented technology for manufacturing the UV stabilized dyed films and perhaps the only company in the world with backward integration for manufacturing of its own raw material and all components for manufacture of Solar control window films. The company is the trend-setter in Solar Control Film industry with a history of more than 3 decades of technological development. The Solar Control window films are sold under the well-established brands of the company that is SUNCONTROL window films and Global window films.

The company has commenced its production of Surface protection Film / Paint protection film at Waluj Aurangabad Location in 4th quarter of year 2020-21.

The Company also has backward integration through establishment of Batch Process Polyester Chips plant which ensures a steady stream of supply of variety of specially designed chips for the BOPET Film Lines. The Company produces wide range of products having variety of end applications. The company manufactures Bi-axially Oriented Polyethylene Terephthalate (BOPET) / Polyester Films, Sun Control Films, Thermal Lamination Films and Specialty Polyester Films also manufactures premium grade heat rejection films

The outbreak of the novel coronavirus 1st wave impacted the company during the first quarter of the year under review and started gearing up from second quarter after lifting of controls on movement, public gatherings and events from June 2020 onwards.

The basic raw material that is PTA and MEG has seen drop in the prices for first three quarter & rise in 4th quarter based on Crude prices and demand / supply situation and the selling prices were also dropped in commodity grade films. The Company has long term agreement on import parity price for supply of main raw material. The specialty chemicals prices has seen increasing trend.

The Company has come out with many new products for label films to help environment protection and recycling of the film with bottles and developed range of Shrink films for label application. The Company has also developed films for better seal and peel strength application for proper lidding of any type of containers (Universal). The Company's strength lies in its integrated manufacturing facilities, R&D Centre and portfolio of value-added specialty products for various applications.

The Company has achieved full capacity utilisation of its Polyester film plants and Solar Control window film plants.

2. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Industry is catering to Packaging, Yarn, Coated films for specialty applications and thick films for insulation and shrink label application.

The Company has developed products considering speciality of each manufacturing line capability and catering to speciality applications such as shrink label, Electric Insulation, Sequin,

Reprographic and digital printing and reduced reliance on packaging.

The High heat rejection films are very well accepted by International Market. The Laminated Surface Protection films are also very well accepted by the International Customers.

The Company has a well-developed marketing network throughout the world and it has developed wide network of dedicated customers across the globe i.e. USA, Europe, Russia Far East, China, Middle East, Africa, South America, Australia, New Zealand etc. by appointing marketing executives. In order to expand the business and offer better services to the customers of Consumer products in overseas market, the Company has Subsidiary Companies situated in USA and UK. There was no change in the nature of business of the Company during the year under review.

3. OPPORTUNITIES AND THREATS

The demand for PET film was there throughout the year as capacities were stable in domestic and International Market. The packaging market may shift to higher micron thickness films and there will remain an opportunity for higher micron packaging films to protect environment as per new environment laws in India.

The PET film packaging will grow as it's a hygiene packing and usage of packed food is likely to grow. On Global front, due to the commoditized nature of BOPET films, the industry remains highly competitive with pressure on margins.

The Company is making all efforts to cut down on costs to meet the challenge of excessive capacities and price competition in India and international market. The strategy of the Company continues to focus on the specialty films, increase the share of value-added products, and reduce the volumes of commodity films.

The company derives its strength from its integrated manufacturing facilities, established track record, experienced management, diversified customer base across the globe, wide range of products, focused R&D, specialty products and well recognized brands which shall lead future growth of the company.

4. OUTLOOK FOR EXPORTS:

PLAIN FILM:

The Company has maintained its record of being the top exporter of polyester films and continuously bagging the top exporter award from Plexconcil. With introduction of high-quality variety of product offerings and its satisfied customer base across the globe, the Company is fully confident of maintaining its strong position in exports. The Company continues its efforts to foray into newer markets and further increase the customer base in USA, Europe, China, Far East, South America, Africa, Middle East, Australia, New Zealand etc. as these remains key markets for the company's BOPET products.

Sun Control Film:

The Company is one of the premier Solar Control window film manufacturers and have been a trend-setter in sun control/window film industry with a history of more than 30 years of technological development. Apart from India, the company has been catering to customers across North America, South America, Russia, Europe, China, Far East, Middle East and Africa. The Company is the marketer of the brand 'GLOBAL WINDOW FILMS' which is registered in the US and is one of the most popular brands there. The Company's share in matured markets like USA and Europe

have grown exponentially. Currently the Company export to about 80 countries worldwide. In continuation of Company's focus in Exports, the Company have posted the Sales persons in strategic and important markets like USA, UK, Russia, Brazil, UAE and Australia to develop and grow the business. In addition to this, the Company also market its film in "Garware Sun Control" brand. In the domestic market in India, the Company is market leader and have a strong brand recall. The Company also sell laminated material under neutral/customized packaging, dyed film and release liner, thus offering marketing opportunities to distributors world-wide.

The Global Solar control film market is growing due to increasing awareness of advantages of solar control films, reduction of energy costs & carbon footprint, reduction of ultra-violet (UV) rays and infrared emissivity. The Company has also introduced Pain Protection Film / Laminated Surface Protection Film a year ago and the product has found good acceptability in the market.

Thermal Film:

With variety and high-quality product offerings in thermal lamination films, the Company is enhancing its share in the export market and has developed Glitter & Feather feel films at this division and focusing on increasing exports volume for these specialty products.

Domestic Market:

Growing Retail sector, increasing preference towards packaged items, liberalization and rising middle class is expected to increase the consumption of BOPET Films thereby adding to growth of this segment in the domestic market.

Increased usage of window films in offices, commercial buildings and malls will continue to add to the growth of the Company's business in the premium segment of window films.

5. REVIEW OF OPERATION

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and the applicable Indian accounting standards.

(₹ in Lakhs)

Particulars	FY 2020-21	FY 2019-20	%
Revenue from Operations	96,038.64	87,731.42	9.47%
Other Income	1,562.76	2,500.49	-37.50%
Profit before Interest, Depreciation	22,273.58	16,812.73	32.48%
Interest & Financial Charges	1,836.74	1,771.33	3.69%
Depreciation	2,383.54	2,014.78	18.30%
Profit before Tax	18,053.30	13,026.62	38.59%
Provision for Tax	6,183.58	4,332.57	42.72%
Profit after Tax	11,869.72	8,694.05	36.53%
Other Comprehensive Income (OCI) Net of Tax	3,366.94	-236.79	-1521.91%
Total Comprehensive Income For The Year Net of Tax	15,236.66	8,457.26	80.16%
Earning Per Share (Basic/ Diluted)	51.09	37.42	36.53%
Market Capitalisation	1,62,510.60	38,426.38	322.91%

Details of significant changes in key financial ratios:

Sr No	Particulars	FY 2020-21	FY 2019-20	Change
1	Debtors Turnover No of Days	33	26	29.70%
2	Inventory Turnover No of Days	36	39	-8.27%
3	Interest Coverage Ratio	12.13	9.49	27.76%
4	Current Ratio	2.35	2.14	9.65%
5	Debt Equity Ratio	0.07	0.09	-22.22%
6	Operating Profit Margin (%)	23.19%	19.16%	21.02%
7	Net Profit Margin (%)	12.36%	9.91%	24.72%
8	Net Worth (₹ in Lakh)	1,54,744.12	1,39,507.46	10.92%

6. Internal Control Systems and their Adequacy

The Company has sound systems of internal control and checks, which are supplemented by a regular internal audit commensurate with the size of its business and nature of its operations. The Audit Committee of the Board meets at regular intervals and actively reviews the internal control systems, which are reflected in the internal audit reports. Suitable corrective actions are initiated wherever necessary.

7. Material Developments in HR / Industrial Relations

Your Company has a well-qualified and experienced team of professionals who have contributed to the performance of the Company. Labour relations at all Company locations continue to remain cordial with no industrial unrest during the year under review.

8. Risks and Concerns

The volatility of crude oil prices and depreciation / appreciation of Rupee vis-à-vis US dollar, the raw material prices have been exhibiting a volatile trend, demand for the Company's products is sensitive to changes in industry capacity and output levels, cyclical changes in regional and global economic conditions and changes in consumer demand. Significant addition in capacities by competitors has heated the competition. The Central and State tax scheme in India is extensive and subject to change from time to time. The Company is subject to risks arising from volatile foreign exchange market as well as interest rate fluctuations, which could adversely affect its business operational results. The Company will continue to focus on cost control and cost-effective measures and give dedicated thrust to exports. The Company has endeavoured to monitor and mitigate these risks.

9. Cautionary Statement

The statements in report of the Board of Directors and the Management Discussion & Analysis Report describing the Company's outlook, estimates or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially.

CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the financial year ended March 31, 2021.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company believes that Corporate Governance is a pre-requisite for attaining sustainable growth in this competitive world. The Company's Management acknowledges that Corporate Governance is a set of laws, regulations and good practices that enables an organization to perform efficiently and effectively. The philosophy of the Company towards good corporate governance is to enhance the long-term economic value of the Company, its shareholders and other stakeholders at large by adopting better corporate practices in fair and transparent manner.

The Company has a strong legacy of fair, transparent and ethical governance practices and has also adopted a Code of Conduct for its Members on the Board including the Senior Management of the Company. Sincerity, good citizenship and commitment to compliance are the key characteristics that drive relationships of the Board and Senior Management with other Stakeholders.

The Company believes that sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavor to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth.

Your Company believes in healthy balance of interest of all Stakeholders and in pursuance of this objective, the policies of the Company are designed to strengthen the ability of the Board of Directors to supervise the management and to enhance long-term shareholder value. In recent times, governance has been further strengthened within the organization by introduction of incremental changes to various policies and processes.

The Company's focus is on sustainable development, its customer centric approach to create value for the customers by ensuring product quality and innovative service offerings coupled with its outreach to the communities it impacts through CSR activities and programmes has enabled your Company to earn the trust and goodwill of its investors, business partners, employees and other stakeholders.

Ethics/ Governance Policies:

At Garware, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all the stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct for Board of Directors and Senior Management
- Code of Conduct for Prevention of Insider Trading
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Whistle-blower Policy
- Prevention of Sexual Harassment of Women at Workplace Policy
- Corporate Social Responsibility Policy
- Policy for selection of Directors and determining Directors' independence
- Remuneration Policy for Directors, Key Managerial Personnel and other employees

- Familiarization Program of Independent Director
- Dividend Distribution Policy
- Policy for determining Material Subsidiaries
- Policy on Related Party Transactions
- Policy on determination and disclosure of Materiality of Events
- Policy for Preservation of Documents
- Risk Management Policy

A report on compliance with the principles of Corporate Governance as prescribed in the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is given below:

GOVERNANCE STRUCTURE

The Corporate Governance Structure of the Company is as follows:

1. **Board of Directors:** The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the Management adheres to ethics, transparency and disclosures.
2. **Committees of the Board:** The Board has constituted the following Committees viz. (1) Audit Committee (2) Nomination and Remuneration Committee (3) Stakeholders Relationship Committee (4) Corporate Social Responsibility (CSR) Committee (5) Risk Management Committee and (6) Vigil Mechanism Committee. Each of the said Committee has been mandated to operate with a given framework.

The Report on Corporate Governance is divided into six parts: -

- I. Board of Directors – Composition & Meetings
- II. Committees of the Board
- III. Remuneration of Directors
- IV. Disclosures
- V. Means of Communication
- VI. General Shareholder Information

I. BOARD OF DIRECTORS:

a) COMPOSITION OF THE BOARD OF DIRECTORS:

The Company has a broad-based Board of Directors comprises of optimum combination of executive and non-executive Directors which is constituted in conformity with the Listing Regulations and the Companies Act, 2013 ('the Act') and in accordance with the best practices for Corporate Governance. The Board functions either as a full Board or through various Committees constituted to oversee specific areas. Policy formulation, setting up of goals and evaluation of performance and control functions vest with the Board.

The Board of Directors, as on March 31, 2021, comprises of 13 Directors, of which 3 were Promoter and Executive Directors, 1 was Promoter and Non-Executive Director, 1 was Professional Executive Director, 7 were Independent Non-Executive Directors and 1 was Non-Executive and Non-Independent Director. The Company has four women Directors. All Directors possess relevant qualifications and experience in general corporate management, finance, legal and other allied fields which enable them to effectively contribute to the Company in their capacity as Directors.

Composition and category of the Board:

Category	Name of the Director	No. of Shares held as on 31 st March 2021	Relationship with other Directors	No. of Board meetings attended during FY 2020-21	No. of Directorship(s) as on March 31, 2021*	Committee position as on 31 st March 2021#		Attendance at AGM held on December 23, 2020
						Chairman	Member	
Promoter and Executive Directors	Shri S. B. Garware	11,63,001	Father of Ms. Monika Garware, Mrs. Sarita Garware Ramsay and Ms. Sonia Garware	5 out of 5	1	-	-	No
	Ms. Monika Garware	2,67,504	Daughter of Shri S. B. Garware and sister of Mrs. Sarita Garware Ramsay and Ms. Sonia Garware	5 out of 5	1	-	-	No
	Mrs. Sarita Garware Ramsay	2,67,810	Daughter of Shri S. B. Garware and sister of Ms. Monika Garware and Ms. Sonia Garware	5 out of 5	1	-	-	No
Promoter and Non-Executive Director	Ms. Sonia Garware	2,68,595	Daughter of Shri S. B. Garware and sister of Ms. Monika Garware and Mrs. Sarita Garware Ramsay	3 out of 5	1	-	-	No
Executive Director	Mr. C. J. Pathak	25	None	5 out of 5	1	-	1	Yes
Non-Executive & Non-Independent Director	Mr. B. D. Doshi	25	None	5 out of 5	1	-	2	Yes
Independent Non-Executive Directors	Mr. B. Moradian	-	None	4 out of 5	4	-	4	No
	Dr. M. C. Agarwal	-	None	5 out of 5	1	1	2	No
	Mr. Ramesh P. Makhija	-	None	3 out of 5	2	-	-	No
	Mr. T. M. Parikh	-	None	5 out of 5	2	1	3	Yes
	Mr. Nilesh R. Doshi	-	None	3 out of 5	3	2	4	No
	Mr. Vivekanand H. Kamath	-	None	5 out of 5	1	-	-	No
Independent Non-Executive and Woman Director	Ms. Devanshi H. Nanavati	-	None	4 out of 5	1	-	-	Yes

* Aforesaid directorships includes directorship held in the Company but does not includes directorship held in foreign companies and companies incorporated under Section 8 of the Companies Act, 2013 ("the Act") and private limited companies.

For reckoning the limit of membership/ chairmanship of the committees, only Audit Committee and Stakeholders' Relationship Committee were considered. However, for this purpose, Chairmanship/ Membership held in the Company have also been included.

Names of listed entities (other than Garware Hi-Tech Films Limited) where the person is a director and category of directorship:

Sr. No.	Name of the Director	Name of the Company	Category of directorship
1.	Shri S. B. Garware	NIL	NIL
2.	Ms. Monika Garware	NIL	NIL
3.	Mrs. Sarita Garware Ramsay	NIL	NIL
4.	Ms. Sonia Garware	NIL	NIL
5.	Mr. C. J. Pathak	NIL	NIL
6.	Mr. B. D. Doshi	NIL	NIL
7.	Mr. B. Moradian	Kabra Extrusion Technik Limited	Non-Executive, Independent Director
8.	Dr. M. C. Agarwal	NIL	NIL
9.	Mr. Ramesh P. Makhija	NIL	NIL
10.	Mr. T. M. Parikh	Choksi Imaging Limited	Non-Executive, Independent Director
11.	Mr. Nilesh R. Doshi	Binani Industries Limited	Non-Executive, Independent Director
		V. B. Desai Financial Services Limited	Non-Executive, Independent Director
13.	Mr. Vivekanand H. Kamath	NIL	NIL
14.	Ms. Devanshi H. Nanavati	NIL	NIL

List of core skills, expertise, competencies required by the Board and those actually available with the Individual Directors

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Sr. No.	List of core skills/ expertise/ competence	Availability of the core skills/ expertise/ competence, with the directors, as on 31 st March, 2021													
		Shri S. B. Garware	Ms. Monika Garware	Mrs. Sarita Garware Ramsay	Ms. Sonia Garware	Mr. C. J. Pathak	Mr. B. D. Doshi	Mr. B. Moradian	Dr. M. C. Agarwal	Mr. Ramesh P. Makhija	Mr. T. M. Parikh	Mr. Nilesh R. Doshi	Mr. Vivekanand H. Kamath	Ms. Devanshi H. Nanavati	
1.	General: Accounts, Sales and Marketing, Operations, Taxations, Banking, Legal and Administration.	√	√	√	√	√	√	√	√	√	√	√	√	√	
2.	Global Business: Keeping Business Connections Globally, Understanding Business Dynamics and other market related factors.	√	√	√	√	√	√	√	√	√	√	√	√	√	
3.	Strategy and Planning: Long term and Short-term strategy, planning and support to the Management of the Company.	√	√	√	√	√	√	√	√	√	√	√	√	√	
4.	Governance: Maintaining Board and Management accountability, driving Business ethics and values in the best interests of stakeholders.	√	√	√	√	√	√	√	√	√	√	√	√	√	

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

Independent Directors:

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The terms and conditions stating the appointment of Independent Directors as provided in Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 has been issued and disclosed on the website of the Company viz. www.garwarehitechfilms.com

Independent director databank registration:

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all the Independent Directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the Directors in this regard.

(b) MEETING OF BOARD OF DIRECTORS:

The Company Secretary prepares the agenda and explanatory notes, in consultation with the Chairman and Managing Director, Whole-time Director and other Departmental Heads and circulates the same 7 days in advance to all the Directors, to ensure that all applicable laws and regulations, including the Companies Act, 2013 read with Rules issued thereunder, LODR Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), are being complied with. The Company places before the Board all the relevant and necessary data/information at its Meetings related to production, sales, exports, review of business, any legal proceedings by/against the Company, Share Transfers, Quarterly Financial Results, Minutes of: (a) Board Meetings, (b) Audit Committee Meetings, (c) Stakeholders Relationship Committee Meetings (d) Nomination and Remuneration Committee Meeting and such other relevant information is regularly made available to the Board for discussion and consideration.

The Board of Directors meets at least once in every quarter to review the Quarterly Results of the Company. During the year under review commencing w.e.f. April 1, 2020, Five Board Meetings were held. The gap between any two Board Meetings did not exceed 120 days. The details of Board Meetings held during Financial Year 2020-21 are given below:

Sr. No.	Date	Board Strength	No. of Directors Present
1.	25/06/2020	13	10
2.	30/07/2020	13	10
3.	10/11/2020	13	12
4.	04/02/2021	13	12
5.	18/02/2021	13	13

Post Meeting Mechanism

The important decisions taken at the Board and Committee Meetings are communicated to the concerned departments/divisions.

The draft Minutes of the Board and its Committees are sent to the respective Directors & Members within 15 days from the date of Board Meeting & Committee Meeting for their comments thereon and then the Minutes are entered in the Minutes Book within 30 days from the date of the Meeting.

Board Support

The Company Secretary attends the Board and Committee Meetings and advises on compliances with the applicable laws and governance.

Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective fields/ profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for the appointment as the Independent Director on the Board.

The Committee, *inter alia*, considers qualification, positive attribute, area of expertise, number of Directorship(s) and Membership(s) held in various Committees of other Companies by such persons in accordance with Company's Policy for Selection of Directors and determining Director's Independence. The Board considers the Committee's recommendation, and then takes an appropriate decision.

FAMILIARISATION PROGRAMME FOR DIRECTORS

As required under the Listing Regulations and the Act, the Company has an orientation programme upon induction of new Directors, as well as other initiatives to update Directors on a continuous basis. At the time of appointment of the Director, a formal letter of appointment is given to the Director, which *inter alia* explains the role, function, duties and responsibilities expected from Director. The Director is also explained in detail on the compliance part required from him under the Companies Act, 2013, Listing Regulations and other relevant provisions.

The Chairman and Managing Director also have one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further, the Company has put in place a system to familiarize the Independent Directors about the Company, its products, business and the on-going events relating to the Company. The details of familiarization program are available on the Company's website at www.garwarehitechfilms.com

II. COMMITTEES OF THE BOARD

The Board has constituted Committees of the Directors to take informed decisions and to oversee the activities falling within the purview of their terms of reference.

The following are the various Committees of the Board:

- (A) Audit Committee
- (B) Stakeholders Relationship Committee
- (C) Nomination and Remuneration Committee
- (D) Corporate Social Responsible Committee

(E) Risk Management Committee

(F) Vigil Mechanism Committee

(A) AUDIT COMMITTEE:

(i) Composition:

The Board of the Company has constituted an Audit Committee comprising of the following Directors.

Name of Director	Designation	Category
Mr. T. M. Parikh	Chairman	Independent and Non-Executive Director
Mr. B. Moradian	Member	Independent and Non-Executive Director
Dr. M. C. Agarwal	Member	Independent and Non-Executive Director
Mr. Nilesh R. Doshi	Member	Independent and Non-Executive Director
Mr. B. D. Doshi	Member	Non-Independent and Non-Executive Director
Mr. C. J. Pathak	Member	Non-Independent and Executive Director

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management. The Committee invites the CFO, Statutory Auditor(s) and Internal Auditor to attend the meetings of the Committee.

The Audit Committee, during the Financial Year 2020-21, has approved the Related Party Transactions along with granting omnibus approval in line with the Company's Policy of Related Party Transactions and the applicable provisions of the Companies Act, 2013 and Listing Regulations.

(ii) Terms of Reference:

The powers and terms of reference of the Audit committee are as mentioned in Regulation 18 of the Listing Regulation and Section 177 of the Companies Act, 2013.

The brief descriptions of terms of reference are:

- 1) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible;
- 2) recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- 3) approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- 4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) matters required to be included in the Director's Responsibility Statement; to be included in the Board's Report in terms of clause (c) of subsection (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;

- (c) major accounting entries involving estimates based on the exercise of judgment by management;
- (d) significant adjustments made in the financial statements arising out of audit findings;
- (e) compliance with listing and other legal requirements relating to financial statements;
- (f) disclosure of any related party transactions;
- (g) modified opinion(s) in the draft audit Report;

- 5) reviewing, with the management, the quarterly Financial Statements before submission to the Board for approval;
- 6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the Report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 7) reviewing and monitoring the Auditor's independence & performance, and effectiveness of audit process;
- 8) approval or any subsequent modification of transactions of the Company with related parties;
- 9) scrutiny of inter-corporate loans and investments;
- 10) valuation of undertakings or assets of the Company, wherever it is necessary;
- 11) evaluation of internal financial controls and risk management systems;
- 12) reviewing, with the management, performance of statutory and internal Auditors, adequacy of the internal control systems;
- 13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14) discussion with internal Auditors of any significant findings and follow up there on;
- 15) reviewing the findings of any internal investigations by the internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 16) discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18) to review the functioning of the Whistle-Blower mechanism;
- 19) approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

- 20) reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- 21) Carrying out any other function as may be assigned to it by the board of director from time to time.”

(iii) Meetings and attendance during the year:

During the financial year 2020-21, the Audit Committee met 4 (Four) times as per the details given below. The gap between any two meetings does not exceed beyond the statutory limit.

Sr. No.	Date	Strength	No. of Members Present
1.	25/06/2020	6	5
2	30/07/2020	6	5
3.	10/11/2020	6	5
4.	04/02/2021	6	6

The attendance of Members at the Committee Meetings is as under:

Name of Members	Audit Committee Meetings Attended
Mr. T. M. Parikh	4
Mr. B. Moradian	3
Dr. M. C. Agarwal	4
Mr. Nilesh R. Doshi	2
Mr. B. D. Doshi	4
Mr. C. J. Pathak	4

(B) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

(i) Composition:

Name of Director	Designation	Category
Dr. M. C. Agarwal	Chairman	Independent and Non- Executive Director
Mr. B. Moradian	Member	Independent and Non- Executive Director
Mr. B. D. Doshi	Member	Non-Independent and Non-Executive Director

(ii) Compliance Officer

Name and Designation of the Compliance Officer	Mr. Awaneesh Srivastava – Company Secretary
Address	Garware House, 50-A, Swami Nityanand Marg, Vile Parle (East), Mumbai - 400 057
Telephone Number	022-6698 8000
E-mail	cs@garwarehitech.com

(iii) Terms of Reference:

Brief descriptions of terms of reference are:

- To consider and approve transfer, transmission, transposition of shares, name deletion and issuance of duplicate share certificates, replacement and consolidation of share Certificate etc.
- Redressal of shareholder's/investor's complaints relating to transfer of shares, non-receipt of annual report, dividends, transmission, transposition, splitting, consolidation and dematerialization of shares, etc.

(iv) Details of Shareholders' Complaints

During the year under review, the Company has resolved investor grievances expeditiously. As per information received from Registrar & Share Transfer Agent, M/s. Link Intime India Private Limited, the Company had received 3 complaints from the Shareholders, which were resolved within the time frame as mentioned under the SEBI (LODR) Regulations, 2015. The details are as under:

Nature of Complaint	No. of Complaints	No. of Complaints Resolved as on 31.03.2021	No. of Complaints Pending as on 31.03.2021
Transfer of Shares	2	2	Nil
Dividend	Nil	Nil	Nil
Others	1	1	Nil
Total	3	3	Nil

(v) Meetings and attendance during the year:

During the year, the Committee met 15 (Fifteen) times. As on March 31, 2021, there were no requests pending for transfer of shares. The details of share transfers are reported to the Board of Directors along with the Minutes of the aforesaid Committee Meetings.

The attendance of Members at the aforesaid Committee Meetings was as under:

Name of Members	Meetings Attended
Dr. M. C. Agarwal	15
Mr. B. Moradian	13
Mr. B. D. Doshi	15

(vi) Investor's Grievances:

Link Intime India Private Limited, Registrar and Share Transfer Agent redresses the investor's grievances under the supervision of the Secretarial Department of the Company.

(C) NOMINATION AND REMUNERATION COMMITTEE:

The role of the Nomination and Remuneration Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

(i) **Composition:**

Name of Director	Designation	Category
Dr. M. C. Agarwal	Chairman	Independent and Non-Executive
Mr. B. Moradian	Member	Independent and Non-Executive
Mr. T. M. Parikh	Member	Independent and Non-Executive
Mr. B. D. Doshi	Member	Non-Independent and Non-Executive

(ii) **Terms of Reference:**

The terms of reference of the NRC stated below are wide enough to cover the matters specified in Listing Regulations

- Recommend to the Board, the set up and composition of the Board and its Committees including the “*formulation of the criteria for determining qualifications, positive attributes and independence of a director*”. The Committee will consider periodically reviewing the composition of the board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Recommend to the Board, the Appointment or Reappointment of Directors.
- Devise a policy on board diversity.
- Recommend to the Board, the appointment of Key Managerial Personnel (“KMP” as defined by the Act) and executive team members of the Company (as defined by this committee).
- Carry out evaluation of every Director’s performance and support the Board and Independent Directors in evaluation of the performance of the board, its committees and individual directors.
- This shall include “*formulation of criteria for evaluation of independent directors and the board*”.
- Recommend to the Board the remuneration policy for Directors, executive team or Key Managerial Personnel (KMP).
- To review the overall compensation policy and remuneration payable to Managing Director, Joint Managing Directors, Whole time Directors and Key Managerial Personnel.
- To make recommendations to the Board of Directors on the increments in the remuneration of the Directors and Key Managerial Personnel.
- Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.

(iii) **Meeting and Attendance during the year:**

During the year the Nomination and Remuneration Committee met 3 (Three) times and details of attendance are as under:

Sr. No.	Date	Strength	No. of Members Present
1.	25/06/2020	4	4
2.	10/11/2020	4	3
3.	04/02/2021	4	4

The details of attendance of members at the committee meetings were as under:

Name of Members	No. Of meetings attended
Dr. M. C. Agarwal	3
Mr. B. Moradian	2
Mr. T. M. Parikh	3
Mr. B. D. Doshi	3

(iv) **The Company does not have any employee stock option scheme.**

(D) **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

(i) **Composition:**

Name of Director	Designation	Category
Mrs. Sarita Garware Ramsay	Chairperson	Non-Independent and Executive Director
Mr. B. Moradian	Member	Independent and Non-Executive Director
Dr. M. C. Agarwal	Member	Independent and Non-Executive Director
Mr. B. D. Doshi	Member	Non-Independent and Non-Executive Director

Mr. Awaneesh Srivastava, Company Secretary of the Company act as a Secretary to the Committee.

The Company formulated CSR Policy, which is uploaded on the website of the Company www.garwarehitechfilms.com

(ii) **Brief description of terms of reference:**

The Committee *inter-alia* authorized to formulate and recommend to the Board a CSR Policy, the amount of expenditure to be incurred on the permissible activities as prescribed under Schedule VII of the Companies Act, 2013. The Committee shall be responsible for monitoring the CSR Policy.

(iii) **Meeting and Attendance during the year:**

During the year, Corporate Social Responsibility Committee Meeting was held on February 04, 2021. The necessary quorum was present at the meeting. Mrs. Sarita Garware Ramsay, Dr. M. C. Agarwal, Mr. B. Moradian and Mr. B. D. Doshi were present at the Meeting.

(E) **RISK MANAGEMENT COMMITTEE**

In term of Regulation 21 of the Listing Regulations, your Company have constituted the Risk Management Committee to oversee the management of risk in your Company.

(i) **Composition:**

Name of Director	Designation	Category
Mr. T. M. Parikh	Chairman	Independent and Non-Executive Director
Mr. B. Moradian	Member	Independent and Non-Executive Director
Mr. B. D. Doshi	Member	Non-Independent and Non-Executive Director
Mr. C. J. Pathak	Member	Non-Independent and Executive Director
Dr. M. C. Agarwal	Member	Independent and Non-Executive Director
Mr. Nilesh R. Doshi	Member	Independent and Non-Executive Director

Risk Management Committee reviews the process of risk management in your Company.

Audit Committee is also made responsible for overseeing, monitoring and implementation of policies related to Vigil Mechanism and Business Risk Management.

(ii) INDEPENDENT DIRECTORS' MEETING

During the year, the Independent Directors Meeting was held on February 04, 2021, *inter-alia*, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Mr. B. Moradian, Dr. M. C. Agarwal, Mr. T. M. Parikh, Mr. Ramesh P. Makhija, Mr. Nilesh R. Doshi and Mr. Vivekanand H. Kamath, Independent Directors were present at the meeting.

(F) VIGIL MECHANISM COMMITTEE

The Company has constituted the Vigil Mechanism Committee for its Directors and Employees to report their genuine concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct. The mechanism provides for adequate safeguards against victimization of Director(s) and Employee(s) who avail of the mechanism. In all cases, Directors and Employees have direct access to the Committee and in exceptional circumstances, Chairman of the Audit Committee. Further no personnel have been denied access to the Chairman of the Audit Committee.

The Whistle Blower Policy is available on Company's website at www.garwarehitechfilms.com

III. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

(A) Remuneration to Non- Executive Directors

The Non-Executive Directors are entitled for sitting fees and reimbursement of expenses for participation in the Board/ Committee meetings as per the NRC policy of the Company. The total amount of sitting fees paid during the Financial Year 2020-21 was ₹ 12,07,500/-. The Non-Executive Directors does not have any material pecuniary relationship or transactions with the Company apart from receiving the remuneration.

(B) Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Chairman and Managing Director, Joint Managing Directors and Whole – Time Director is routed through the recommendation of the Nomination and Remuneration Committee and accordingly the Resolutions with respect to their appointments were passed by the Board of Directors and Shareholders of the Company. The remuneration package of Chairman and Managing Director, Joint Managing Directors and Whole-time Director comprises of salary, perquisites, allowances and contributions to provident fund and other retirement benefits as approved by the Shareholders at the General Meeting.

The Remuneration of the Board Members is also based on the Company's size, its economic and financial position, industrial trends and compensation paid by peer Companies. The Compensation reflects each Board Member's responsibility and performance. The remuneration to Chairman and Managing Director, Joint Managing Directors, Whole Time Director and Director- Technical are paid as per the Agreements entered into between them and the Company.

(C) DETAILS OF REMUNERATION PAID TO DIRECTORS FOR THE YEAR ENDED MARCH 31, 2021.

(i) Remuneration paid to Non-Executive Directors:

Details of sitting fees paid to Non- Executive Directors during Financial Year 2020-21 are given below:

(Amount in ₹)

Names	Board Meeting	Audit Committee Meeting	Stakeholder's Relationship Committee Meeting	Nomination & Remuneration Committee Meeting	Corporate Social Responsibility Committee Meeting	Independent Directors Meeting
Ms. Sonia Garware	60,000/-	-	-	-	-	-
Mr. B. Moradian	80,000/-	30,000/-	32,500/-	10,000/-	5,000/-	20,000/-
Dr. M. C. Agarwal	1,00,000/-	40,000/-	37,500/-	15,000/-	5,000/-	20,000/-
Mr. Ramesh P. Makhija	60,000/-	-	-	-	-	20,000/-
Mr. T. M. Parikh	1,00,000/-	40,000/-	-	15,000/-	-	20,000/-
Mr. Nilesh R. Doshi	60,000/-	20,000/-	-	-	-	20,000/-
Mr. B. D. Doshi	1,00,000/-	40,000/-	37,500/-	15,000/-	5,000/-	-
Mr. Vivekanand Heroor Kamath	1,00,000/-	-	-	-	-	20,000/-
Ms. Devanshi H Kamath	80,000/-	-	-	-	-	-
TOTAL	7,40,000/-	1,70,000/-	1,07,500/-	55,000/-	15,000/-	1,20,000/-

(ii) Remuneration paid to Executive Directors:

The aggregate remuneration paid to Executive Directors during the financial year 2020-21 is as under:

(₹ in Lakh)

Names	Salary	Perquisites & Allowances	Retirement Benefits	Performance linked Bonus/ Commission	Stock Option	Total
Shri. S. B. Garware	382.50	181.88	-	180.04	-	744.42
Ms. Monika Garware	244.37	97.75	65.98	115.02	-	523.12
Mrs. Sarita Garware Ramsay	222.95	89.18	60.20	104.94	-	477.27
Mr. C. J. Pathak	116.04	0.40	-	-	-	116.44

Executive Directors are covered under the Company's gratuity and leave encashment schemes along with other employees / directors of the Company. These liabilities are determined for all employees/directors by an independent actuarial valuation.

Service contract in respect of Managing Director, Joint Managing Directors and Whole Time Director is for three years and the notice period is as per the terms of appointment. No severance pay is payable on termination of contract.

The Company does not have a scheme to grant stock options.

(D) PERFORMANCE EVALUATION

Regulation 17 of Listing Regulations read with Schedule IV and other applicable provisions of the Act, mandates a formal evaluation to be done by the Board of its own performance and that of its Committees and individual Directors. Independent Directors shall also evaluate the performance of non-independent Directors and the Chairman of the Board.

The evaluation of all the directors including independent directors was carried out by the entire Board, except for the director being evaluated and Nomination and Remuneration Committee. Performance evaluation of the Board, Chairman and the non-independent directors was carried out by the independent directors in their meeting held on February 4, 2021.

The directors were satisfied with the outcome of the evaluations of the Board, its Committees and the individual directors and on the basis of said evaluation reports, the Independent Directors will continue to act as Independent Directors of the Company for their remaining period.

Criteria for performance evaluation of Directors

The Board of Directors has approved the criteria for performance evaluation of Non-Executive Directors (including Independent Directors) as recommended by the Nomination & Remuneration Committee. The said criteria inter alia includes following:

- Attendance at the Board / Committee meetings.
- Active participation in the meetings.
- Managing Relationship.
- Knowledge and Skills.
- Personal Attributes.
- Prompts Board discussion on strategic issues.
- Understands and evaluates the risk environment of the organization.
- Conducts himself/herself in a manner that is ethical and consistent with the laws of the land.
- Maintain confidentiality wherever required.

IV. DISCLOSURES

(A) Compliances with Governance Framework

- (i) The Company is in compliance with all mandatory requirements of Listing Regulations.
- (ii) All the transactions entered into with the Related Parties as defined under the Companies Act, 2013 and the Regulation 23 of Listing Regulations during the financial year were in the ordinary course of business and at an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year. Related party transactions have been disclosed under the Note No. 30 of IND AS notes forming part of the financial statements for the year ended March 31, 2021 in accordance with "Indian Accounting Standard 24". A statement in summary form of transactions with related parties in the ordinary course of business and at an arm's length basis is periodically placed before the Audit Committee for the review and recommendation to the Board for their approval. The Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company www.garwarehitechfilms.com
- (iii) None of the transactions with related parties were in conflict with the interest of the Company. All the transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis or fair value.

- (iv) **During the year under review, in response to show cause notice received and defended by the Company, SEBI passed an adjudication order dated January 15, 2021 ("SEBI Order"), imposing a consolidated penalty of ₹ 38,00,000/- upon the Company under section 15A(b) of the Securities and Exchange Board of India Act, 1992 for the alleged violation of Regulation 13(6) of the Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 1992 ("SEBI PIT Regulations") alleging delayed reporting of a certain creeping acquisitions of shares of the Company by the Promoters in the year 2012.

The Company and its Promoters have challenged the SEBI Order by preferring an appeal with the Hon'ble Securities Appellate Tribunal, Mumbai ("SAT"). The Appeal filed by the Company and its Promoters is currently sub-judice before SAT, awaiting final outcome.

- (v) In the preparation of the financial statements, the Company has followed the Indian Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to Financial Statements.
- (vi) The Company recognizes the "Risk Management" as an integrated, forward-looking process oriented approach for managing "Enterprise Wide Risks". The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedures and periodical review to ensure that management controls risk through means of properly defined frame work.
- (vii) Adoption of non-mandatory requirements of Listing Regulations is being reviewed by the Board from time- to-time.

(B) Code of Conduct

The Board has formulated a Code of Conduct for the Board Members and Senior Management Personnel of the Company. All the Board Members and Senior Management Personnel have affirmed their compliance with the code for the Financial Year ended 31st March, 2021. A Declaration to this effect signed by the Chairman of the Company is given elsewhere in the Annual Report.

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 pre-clearance 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 Company Secretary is responsible for implementation of the Code.

All the Board of Directors and the Designated employees have confirmed compliance with the code.

The Company has adopted new "Code of Fair Disclosure Conduct" and 'Code for prevention of Insider Trading' for regulating, monitoring and reporting of trading by Insider as stated under SEBI (Prohibition of Insider Trading) Regulation 2015. Pursuant to provision of Regulation 8 and 9 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation 2015 ("Insider Regulations"), a code of Practices and Procedures for fair disclosure of unpublished price sensitive information of the Company (The Code) has been formulated.

(C) Vigil Mechanism

In accordance with Regulation 22 of Listing Regulations and pursuant to Section 177(9) of Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, the Company has adopted a Whistle Blower Policy, the employees are free to report violations of law, rules, regulations or un-ethical conduct to their immediate superior and that they have not been denied direct access to the Audit Committee. The confidentiality of those reporting/violations is maintained and they are not subjected to any discriminatory practice.

The Ethics Helpline can be contacted to report any suspected or confirmed incident of fraud/misconduct on:

Email: tmp@garwarehitech.com

Telephone No: 0240-2567400.

(D) Subsidiary Companies

Your Company has two unlisted subsidiary Companies in terms of Regulation 16 of the Listing Regulations. The Audit Committee reviews the financial statements of the unlisted subsidiaries. The policy for determining the material subsidiary is hosted on Company's website at www.garwarehitechfilms.com.

(E) Details of utilization of funds raised through preferential allotment or qualified institutions placement

The Company did not raise any funds through preferential allotment or qualified institutions placement during the Financial Year 2019-20.

(F) Certificate on non-disqualification of Directors

Certificate from M/s. Nilesh Shah & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/ Ministry of Corporate Affairs or any other statutory authority, is annexed to this Report.

- (G) There were no instances where the recommendations made by any of the Statutory Committees were not accepted by the Board.

**** Update:** In response to the Appeal preferred by the Company and its Promoters against the SEBI Order, SAT has allowed the said Appeal and set aside the SEBI Order in its entirety (including the consolidated penalty imposed by SEBI). By the SAT Order dated August 9, 2021, the Company and its Promoters are effectively exonerated from the charge of the alleged violations of the SEBI PIT Regulations. The Order dated August 9, 2021 passed by SAT can be accessed on <http://sat.gov.in/scripts/search.asp>."

(H) Payment to Statutory Auditors:

Total fees paid to Manubhai & Shah, Statutory Auditor and Kirtane and Pandit LLP, Joint Auditor of the Company is ₹ 34.49 Lakhs and ₹12.41 Lakhs respectively for all services on a consolidated basis.

(I) Disclosure in relation to Sexual Harassment of Women at workplace

Pursuant to the requirements of Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013, your Company has a Policy and framework for employees to report sexual harassment cases at work place and our process ensures complete anonymity and confidentiality of information. The Policy is available on the website of the Company www.garwarehitechfilms.com

No. of complaints filed during the financial year 2020-21	NIL
No. of complaints disposed of during the financial year 2020-21	NIL
No. of complaints pending during the Financial Year 2020-21	NIL

(J) Compliance Report on discretionary requirements under Regulation 27(1) of the Listing Regulations:

- (i) **The Board:** Our chairman is an executive director and maintains the chairman's office at the company's expenses for the performance of his duties.
- (ii) **Shareholders' rights:** We did not send half-yearly results to the household of each shareholder(s) in FY2020-21. Our quarterly and half-yearly results are displaying on our website of the Company at www.garwarehitechfilms.com and were published in widely circulated newspapers
- (iii) **Audit qualifications:** The auditors have not qualified the financial statements of the company.
- (iv) **Reporting of internal audit:** The internal auditors regularly updates the audit committee on internal audit findings at the committee's meetings and conference calls.
- (K) The Corporate Governance Report prepared, contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Listing Regulations ('Applicable criteria') for the year ended March 31, 2021 as required by the Company for annual submission to the Stock exchange.

V. MEANS OF COMMUNICATION

- Unaudited quarterly, half yearly and year to date financial results are announced within forty-five days of end of each quarter. The annual audited financial results is announced within sixty days from the end of the financial year as per the requirements of the Listing Regulations. The aforesaid financial results are submitted to BSE Limited (BSE) where the shares of the Company are listed, immediately after the same were approved by the Board. The quarterly and annual results are generally published in leading English and Marathi daily newspapers within forty-eight hours of conclusion of Board Meeting. The audited financial statements form a part of the Annual Report which is sent to all the members well in advance prior to the Annual General Meeting.

- The Company also informs BSE on all price sensitive information / matters or such other matters, which in the opinion of the Board are material and of relevance to the members.
- In compliance with Listing Regulations and other rules and regulations issued by SEBI, the quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchange viz. BSE Limited is filed electronically on BSE's online portal.
- Periodic information relating to Shareholding Pattern and Quarterly Financial Results are also made available on the Company's website at www.garwarehitechfilms.com.
- Company files with BSE all the presentations made to institutional investors or to the analysts as per the requirement of Listing Regulations and also made it available on Company's website at www.garwarehitechfilms.com.

VI. GENERAL SHAREHOLDER INFORMATION

- (i) **Annual General Meeting Date, time and venue:** Tuesday, September 28, 2021 at 11.30 a.m. at Registered Office of the Company – Naigaon, Post Waluj, Aurangabad – 431 133.
- (ii) **Financial Year:** 1st April to 31st March.
- (iii) **Dividend payment date:** September 29, 2021
- (iv) **Financial Calendar (tentative)**

Financial Year	1 st April, 2021 to 31 st March, 2022
Unaudited Financial Results for the Quarter ending: 1. 30 th June 2021; 2. 30 th September 2021; 3. 31 st December 2021 and 4. 31 st March 2022.	Within 45/60 days from the end of reporting quarter.
Annual General Meeting for year ending - 31 st March 2022.	Before the end of September 2022.
Date of Book Closure for the current financial year	Wednesday, September 22, 2021 to Tuesday, September 28, 2021 (Both days inclusive)
Email address for Investor Complaints	cs@garwarehitech.com

(v) Listing of Equity Shares on Stock Exchanges and Stock Codes

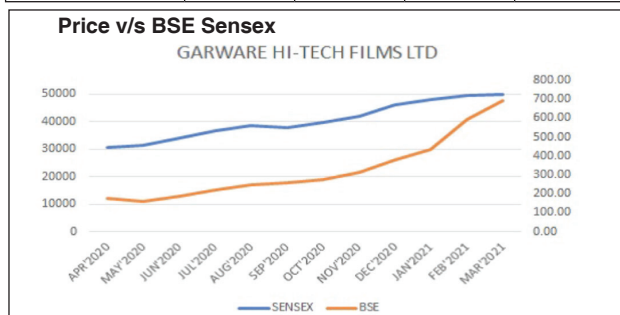
Name and address of the Stock Exchange	Stock Code
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai Samachar Marg, Mumbai, Maharashtra - 400001	500655
ISIN	INE25/A01017

The Company has paid Annual Listing fees to the Stock Exchange for the financial year 2021-22.

(vi) Stock Market Data and their Performance v/s S&P BSE Sensex

The high/low of the market price of the shares of the Company and the performance thereof with the BSE Sensex are given in the charts below:

Month	Share Price Data		BSE Sensex	
	High (₹)	Low (₹)	High	Low
April 2020	198.00	151.00	33887.25	27500.79
May 2020	171.65	148.95	32845.48	29968.45
June 2020	221.00	155.10	35706.55	32348.10
July 2020	238.15	200.05	38617.03	34927.20
August 2020	280.00	210.00	40010.17	36911.23
September 2020	282.00	236.30	39359.51	36495.98
October 2020	309.40	242.25	41048.05	38410.20
November 2020	330.00	292.50	44825.37	39334.92
December 2020	447.85	307.25	47896.97	44118.10
January 2021	470.00	400.00	50184.01	46160.46
February 2021	775.00	415.10	52516.76	46433.65
March 2021	767.00	620.00	51821.84	48236.35



(vii) Registrars and Share Transfer Agents

Link Intime India Private Limited
C-101,247 Park,
L.B.S. Marg, Vikhroli (West), Mumbai – 400 083.
Tel. No.: 022 - 49186000 Fax No.: 022 - 49186000
E-mail : mt.helpdesk@linkintime.co.in

(viii) Share Transfer System

All queries and requests relating to share transfers/transmissions may be addressed to our RTA. To expedite the process of share transfers, the Stakeholders Relationship Committee has been empowered to attend to the share transfer formalities at regular intervals. Pursuant to Regulation 40 of Listing Regulations, as amended vide Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and Press Release No: 49/2018 dated December 03, 2018, shareholders may please note that, with effect from April 01, 2019, transfer of shares (except transmission and transposition of shares) will be in dematerialised form only. However, transfer deeds which were lodged with the company on or before March 31, 2019, but were returned due to any deficiency, will be processed upon re-lodgement. SEBI, vide circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated September 07, 2020, has fixed March 31, 2021 as the cut-off date for re-lodgment of transfer requests and has stipulated that such transferred shares

shall be issued only in demat mode. Therefore, the shareholders are requested to dematerialize their shares for their own benefit.

(ix) Category wise shareholding as on 31st March, 2021

Sr. No.	Category	No. of shares held	% of share-holding
1	Promoters (Shri S. B. Garware, family and Associates)	1,41,05,972	60.72
2	Mutual Funds	45,476	0.20
3	Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions/ Non-Govt. Institutions)	8,56,126	3.69
4	Private Corporate Bodies	8,05,594	3.47
5	Foreign Institutional Investors	1,480	0.00
6	NRIs	80,977	0.35
7	IEPF Account	3,44,858	1.48
8	Indian Public and Others	69,91,911	30.09
	Grand Total	2,32,32,394	100.00

(x) Distribution of Shareholdings as on March 31, 2021:

No. of Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1 to 5000	21101	95.61	1767274	7.61
5001 to 10000	480	2.18	374890	1.61
10001 to 20000	223	1.01	350782	1.51
20001 to 30000	77	0.35	192528	0.83
30001 to 40000	36	0.16	126524	0.54
40001 to 50000	29	0.13	134807	0.58
50001 to 100000	48	0.22	350091	1.51
100001 and above	75	0.34	19935498	85.81
Total	22069	100.00	23232394	100.00

(xi) Dematerialization of Shares and Liquidity

Company's shares are available for dematerialization on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), for which purpose the Company has entered into Agreements with the respective Institutions.

Nearly 97.01% of the equity shares of the Company have been dematerialized by investors and bulk of transfers take place in the Demat form.

(xii) There are no outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments issued by the Company.

(xiii) Commodity price risk or foreign exchange risk and hedging activities:

During the year 2020-21, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company entered into forward contracts for hedging foreign exchange exposures against exports net of imports. There is no direct hedgeable commodity risk that the Company has on any of its raw materials or finished products. Thus, the Risk Management Policy covers only net forex exposure on account of its imports and exports.

The details of foreign currency exposure are disclosed in the Note No. 32 (c) to the Financial Statement.

(xiv) **Plants Location** : Waluj, Chikalthana and Nasik.

(xv) **Address for Correspondence** :
Garware Hi-Tech Films Limited
(Formerly known as Garware Polyester Limited)
Garware House,
50-A, Swami Nityanand Marg,
Vile Parle (East), Mumbai – 400 057.
Tel No: 022-6698 8000 – 15
Fax No: 022-2824 8155 / 66
E-mail :cs@garwarehitech.com

(xvi) **Credit ratings of Bank Borrowings:**

Sr. No.	Facilities	Rating
1.	Long Term Bank facilities	CARE A; Positive (Single A; Outlook: Positive)
2.	Short Term Bank facilities	CARE A1 (A One)

(xvii) **RECONCILIATION OF SHARE CAPITAL AUDIT REPORT**

As stipulated by SEBI, a Qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the Bombay Stock Exchange Limited, where the Company's shares are listed. The audit confirms that total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

Top 10 Shareholders as on March 31, 2021 other than Promoter/ Promoter Group.

Sr. No.	Name of the Shareholder	No. of Shares held	% of Holding
1.	Minal Bharat Patel	1506405	6.48
2.	Life Insurance Corporation Of India	853756	3.67
3.	Ashish Kacholia	472521	2.03
4.	Investor Education And Protection Fund Authority Ministry of Corporate Affairs	344858	1.48
5.	Hardik B. Patel	306935	1.32
6.	Hardik B. Patel	221000	0.95
7.	Finquest Financial Solutions Pvt. Ltd.	198177	0.85
8.	Dalal & Broacha Stock Broking Pvt.Ltd.	185000	0.80
9.	Vimal Sagarmal Jain	161470	0.70
10.	Garware Technical Fibres Limited	146350	0.63

(xviii) **Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund:**

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, shares in respect of such dividends which have not been claimed for a period of 7 consecutive years are also liable to be transferred to the Demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. The provisions relating to transfer of shares were made effective by the Ministry of Corporate Affairs, vide its Notification dated October 13, 2017 read with the circular dated October 16, 2017.

The details of unclaimed dividends and shares transferred to IEPF are as follows:

Financial year	Amount of Unclaimed dividend transferred (₹ in Lakh)	Number of shares transferred
2008-09	4.69 (Transferred on 30.01.2017)	1,90,580 (Transferred on 05.01.2018)
2009-10	7.46 (Transferred on 01.12.2017)	14,459 (Transferred on 20.04.2018)
2010-11 (Interim Dividend)	7.71 (Transferred on 20.01.2018)	13,821 (Transferred on 14.06.2018)
2010-11 (Final Dividend)	45.44 (Transferred on 01.03.2019)	78,464 (Transferred on 29.03.2019)
2011-12 (Final Dividend)	7.81 (Transferred on 24.10.2019)	47,879 (Transferred on 19.11.2019)

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred.

The following tables give information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company's Registrar and Share Transfer Agent:

Financial Year	Date of Declaration	Last date for claiming unpaid dividend
2016-17	27.09.2017	02.11.2024
2017-18	28.09.2018	02.11.2025
2018-19	25.09.2019	30.10.2026
2019-20	12.03.2020	16.04.2027

(xix) **CMD/CFO CERTIFICATION**

The Chairman & Managing Director and Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board as required under Regulation 17 of the Listing Regulations. The Chief Financial Officer also gives quarterly certification on financial results while placing the financial results before the Board in terms of LODR Regulations.

(xx) Information on General Body Meetings

Details of the last 3 (three) Annual General Meetings (AGM) held by the Company are as under:

AGM	Date	Venue	Time
61 st AGM	28.09.2018	at Registered Office: Naigaon, Post Waluj, Aurangabad-431133	11.30 a.m.
62 nd AGM	25.09.2019		11.30 a.m.
63 rd AGM	23.12.2020		11.30 a.m.

(xxi) The following Special Resolutions were passed in previous three Annual General Meetings:

Date of Meeting	Summary of Resolution
December 23 rd , 2020	<ol style="list-style-type: none"> 1) Modify the terms of remuneration of Ms. Monika Garware - Vice Chairperson and Joint Managing Director of the Company with effect from April 01, 2020. 2) Modify the terms of remuneration of Ms. Sarita Garware Ramsay - Joint Managing Director of the Company with effect from April 01, 2020. 3) Dr. M. C. Agarwal who was appointed as Independent Director of the Company shall continue to act as an Independent Director of the Company on his attaining the age of 75 (seventy Five) years upto the completion of his term on March 31, 2024.
September 25, 2019	<ol style="list-style-type: none"> 1) Re-appointment and payment of remuneration to Shri S. B. Garware – Chairman and Managing Director of the Company for a further period of five years with effect from November 01, 2019. 2) Re-appointment of Mr. Nilesh R. Doshi as a Non-Executive & Independent Director of the Company for a second term of five consecutive years with effect from November 01, 2019 to October 31, 2024. 3) Re-appointment and payment of remuneration to Mr. C. J. Pathak as Whole Time Director of the Company for a further period of five years with effect from October 01, 2019. 4) Appointment of Mr. B. D. Doshi as Non-Executive and Non-Independent Director of the Company for a period of 5 years i.e. from the conclusion of 62nd Annual General Meeting till the conclusion of the 67th Annual General Meeting of the Company.
September 28, 2018	<ol style="list-style-type: none"> 1) Appointment and payment of remuneration to Mr. Chandrashekhar J. Pathak as a Whole-Time Director of the Company for a tenure of three years w.e.f. October 16, 2017 to October 15, 2020. 2) Appointment of Mr. B. D. Doshi as a Non-Executive & Non-Independent Director of the Company w.e.f. 28th September, 2017. 3) Appointment of Mr. Vivekanand H. Kamath as a Non- Executive & Independent Director of the Company for a first term of five years w.e.f. August 08, 2018 to August 07, 2023. 4) Re-appointment of Mr. Tushar M. Parikh as a Non- Executive & Independent Director of the Company for second term of five Consecutive years w.e.f. April 01, 2019 to March 31, 2024. 5) Re-appointment and payment of remuneration to Mrs. Monika Garware as a Joint Managing Director of the Company for a period of three years w.e.f. November 01, 2018 to October 31, 2021. 6) Re-appointment and payment of remuneration to Mrs. Sarita Garware Ramsay as a Joint Managing Director of the Company for a period of three years w.e.f. November 01, 2018 to October 31, 2021.

(xxii) Postal Ballot:

During the financial year ended March 31, 2021, the Company has conducted one Postal Ballot from March 01, 2021 to March 30, 2021 vide notice of Postal Ballot dated February 18, 2021 to seek members approval by way of passing a Special Resolution for change of name of the Company from “Garware Polyester Limited” to “Garware Hi-Tech Films Limited”.

Mr. Nilesh G. Shah, Partner, M/s. Nilesh Shah and Associates, Practicing Company Secretaries (FCS 4554) was appointed as the Scrutinizer for conducting the Postal Ballot / e-Voting process, in a fair and transparent manner and he submitted his report on March 31, 2021 and the result of postal ballot was announced on same date. Accordingly the Special Resolution was passed with requisite majority on March 31, 2021.

Result of the postal ballot exercise was as follows:

Res. No.	Resolution	Postal Ballot		E-Voting		Result
		For	Against	For	Against	
1	Approval for change of name of the Company from “Garware Polyester Limited” to “Garware Hi-Tech Films Limited” and consequent amendment to Memorandum of Association and Articles of Association and other documents of the Company including the licenses, certificates, agreements and contracts etc.	32,804	1	1,46,27,154	55	Passed with requisite majority

(xxiii) Whether any special resolution is proposed to be conducted through postal ballot:

Members' approval, if any required through postal ballot during the financial year 2021-22, then it will be conducted in accordance with the applicable law.

(xxiv) Procedure for postal ballot:

Pursuant to Section 108, 110 and other applicable provisions of the Companies Act, 2013, the Company has conducted the postal ballot from March 01, 2021 to March 30, 2021. The notice of postal ballot dated February 18, 2021 along with Postal Ballot Form and Explanatory Statement has been dispatched on February 26, 2021 to all the Members/ Beneficial Owners whose names appear in the Company's Register of Members/ records of depositories as on the cut-off date of February 23, 2021. The Company also published a notice of completion of dispatch of postal ballot notice in the newspapers in accordance with the requirements of Companies Act, 2013. The members were provided with the facility to cast their votes either through dispatch of physical Postal Ballot Forms by post or through electronically voting facility provided by National Securities Depository Limited (NSDL). The Company had engaged NSDL to provide e-voting facility. The e-voting facility was available from Monday, March 01, 2021 (9:00 a.m. onwards) till Tuesday, March 30, 2021 (up to 5:00 pm). Mr. Nilesh G. Shah, Partner, M/s. Nilesh Shah and Associates, Practicing Company Secretaries (FCS 4554) was appointed as the Scrutinizer for conducting the Postal Ballot / e-Voting process, in a fair and transparent manner and he submitted his report on March 31, 2021 and the result of postal ballot was announced on same date. Accordingly the Special Resolution was passed with requisite majority on March 31, 2021.

(xxv) Details of Shares in Suspense Account:

Sr. No.	Particulars	Status
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	NIL
2.	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	NIL
3.	Number of shareholders to whom shares were transferred from suspense account during the year;	NIL
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	NIL

Secretarial Audit:

- **M/s. Nilesh Shah & Associates**, Practicing Company Secretaries have conducted the Secretarial Audit of the Company for the year 2020-21. Their Audit Report confirms that the Company has complied with its Memorandum and Articles of Association, the applicable provisions of the Act and the Rules made there under, Listing Regulations, applicable SEBI (LODR) Regulations, 2015 and other laws applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.
- Pursuant to Regulation 40(9) of the (LODR) Regulations, 2015, Certificates have been issued on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

Declaration of Compliance with the Code of Conduct

I hereby confirm that:

The Company has obtained from all the Members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the Financial Year ended 31st March, 2021.

Place: Mumbai
 Date: May 27, 2021

S. B. Garware
Chairman & Managing Director

**CHAIRMAN AND MANAGING DIRECTOR (CMD) &
CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE**

The Board of Directors
Garware Hi-Tech Films Limited
(Formerly known as Garware Polyester Limited)

We hereby certify that on the basis of the review of the Financial Statements and the Cash Flow Statement for the Financial Year ended 31st March, 2021 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Indian accounting standards, applicable laws and regulations;

We hereby certify that, to the best of our knowledge and belief, no transactions entered into during the year by the Company are fraudulent, illegal or violate the Company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and the Audit Committee:

1. significant changes in internal control over financial reporting during the year;
2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the internal control system over financial reporting.

S. B. Garware
Chairman & Managing Director

Pradeep Mehta
Chief Financial Officer

Place: Mumbai
Date: May 27, 2021

**PRACTICING COMPANY SECRETARY'S
CERTIFICATE ON CORPORATE GOVERNANCE**

To,
The Members of
GARWARE HI-TECH FILMS LIMITED
(Formerly known as Garware Polyester Limited)

I have examined the compliance of conditions of Corporate Governance by **GARWARE HI-TECH FILMS LIMITED** ("the Company") for the year ended 31st March 2021, as specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations").

Management's Responsibility:

The Company's management also takes full responsibility of the Compliance of the conditions of Corporate Governance stipulated in the Regulations.

Auditor's Responsibility:

My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

I conducted my engagement in accordance with the "Guidance Note on Corporate Governance Certificate" issued by the Institute of Company Secretaries of India. My responsibility is to certify based on the work done.

Opinion:

In my opinion, and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the aforementioned regulations.

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

Restrictions on use:

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose. Accordingly, I do not accept or assume any liability or any other duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without my prior consent in writing.

Vyoma Desai
Practicing Company Secretary
ACS 42543 CP 23010
UDIN:A042543C000340775

Place: Mumbai
Dated: May 18, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
 The Members,
Garware Hi- Tech Films Limited
 (Formerly known as Garware Polyester Ltd)
 Naigaon, Post Waluj,
 Aurangabad-431133

We have examined the relevant registers, records, forms, Email confirmation, returns and disclosures received from the Directors of **Garware Hi-Tech Films Limited (Formerly known as Garware Polyester Ltd)** having CIN **L10889MH1957PLC010889** and having registered office at Naigaon, Post, Waluj Aurangabad – 431 133 (hereinafter referred to as **'the Company'**), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and carried by us and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **March 31, 2021** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authorities:

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Shashikant Bhalchandra Garware	00943822	06/06/1957
2.	Sarita Ramsay Garware	00136048	24/12/1993
3.	Sonia Garware	00135995	31/01/2007
4.	Monika Garware	00143400	31/03/1989
5.	Tushar Madhuvandas Parikh	00049287	27/12/2013
6.	Ramesh Pahlajrai Makhija	00209869	12/11/2009
7.	Boman Khushroo Moradian	00242123	29/10/2001
8.	Nilesh Ramanlal Doshi	00249715	12/11/2014
9.	Chandrashekhar Pathak Jaiwantrao	00601668	16/10/2017
10.	Mahesh Chandra Agarwal	02595878	29/04/2009
11.	Bhupat Dalichand Doshi	02950198	16/10/2017
12.	Vivekanand Heroor Kamath	07260441	08/08/2018
13.	Devanshi Hemant Nanavati	08770422	25/06/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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.

Date:- May 28, 2021
 Place:- Mumbai
 UDIN: F004554C000383867

Name:- Nilesh Shah
For Nilesh Shah & Associates
FCS : 4554
C.P. : 2631
Peer Review No. 698/2020

INDEPENDENT AUDITOR'S REPORT ON STANDALONE IND AS FINANCIAL STATEMENTS

To

**The Members of
 Garware Hi-Tech Films Limited
 (formerly known as Garware Polyester Limited)**

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Garware Hi-Tech Films Limited (formerly known as Garware Polyester Limited)** ('the Company'), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (herein after 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 Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021, the profit and 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 Act. Our responsibilities under those Standards are further described in the Auditors Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Due to COVID-19 lockdown throughout the country in the last year, in absence of physical presence, we have adopted alternative methodologies using technological solutions in performing our audit procedures. We have determined that the matters described below to be the Key Audit Matters to be communicated in the Report:

Sr. No.	Key Audit Matters	Auditor's Response (Audit Procedures followed)
1.	Evaluation of Tax matters The Company has some Direct & Indirect tax matters which involve judgment to determine possible outcome of these tax assessments. Refer Note 10 (a) & 28(a) to the Standalone Financial Statements.	Principal Audit Procedures <ul style="list-style-type: none"> We have carried out detailed review of all pending tax assessments. Obtained details of completed tax assessments and demands from the management for the year ended March 31, 2021. We involved our internal experts to verify the management's underlying assumptions in estimating the tax provisions and the possible outcomes of disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these tax matters & legal position.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance 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 during the course of our 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.

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 Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financials Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 Act, 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.
- 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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 reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work 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 the 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, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure A**, a statement on the matters specified in the 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 so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls refer to our separate report in "**Annexure B**";
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that 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.
 - (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, 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 financial statements – Refer Note 28(a) to the standalone financial statements;
 - (ii) The Company has made provision, as required under the applicable law or Indian accounting standard, for material foreseeable losses, if any on long-term contracts including derivative contracts and
 - (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

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

P. N. Shah
Partner
 Membership No. 001738

Place: Mumbai
 Date: May 27, 2021
 UDIN: 21001738AAAAAC4936

For Kirtane & Pandit LLP
Chartered Accountants
 FRN: 105215W/ W100057

Sandeep Welling
Partner
 Membership No. 044576

Place: Mumbai
 Date: May 27, 2021
 UDIN: 21044576AAAAFT9764

ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (b) The Company has a program of verification to cover all items of Property, Plant and Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds comprising all the immovable properties of land and building which are freehold are held in the name of the Company as at the balance sheet date. In respect of immovable properties that have been taken on lease and disclosed as Property, Plant and Equipment in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) The Management has conducted physical verification of the inventories at reasonable intervals during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- (iii) The Company has not granted any loans secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the provisions of section 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed there under to the extent notified.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government of India for the maintenance of cost records under section 148(1) of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and based on the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Custom Duty, Goods and Service Tax, Cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and based on the records of the Company examined by us, in our opinion, no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Custom Duty, Goods and Service Tax, Cess and other material statutory dues, as applicable were in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us and based on the records of the Company examined by us, the particulars of dues of Income Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty, Value Added Tax, Goods and Service Tax, Cess as at 31st March 2021 which have not been deposited on accounts of any disputes are as follows:

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Financial Year for which amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	31.40	2001-02	Central Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	4.92	2006-07	High Court
Central Excise Act, 1944	Service Tax	4.25	2015-16	Dy Commissioner (Audit), Central Excise, Customs & Service Tax

- (viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to the banks, financial institutions and government. The company does not have dues to debenture holders as at the balance sheet date.
- (ix) In our opinion, and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans have been applied for the purposes for which they were obtained.
- (x) According to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration during the year in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting as per paragraph 3(xii) of the Order is not required.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, reporting as per paragraph 3(xv) of the Order is not required.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

For Kirtane & Pandit LLP
Chartered Accountants
FRN: 105215W/ W100057

P. N. Shah
Partner
Membership No. 001738

Sandeep Welling
Partner
Membership No. 044576

Place: Mumbai
Date: May 27, 2021
UDIN: 21001738AAAAAC4936

Place: Mumbai
Date: May 27, 2021
UDIN: 21044576AAAAFT9764

ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT
The Annexure referred to in paragraph 2(f) under “Report on Other Legal and Regulatory Requirements”
section of our report of even date,

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

We have audited the internal financial controls over financial reporting of **Garware Hi-Tech Films Limited (formerly known as Garware Polyester Limited)** (“the Company”) as of 31st March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by ICAI (the “Guidance Note”) and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

P. N. Shah
Partner
Membership No. 001738

Place: Mumbai
Date: May 27, 2021
UDIN: 21001738AAAAAC4936

For Kirtane & Pandit LLP
Chartered Accountants
FRN: 105215W/ W100057

Sandeep Welling
Partner
Membership No. 044576

Place: Mumbai
Date: May 27, 2021
UDIN: 21044576AAAAFT9764

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2021

Particulars	Notes	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	2	1,32,684.16	1,27,805.53
Capital Work-in-Progress	2 (a)	1,083.15	1,864.21
Intangible Assets	2	205.45	81.52
Intangible Assets Under Development	2 (a)	15.29	143.85
Financial Assets			
Investments	3 (a)	6,886.55	2,941.97
Other Financial Assets	4	238.42	228.77
Deferred Tax Assets (Net)	11 (a)	-	2,486.24
Other Non-Current Assets	10 (a)	2,321.90	2,031.39
TOTAL NON-CURRENT ASSETS		1,43,434.92	1,37,583.48
CURRENT ASSETS			
Inventories	9	9,414.23	9,375.32
Financial Assets			
Investments	3 (b)	15,842.38	8,770.82
Trade Receivables	5	8,753.85	6,165.68
Cash And Cash Equivalents	6 (a)	2,997.92	1,134.73
Bank Balances Other than above	6 (b)	726.00	717.74
Loans	7	51.86	20.08
Other Financial Assets	8	68.00	175.05
Current Tax Assets (Net)	11 (b)	269.67	265.64
Assets Classified as Held for Sale	10 (c)	81.06	-
Other Current Assets	10 (b)	3,432.91	2,207.24
TOTAL CURRENT ASSETS		41,637.88	28,832.30
TOTAL ASSETS		1,85,072.80	1,66,415.78
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	12 (a)	2,323.24	2,323.24
Other Equity	12 (b)	1,52,420.88	1,37,184.22
TOTAL EQUITY		1,54,744.12	1,39,507.46
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	13 (a)	9,661.44	11,554.48
Other Financial Liability	13 (b)	1,519.07	1,529.36
Deferred Tax Liabilities (Net)	11 (a)	1,001.56	-
Provisions			
Other Non-Current Liability	16 (a)	403.09	351.56
	17	-	0.33
TOTAL NON-CURRENT LIABILITIES		12,585.16	13,435.73
CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	13 (c)	-	547.45
Trade And Other Payables			
Total Outstanding Dues of Micro Enterprises and Small Enterprises	14	565.31	355.76
Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises		8,055.24	6,169.23
Other Financial Liabilities	15	6,032.98	4,258.24
Other Current Liabilities	18	2,198.08	1,419.83
Provisions	16 (b)	891.91	722.08
TOTAL CURRENT LIABILITIES		17,743.52	13,472.59
TOTAL LIABILITIES		30,328.68	26,908.32
TOTAL EQUITY AND LIABILITIES		1,85,072.80	1,66,415.78

Notes forming part of the Financial Statements

1 to 34

As per our report of even date

As per our report of even date

For and on behalf of the Board of Directors

For Manubhai & Shah LLP
Chartered Accountants
(Firm's Registration No. 106041W/ W100136)

For Kirtane & Pandit LLP
Chartered Accountants
(Firm's Registration No. 105215W/ W100057)

S. B. GARWARE
Chairman &
Managing Director
(DIN: 00943822)

C. J. PATHAK
Whole-Time Director
(DIN: 00601668)

P. N. SHAH
Partner
M.No.: 001738

SANDEEP WELLING
Partner
M.No.: 044576

T. M. PARIKH
Director (DIN: 00049287)

PRADEEP MEHTA
Chief Financial Officer

Mumbai, May 27, 2021

Mumbai, May 27, 2021

AWANEESH SRIVASTAVA
Company Secretary (ICSI M. No. FCS8513)

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Notes	2020-21	2019-20
		₹ In Lakhs	₹ In Lakhs
INCOME:			
Revenue from Operations	19	96,038.64	87,731.42
Other Income	20	1,562.76	2,500.49
Total Income		97,601.40	90,231.91
EXPENSES:			
Cost of Materials Consumed	21	34,821.72	38,359.61
Change in Inventories of Finished Goods and Work-in-Progress	22	653.64	(1,319.64)
Employee Benefits Expenses	23	9,659.64	8,402.20
Finance Costs	24	1,836.74	1,771.33
Depreciation and Amortisation Expenses	25	2,383.54	2,014.78
Other Expenses	26	30,192.82	27,977.01
Total Expenses		79,548.10	77,205.29
Profit Before Tax		18,053.30	13,026.62
Tax Expenses			
Current Tax	11 (b)	3,112.02	2,215.73
Short / (Excess) Tax of earlier years		-	(0.53)
Deferred Tax	11 (a&b)	3,071.56	2,117.37
Total Tax Expenses		6,183.58	4,332.57
Profit for the year		11,869.72	8,694.05
Other Comprehensive Income (OCI)			
Items that will not be reclassified to Statement of Profit and Loss			
Gain on Fair Valuation of Equity Instruments		3,944.57	(169.47)
Remeasurement of Post-Employment Defined Benefit Obligations	29	(161.38)	(133.82)
Income Tax Relating to these items	11 (b)	(416.25)	66.50
Other Comprehensive Income for the year, Net of Tax		3,366.94	(236.79)
Total Comprehensive Income for the year (Net)		15,236.66	8,457.26
Earning Per Share			
Basic and Diluted	27	51.09	37.42
Notes forming part of the Financial Statements	1 to 34		

As per our report of even date

For **Manubhai & Shah LLP**
Chartered Accountants
(Firm's Registration No. 106041W/ W100136)

P. N. SHAH
Partner
M.No.: 001738

Mumbai, May 27, 2021

As per our report of even date

For **Kirtane & Pandit LLP**
Chartered Accountants
(Firm's Registration No. 105215W/ W100057)

SANDEEP WELLING
Partner
M.No.: 044576

Mumbai, May 27, 2021

For and on behalf of the Board of Directors

S. B. GARWARE
Chairman &
Managing Director
(DIN: 00943822)

T. M. PARIKH
Director (DIN: 00049287)

AWANEESH SRIVASTAVA
Company Secretary (ICSI M. No. FCS8513)

C. J. PATHAK
Whole-Time Director
(DIN: 00601668)

PRADEEP MEHTA
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

EQUITY SHARE CAPITAL

	Notes	₹ In Lakhs
As at March 31, 2021	12 (a)	2,323.24
As at March 31, 2020	12 (a)	2,323.24

OTHER EQUITY

	Capital Redemption Reserve	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	FVTOCI - Equity Instruments	Total ₹ In Lakhs
As At March 31, 2020	5,446.00	592.14	76,389.38	6,909.91	45,084.78	2,762.01	1,37,184.22
Profit For The Year	-	-	-	-	11,869.72	-	11,869.72
Other Comprehensive Income :							
a) Remeasurement of Post Employment Benefit Obligations (Net of Tax)	-	-	-	-	(104.99)	-	(104.99)
b) Changes In Fair Value of Equity Instruments Through OCI (Net of Tax)	-	-	-	-	-	3,471.93	3,471.93
As At March 31, 2021	5,446.00	592.14	76,389.38	6,909.91	56,849.51	6,233.94	1,52,420.88

OTHER EQUITY

	Capital Redemption Reserve	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	FVTOCI - Equity Instruments	Total ₹ In Lakhs
As At March 31, 2019	5,446.00	592.14	76,389.38	6,909.91	41,831.65	2,911.74	1,34,080.82
Effect of Recognition of Lease Liability as per IND AS 116	-	-	-	-	(24.82)	-	(24.82)
Profit For The Year	-	-	-	-	8,694.05	-	8,694.05
Other Comprehensive Income :							
a) Remeasurement of Post Employment Benefit Obligations (Net of Tax)	-	-	-	-	(87.06)	-	(87.06)
b) Changes In Fair Value of Equity Instruments Through OCI (Net of Tax)	-	-	-	-	-	(149.73)	(149.73)
Reductions During The Year:							
Dividends Paid (Including Tax Thereon) [Final Dividend of ₹ 2,800.79 Lakhs fro FY 18-19 and Interim Dividend for FY 19-20 ₹ 2,528.25 Lakhs]	-	-	-	-	(5,329.04)	-	(5,329.04)
As At March 31, 2020	5,446.00	592.14	76,389.38	6,909.91	45,084.78	2,762.01	1,37,184.22

As per our report of even date

For **Manubhai & Shah LLP**
Chartered Accountants
(Firm's Registration No.106041W/ W100136)

P. N. SHAH
Partner
M.No.: 001738

Mumbai, May 27, 2021

As per our report of even date

For **Kirtane & Pandit LLP**
Chartered Accountants
(Firm's Registration No.105215W/ W100057)

SANDEEP WELLING
Partner
M.No.: 044576

Mumbai, May 27, 2021

For and on behalf of the Board of Directors

S. B. GARWARE
Chairman &
Managing Director
(DIN: 00943822)

C. J. PATHAK
Whole-Time Director
(DIN: 00601668)

T. M. PARIKH
Director (DIN: 00049287)

PRADEEP MEHTA
Chief Financial Officer

AWANEESH SRIVASTAVA
Company Secretary (ICSI M. No. FCS8513)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Year ended March 31, 2021 ₹ In Lakhs	Year ended March 31, 2020 ₹ In Lakhs
A. Cash Flow from Operating Activities		
Profit Before Tax	18,053.30	13,026.62
Adjustments For:		
Depreciation and Amortisation Expense	2,383.54	2,014.78
Finance Cost	1,836.74	1,771.33
Interest Income	(68.35)	(119.70)
Unrealised Exchange Gain / Loss	(16.93)	(239.92)
Profit / Loss on Sale / Disposal / Write off of Property, Plant and Equipment	75.68	(17.16)
Profit on Sale of Investment / Net Gain on Financial Assets Measured at FVTPL	(218.17)	(150.78)
Dividend Income	(0.48)	(1,534.59)
Sundry Credit Balances & Provisions no Longer Required, Written Back	(114.55)	(153.56)
Net Gain on Financial Assets	(457.46)	(41.93)
	<u>3,420.02</u>	<u>1,528.47</u>
Operating Profit / (Loss)	21,473.32	14,555.09
Changes in Assets and Liabilities :		
(Increase) / Decrease in Operating Assets:		
Inventories	(38.91)	(1,847.36)
Trade Receivables	(2,469.82)	1,630.22
Loans	(31.78)	6.20
Other Financial Assets	199.06	(21.81)
Other Assets	(1,530.69)	(75.96)
Increase / (Decrease) in Operating Liabilities:		
Trade Payables	2,118.31	(1,718.05)
Other Financial Liabilities	397.77	(959.67)
Other Liabilities	830.94	326.01
Provisions	59.98	(348.78)
	<u>(465.14)</u>	<u>(3,009.20)</u>
Cash Generated from Operations	21,008.18	11,545.89
Direct Taxes Paid	(3,116.05)	(2,548.74)
Net Cash Flow from Operating Activities (A)	<u>17,892.13</u>	<u>8,997.15</u>
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment & Intangible Assets	(6,372.40)	(5,367.28)
Proceeds from Sale of Property, Plant and Equipment	331.00	17.21
Interest Income	68.96	122.07
Dividend on Investments	0.48	1,534.59
Net (Investment) / Redemption of Mutual Funds	(6,599.60)	638.35
Net Cash Flow (Used in) Investing Activities (B)	(12,571.56)	(3,055.06)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd...)

Particulars	Year ended March 31, 2021 ₹ In Lakhs	Year ended March 31, 2020 ₹ In Lakhs
C. Cash Flow from Financing Activities		
Finance Cost	(1,938.65)	(1,669.42)
Proceeds from Long Term Borrowings	4,181.55	2,293.48
(Repayments) of Long Term Borrowings	(4,639.61)	(1,749.09)
Proceeds from Finance Lease	449.99	415.53
(Repayment) of Lease Liability	(957.03)	(602.74)
Increase / Decrease in Current Borrowings	(545.37)	120.68
Dividend Paid / Deposited Including Dividend Distribution Tax	-	(5,329.04)
Movement in Margin Money Deposit	(32.87)	279.92
Movement in Unclaimed Dividend Account	24.61	(94.75)
Net Cash Flow from / (Used in) Financing Activities (C)	(3,457.38)	(6,335.43)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	1,863.19	(393.34)
Cash and Cash Equivalents (Opening Balance)	1,134.73	1,528.07
Cash and Cash Equivalents (Closing Balance)	2,997.92	1,134.73

Cash and Cash Equivalents at the end of the year include:

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
(a) Cash on Hand	27.77	7.17
(b) Balances with Banks in Current and Deposit Accounts	2,970.15	1,127.56
Cash and Cash Equivalents (Refer Note 6 (a))	2,997.92	1,134.73
Cash and Cash Equivalents at the end of the year	2,997.92	1,134.73

Particulars	As at March 31, 2020 ₹ In Lakhs	Cash Flow	Non Cash Change			As at March 31, 2021 ₹ In Lakhs
			Fair Value Changes	Foreign Exchange Movement	Recognition of Lease Liability	
Borrowings - Non Current	13,083.84	(2,462.96)	16.05	(48.24)	591.82	11,180.51
Borrowings - Current	547.45	(545.37)	-	(2.08)	-	-
Other Financial Liabilities	2,610.19	1,481.81	-	-	-	4,092.00

As per our report of even date

For Manubhai & Shah LLP
Chartered Accountants
(Firm's Registration No. 106041W/ W100136)

P. N. SHAH
Partner
M.No.: 001738

Mumbai, May 27, 2021

As per our report of even date

For Kirtane & Pandit LLP
Chartered Accountants
(Firm's Registration No. 105215W/ W100057)

SANDEEP WELLING
Partner
M.No.: 044576

Mumbai, May 27, 2021

For and on behalf of the Board of Directors

S. B. GARWARE
Chairman &
Managing Director
(DIN: 00943822)

T. M. PARIKH
Director (DIN: 00049287)

AWANEESH SRIVASTAVA
Company Secretary (ICSI M. No. FCS8513)

C. J. PATHAK
Whole-Time Director
(DIN: 00601668)

PRADEEP MEHTA
Chief Financial Officer

COMPANY INFORMATION:

Garware Hi-Tech Films Limited (formerly known as ‘Garware Polyester Limited’ (‘the Company’) is engaged in the business of manufacturing of polyester films. The Company Limited by shares, incorporated and domicile in India and equity shares of the Company are listed on the Indian stock exchanges BSE (Bombay Stock Exchange) The registered office of the company is located at Naigaon, Post Waluj, Aurangabad 431 133 and Corporate office is located at 50-A Swami Nityanand Marg, Vile Parle (East) Mumbai 400 057.

The name of the company has been changed from ‘Garware Polyester Limited’ to ‘Garware Hi-Tech Films Limited’ from April 20, 2021.

The financial statements have been authorised for issue by the Board of Directors at their meeting held on May 27, 2021.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS:

A. Significant Accounting Policies:

(a) Basis of Preparation

(i) Compliance with Ind AS

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act.

Company’s financial statements are presented in Indian Rupees, which is also its functional currency.

These financial statements have been prepared and presented under the historical cost convention, on accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

(ii) Classification of Assets and Liabilities

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non - current classification of assets and liabilities.

(b) Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of Property, Plant and Equipment.

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 Property, Plant and Equipment 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.

Depreciation, estimated useful lives and residual value

Depreciation is provided as per the Schedule II to the Companies Act, 2013 (Act) on the basis of useful lives of assets.

The Property, Plant and Equipment capitalised under leases is depreciated over the asset’s useful life or over the shorter of the asset’s useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The asset’s residual values and useful lives are reviewed and adjusted if appropriate, at the end of the reporting period.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/ other expenses respectively.

Capital Work - in – Progress

Capital work-in-progress assets in the course of installation for production or/ and supply of goods or services or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. At the point when an asset is operating at management’s intended use, the cost of construction/ installation is transferred to the appropriate category of Property, Plant and Equipment. Costs associated with the commissioning of an asset are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed.

(c) Intangible Assets

Intangible assets are stated at acquisition cost net of tax/ duty credits availed, if any, and net of accumulated amortisation. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the profit or Loss. Intangible assets are amortised on the straight line method as follows:

Asset	Useful life
Software	5 Years

(d) Impairment of Assets

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

After impairment, depreciation / amortization is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortization if there was no impairment.

(e) Non Current Assets Held for Sale

Non-Current Assets are classified as Held for Sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortized.

(f) Revenue from Contracts with Customers

A. Revenue from Sale of Products

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally when the product is dispatched to the customer.

The Company provides retrospective rebates to certain customers based on achievement of targeted volumes and other measures. To estimate the variable consideration for the expected future rebates, the Company applies the expected value method.

The Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. Thus there is no significant financing component.

B. Contract Balances

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Refund Liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Export Benefits

Export entitlements under the Duty Draw Back Scheme / Other Schemes are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Others

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

Interest income is recognised on the time proportion basis.

(g) Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are recognised in the profit or loss over the period necessary to match them with the costs that they are

intended to compensate and presented within other operating revenue.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

(h) Inventories

- (1) Raw Materials and Packing Materials are valued at the lower of cost and net realizable value. Cost is determined on a moving weighted average basis. Cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties & taxes, which are subsequently recoverable from the taxing authorities.
- (2) Stores and Spares are valued at cost computed on a moving weighted average basis. Cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes that are subsequently recoverable from the taxing authorities.
- (3) Semi-finished goods including those held for captive consumption is valued at factory cost including depreciation.
- (4) Finished goods are valued at the lower of cost and net realizable value. Cost includes direct material & labour cost and a proportion of manufacturing overheads.
- (5) Purchases of finished goods are valued at the lower of cost and net realizable value.

(i) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets

(1) Classification

The Company Classifies its Financial Assets in the Following Measurement Categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(2) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss statement.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely for payment of principal and interest.

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments as follows:

- **Amortised Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Equity Instruments

The Company subsequently measures equity investment at fair value. The Company's Management elects to present fair value gains and losses on equity investments in other comprehensive income or profit and loss account on an instrument by instrument basis.

(3) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer Note 32 (A) for details of credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(4) Derecognition of Financial Assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or

- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

B. Financial Liability

(1) Initial Recognition and Measurement:

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

(2) Measurement:

All financial liabilities of the Company are subsequently measured at amortised cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortised cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognised as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

(3) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the Statement of Profit and Loss.

(j) Derivative Financial Instruments

Derivative Financial Instruments such as forward contracts to hedge foreign currency risk are initially recognised at fair value and subsequently remeasured at their fair value with changes in fair value recognised in the Statement of Profit & Loss in the period when they arise.

(k) Foreign Currency Translation

(1) Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupees which is the Company's functional and presentation currency.

(2) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit and loss and are presented in the Statement of Profit or Loss on a net basis. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange gains and losses on foreign currency borrowings is accounted by addition or deduction to the cost of asset so far it relates to capital asset to the extent they are regarded as an adjustment to Interest cost and in other cases by charging it to the Statement of Profit and Loss as a gain or loss on account of exchange differences under the head finance costs.

(l) Leases

The Company's lease asset primarily consists of leases for buildings, and for vehicles. The Company, at the inception of the contract, assesses whether a contract contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an

identified asset for a period of time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability at the lease commencement date. The right-of-use assets initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are subsequently depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets is evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using Company's incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it exercises an extension or a termination option.

The Company treated the leases with remaining lease term for less than 12 months as if they were "short term lease".

Lease liability and ROU asset have been separately presented in the Balance Sheet, and lease payments have been classified as financing cash flows.

(m) Cash and Cash Equivalents

Cash and cash Equivalents for the purpose of cash flows statement comprise cash at bank, cash in hand, demand deposits with banks and other deposits with an original maturity of three months or less.

(n) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

(o) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the year in which they are incurred.

(p) Provisions and Contingent Liabilities & Assets

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

(q) Investment in Subsidiaries

Investments in subsidiaries are recognised at cost as per Ind AS 27.

(r) Employee Benefits

(i) Short-Term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other Long-Term Employee Benefit Obligations

The liabilities for earned leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(iii) Post-Employment Benefits

The Company operates the following post-employment schemes:

- (a) Defined benefit plans such as Gratuity and Pension; and
- (b) Defined contribution plans such as Provident Fund.

Defined Benefit Plans

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Company. The interest payable by the Trust is notified by the Government. The Company has an obligation to make good the shortfall, if any.

Termination Benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due for more than 12 months after the end of the reporting period are discounted to present value.

(s) Earnings Per Share

Earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

(t) Income Taxes

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. Current tax is determined as the amount of tax payable in respect of taxable income for the period. The credit is taken as per entitlement for the tax liability provided under MAT based on taxable income as per the provisions of Income Tax Act, 1961.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

(u) Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. The management overview the areas that involve a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based assumptions and estimates on parameters available when the financial statements were prepared. However existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions as and when they occur.

i. Taxes

The Company provides for tax considering the applicable tax regulations and based on reasonable estimates, management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilised.

ii. Defined Benefit Obligations

The cost of the defined benefit plans and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameters subject to change is the discount rate, escalation rate, expected rate of return and mortality rate. Future salary increases are based on expected future inflation rates.

iii. Recoverability of Trade Receivables

Required judgements are used in assessing the recoverability of overdue trade receivables and for determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate risk of non-payment.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

2. PROPERTY, PLANT AND EQUIPMENT

Description	Gross Carrying Amount			Depreciation / Amortisation			Net Carrying Amount		
	Gross Carrying Amount as at April 1, 2020	Additions / Adjustments during the year	Disposal / Adjustments during the year	As at March 31, 2021	Up to March 31, 2020	Charge for the year		Disposal / Adjustments during the year	Up to March 31, 2021
Property, Plant and Equipment :-									
Land (Freehold)	77,066.97	-	-	77,066.97	-	-	-	-	77,066.97
Land (Leasehold)	23,576.85	-	-	23,576.85	-	-	-	-	23,576.85
Buildings	5,168.79	1,002.91	-	6,171.70	1,003.67	273.65	-	1,277.32	4,894.38
Right to use - Building	2,179.44	591.82	594.56	2,176.70	961.24	453.96	594.56	820.64	1,356.06
Plant & Machinery #	23,161.00	4,990.21	248.83	27,902.38	3,326.25	1,213.30	0.85	4,538.70	23,363.68
Electrical Installations	297.86	61.92	-	359.78	53.56	30.83	-	84.39	275.39
Laboratory Equipment	629.28	142.90	-	772.18	149.56	70.46	-	220.02	552.16
Furniture & Fixtures	183.86	28.50	-	212.36	60.40	20.90	-	81.30	131.06
Office Equipment	257.04	83.46	-	340.50	144.75	45.42	-	190.17	150.33
Vehicles*	92.91	-	(417.88)	510.79	20.47	77.83	(128.29)	226.59	284.20
Right to use - Vehicles*	1,235.81	611.18	888.95	958.04	408.34	80.74	359.60	129.48	828.56
Capital Expenditure on Research & Development	15.90	2.22	-	18.12	6.95	1.83	-	8.78	9.34
Data Processing Equipment	331.96	179.53	-	511.49	256.95	59.36	-	316.31	195.18
TOTAL (A)	1,34,197.67	7,694.65	1,314.46	1,40,577.86	6,392.14	2,328.28	826.72	7,893.70	1,32,684.16
Intangible Assets :-									
Software	200.83	179.19	-	380.02	119.31	55.26	-	174.57	205.45
TOTAL (B)	200.83	179.19	-	380.02	119.31	55.26	-	174.57	205.45
TOTAL (A + B)	1,34,398.50	7,873.84	1,314.46	1,40,957.88	6,511.45	2,383.54	826.72	8,068.27	1,32,889.61
Capital Work-in-Progress Refer Note 2 (a)									1,098.44

Refer Note No. 28 (a) (d) for disclosure of contractual commitments for Property, Plant and Equipments.

Refer Note No. 13 for Property pledged as security.

*Disposal / adjustment during the year ₹ 888.95 Lakhs transfer from ROU vehicles to vehicle in gross carrying amount and ₹ 359.60 Lakhs towards accumulated depreciation on repayment of vehicle loans.

#Disposal / adjustment during the year ₹ 248.83 Lakhs includes assets classified as held for sale (Refer Note No. 10 (c)).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

2. PROPERTY, PLANT AND EQUIPMENT

Description	Gross Carrying Amount						Depreciation / Amortisation				Net Carrying Amount
	Gross Carrying Amount as at April 1, 2019	Additions / Adjustments during the year	Disposals / Adjustments during the year	As at March 31, 2020	Up to March 31, 2019	Charge for the year	Disposal during the year	Up to March 31, 2020	As at March 31, 2020	Net Carrying Amount	
											₹ In Lakhs
Property, Plant and Equipment :-											
Land (Freehold)	77,066.97	-	-	77,066.97	-	-	-	-	-	77,066.97	
Land (Leasehold)	23,576.85	-	-	23,576.85	-	-	-	-	-	23,576.85	
Buildings	5,086.21	82.58	-	5,168.79	750.10	253.57	-	1,003.67	4,165.12	4,165.12	
Right to use - Building	2,219.33	43.37	83.26	2,179.44	595.76	448.74	83.26	961.24	1,218.20	1,218.20	
Plant & Machinery	19,878.44	3,282.56	-	23,161.00	2,357.33	968.92	-	3,326.25	19,834.75	19,834.75	
Electrical Installations	125.66	172.20	-	297.86	36.09	17.47	-	53.56	244.30	244.30	
Laboratory Equipments	385.71	243.57	-	629.28	100.48	49.08	-	149.56	479.72	479.72	
Furniture & Fixtures	155.77	28.09	-	183.86	41.55	18.85	-	60.40	123.46	123.46	
Office Equipments	200.15	56.89	-	257.04	102.83	41.92	-	144.75	112.29	112.29	
Vehicles	25.52	68.47	1.08	92.91	15.25	6.27	1.05	20.47	72.44	72.44	
Right to use - Vehicles	788.86	463.75	16.80	1,235.81	293.59	131.55	16.80	408.34	827.47	827.47	
Capital Expenditure On Research & Development	15.36	0.54	-	15.90	5.23	1.72	-	6.95	8.95	8.95	
Data Processing Equipments	294.92	37.04	-	331.96	214.42	42.53	-	256.95	75.01	75.01	
TOTAL (A)	1,29,819.75	4,479.06	101.14	1,34,197.67	4,512.63	1,980.62	101.11	6,392.14	1,27,805.53		
Intangible Assets :-											
Software	192.26	8.57	-	200.83	85.15	34.16	-	119.31	81.52	81.52	
TOTAL (B)	192.26	8.57	-	200.83	85.15	34.16	-	119.31	81.52		
TOTAL (A + B)	1,30,012.01	4,487.63	101.14	1,34,398.50	4,597.78	2,014.78	101.11	6,511.45	1,27,887.05	2,008.06	

2. (a) The breakup of expenses shown Under Capital Work-in-Progress (pending allocation) as on March 31, 2021 is as under :

Particulars	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
Opening Balance	2,008.06	1,059.16
Additions during the year	5,210.19	4,189.82
Less: Capitalised during the year	(6,324.32)	(3,305.73)
Finance Charges	204.51	64.81
Closing Balance #	1098.44	2,008.06

[Note : Includes Intangible Assets under development ₹ 15.29 Lakhs (March 31, 2020 ₹ 143.85 Lakhs)]

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

3. (a) NON - CURRENT INVESTMENTS

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Investment at Fair Value Through Other Comprehensive Income (FVTOCI) in Quoted Equity Instruments		
262,543 (March 31, 2020 - 262,543) Equity Shares of Garware Technical Fibres Limited, of the face value of ₹ 10/- each, fully paid-up.	6,744.90	2,800.32
Investment In Equity Instruments of Subsidiary - At Cost Fully Paid		
2,50,000 (March 31, 2020 - 2,50,000) Ordinary Shares of Garware Polyester International Limited, London, of the face value of Pound 1/- each, fully paid-up.	133.57	133.57
Investment at Fair Value Through Profit and Loss (FVTPL) in Unquoted Equity Instruments		
500 (March 31, 2020 - 500) Equity Shares of The Co-Operative Stores Ltd. (New Delhi), of the face value of ₹ 10/- each, fully paid-up	0.05	0.05
10,000 (March 31, 2020 - 10,000) Equity Shares of S I C O M Ltd., of the face value of ₹ 10/- each fully paid-up	8.00	8.00
100 (March 31, 2020 - 100) Equity Shares of Cosmos Co-Operative Bank Ltd., of the face value of ₹ 10/- each fully paid-up	0.02	0.02
25 (March 31, 2020 - 25) Equity Shares of Shamrao Vitthal Co-Operative Bank Ltd, of the face value of ₹ 25/- each fully paid-up	0.01	0.01
TOTAL	6,886.55	2,941.97
Aggregate Amount of Quoted Investments	6,744.90	2,800.32
Aggregate Amount of Unquoted Investments	141.65	141.65
Aggregate Cost of Total Investments	179.07	179.07

Investment in Subsidiary of ₹ 133.57 Lakhs (March 31, 2020 ₹ 133.57 Lakhs) has been accounted for as per Ind AS 27

3. (b) CURRENT INVESTMENTS

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Investment At Fair Value Through Profit and Loss (FVTPL) In Quoted Mutual Funds		
5,20,32,685 Units in HDFC Arbitrage Fund (Previous year Nil)	8,029.16	-
139,789 Units in HDFC Overnight Mutual Fund (Previous year 93,750)	4,274.85	2,783.56
74,37,463 Units in HDFC Low Duration Fund (Previous year Nil)	3,538.37	-
0 Units in HDFC Liquid Mutual Fund (Previous year 1,53,260)	-	5,987.26
TOTAL	15,842.38	8,770.82
Aggregate Cost of Quoted Investments	15,588.59	8,553.69
Aggregate Fair Value of Quoted Investments (NAV)	15,842.38	8,770.82

4. OTHER FINANCIAL ASSETS - NON - CURRENT

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Security Deposits (Considered Good, Unsecured)	238.42	228.77
TOTAL	238.42	228.77

Security deposit includes rental deposits of ₹ 64.50 Lakhs given to Directors (March 31, 2020 ₹ 64.50 Lakhs) and ₹ 43.50 Lakhs given to Companies in which directors are a Director / Member (March 31, 2020 ₹ 43.50 Lakhs).

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

5. TRADE RECEIVABLES	As at	As at
	March 31, 2021	March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Considered Good, Unsecured	3,452.09	2,818.21
Credit Impaired	20.86	20.86
Less: Allowance for Doubtful Debts	(20.86)	(20.86)
Trade Receivable due from Subsidiary Companies	5,301.76	3,347.47
TOTAL	8,753.85	6,165.68

The Carrying Amounts of Trade Receivables Discounted are as Follows:

	As at	As at
	March 31, 2021	March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Total Trade Receivables Discounted	-	508.27
Corresponding Borrowings against Trade Receivables Discounted (Refer Note 13 C)	-	508.27

6. (a) CASH AND CASH EQUIVALENTS

	As at	As at
	March 31, 2021	March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Balances with Banks		
In Current Accounts	2,917.78	1077.86
In Deposit Accounts	52.37	49.70
Cash on Hand	27.77	7.07
TOTAL	2997.92	1134.73

6. (b) OTHER BANK BALANCES

	As at	As at
	March 31, 2021	March 31, 2020
	₹ In Lakhs	₹ In Lakhs
In Earmarked Accounts		
Unclaimed Dividend Accounts	93.40	118.01
Margin Money Deposit	632.60	599.73
TOTAL	726.00	717.74

7. LOANS - CURRENT

	As at	As at
	March 31, 2021	March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Loans and Advances to Employees - Considered Good, Unsecured	51.86	20.08
TOTAL	51.86	20.08

8. OTHER FINANCIAL ASSETS - CURRENT

	As at	As at
	March 31, 2021	March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Interest Accrued on Fixed Deposits	-	0.61
Derivative Financial Instrument.	32.77	-
Other Receivables	35.23	174.44
TOTAL	68.00	175.05

(Other Receivables Includes Insurance Claim and Discount Receivable from Vendors.)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

9. INVENTORIES	As at March 31, 2021	As at March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Stores, Spares and Packing Materials	2,515.42	2,413.31
Raw Materials	2,900.15	2,309.71
Finished Goods	128.34	899.01
Semi-Finished Goods	3,870.32	3,753.29
TOTAL	9,414.23	9,375.32

10. (a) OTHER NON-CURRENT ASSETS	As at March 31, 2021	As at March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Capital Advances		
Unsecured, Considered Good	1,142.60	806.08
Advances other than Capital Advances		
Balances with Government Authorities	1,179.30	1,225.31
[Includes ₹ 1,178.30 Lakhs towards CST Receivable (Previous year ₹ 1,178.30 Lakhs)]		
TOTAL	2,321.90	2,031.39

10. (b) OTHER CURRENT ASSETS	As at March 31, 2021	As at March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Prepaid Expenses	262.98	159.09
Balances with Government Authorities.	2,344.97	1,494.06
Advances Paid To Suppliers/ Vendors (Net of Provision)	824.96	554.09
TOTAL	3,432.91	2,207.24

10. (c) ASSETS CLASSIFIED AS HELD FOR SALE	As at March 31, 2021	As at March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Plant and Equipment *	81.06	-
TOTAL	81.06	-

*The company intends to dispose off certain used / old plant and equipment situated at Waluj plant, as it no longer intends to use in the next 12 months. The company expects fair value less cost to sell to be higher than carrying amount.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

11. (a) DEFERRED TAX ASSETS

The Balance of Deferred Tax Comprises Temporary Differences Attributable to:

	As at March 31, 2021	As at March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Deferred Tax Assets		
Expenses Allowed on Payment Basis	305.49	335.07
Minimum Alternate Tax Credit Entitlement	3,158.22	5,698.70
IND AS 116- Right to use Assets	43.37	28.44
Remeasurements of Post Defined Benefit Obligations	124.59	68.20
Others	10.32	8.19
TOTAL (a)	3,641.99	6,138.60
Deferred Tax Liabilities		
Excess of Written Down Value as per Books and as per Income tax Act, 1961	4,081.34	3,555.20
Deferred Tax on Fair Value Changes	562.21	76.75
Deferred Tax on Loan Processing Charges	-	20.41
TOTAL (b)	4,643.55	3,652.36
Deferred Tax Assets / (Liabilities) (Net)	TOTAL (a-b)	TOTAL (a-b)
	(1,001.56)	2,486.24

Changes in Deferred Tax Assets / (Liabilities) in Statement of Profit and Loss [(Charged) / Credited during the year]

	Year Ended	
	March 31, 2021	March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Expenses Allowed on Payment Basis	(29.58)	(38.67)
Others	2.12	2.25
Minimum Alternate Tax Credit Entitlement	(2,540.48)	(1,484.33)
IND AS 116- Right to use Assets	14.93	15.11
Excess of Written Down Value as per Books and as per Income Tax Act, 1961	(526.14)	(515.45)
Remeasurements of Post Defined Benefit Obligations	56.39	46.76
Deferred Tax on Fair Value changes	(485.46)	(56.13)
Deferred Tax on Loan Processing Charges	20.41	(20.41)
TOTAL	(3,487.81)	(2,050.87)

11. (b) INCOME TAXES

The Major Components of Income Tax Expense for the year ended are :

	Year ended March 31, 2021	Year ended March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Statement of Profit and Loss		
Profit and Loss Section		
Current Income Tax		
Current Tax on Profit for the Current year	3,112.02	2,215.73
Short (Excess) Tax of earlier years	-	(0.53)
Deferred Tax		
Deferred tax	531.08	633.04
MAT Credit Entitlement	2,540.48	1,484.33
Income Tax Expense Reported in the Statement of Profit or Loss	6,183.58	4,332.57
Other Comprehensive Income Section		
Deferred Tax Relating to Remeasurements of Post Employment Benefit Obligations and Gain on Fair Valuation of Equity Instruments	416.25	(66.50)
Income Tax Charged to OCI	416.25	(66.50)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Movement in Income Tax (Assets) / Liabilities (Net)

	As at March 31, 2021	As at March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Opening Balance [Payable / (Receivable)]	(265.64)	67.90
Add : Current Tax Payable for the Year	3,112.02	2,215.73
Less : Taxes Paid	(3,116.05)	(2,549.27)
Closing Balance [Payable / (Receivable)]	(269.67)	(265.64)

Reconciliation of Tax Expense and Accounting Profit for the year:

	Year ended March 31, 2021	Year ended March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Accounting Profit Before Tax	18,053.30	13,026.62
Tax at Statutory Income Tax Rate of @ 34.944%	6,308.55	4,552.02
Tax Effect of Amounts which are Not Deductible (Taxable) In Calculating Taxable Income		
Dividend Income	-	(72.93)
Dividend Income Taxable at Special Rate	-	(231.66)
Donations	106.78	95.00
Research and Development Expenditure	(0.78)	(32.00)
Short Excess Income Tax of earlier years Expenditure	-	(0.53)
Other Items	(230.97)	22.67
Income - Tax Expense	6,183.58	4,332.57

12. (a) EQUITY AND SHARE CAPITAL

	As at March 31, 2021	As at March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Authorised Equity Share Capital:		
40,000,000 (March 31, 2020: 40,000,000) Equity Shares of ₹ 10/- each	4,000	4,000
6,000,000 (March 31, 2020: 6,000,000) Preference Shares of ₹ 100/- each	6,000	6,000
TOTAL	10,000	10,000
Issued, Subscribed and Paid up :		
23,232,394 (March 31, 2020: 23,232,394) Equity Shares of ₹ 10/- each	2,323.24	2,323.24
TOTAL	2,323.24	2,323.24

(i) Reconciliation of Number of Equity Shares

	As at March 31, 2021	As at March 31, 2020
Shares Outstanding at the Beginning of the year	23,232,394	23,232,394
Outstanding at the end of the year	23,232,394	23,232,394

(ii) Terms / Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10/-. Each shareholder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders. The Company declares and pays Dividend in Indian (₹).

Final Dividend of ₹ 10 /- per equity share for the Financial year ended 31st March 2021 is proposed by board of directors in its meeting held on 27th May 2021 is subject to approval of shareholders in the ensuing Annual General Meeting and if approved, would result in Cash outflow of ₹. 2,323.24 Lakhs.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(iii) Details of Equity Shares held by Shareholders holding more than 5% of the aggregate Shares in the Company

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	% holding	No. of Shares	% holding	No. of Shares
S. B. Garware Family Trust	38.17%	88,68,372	38.17%	88,68,372
B. D. Garware Research Centre	5.35%	12,42,216	5.35%	12,42,216
Shri S. B. Garware	5.01%	11,63,001	5.01%	11,63,001
Minal Bharat Patel	6.48%	15,06,405	8.08%	18,76,620

12. (b) OTHER EQUITY

	Capital redemption reserve	Securities premium	Capital reserve	General reserve	Retained earnings	FVTOCI - Equity instruments	Total ₹ In Lakhs
As at March 31, 2020	5,446.00	592.14	76,389.38	6,909.91	45,084.78	2,762.01	1,37,184.22
Profit for the year	-	-	-	-	11,869.72	-	11,869.72
Other Comprehensive Income :							
a) Remeasurement of Post Employment Benefit obligations (Net of Tax)	-	-	-	-	(104.99)	-	(104.99)
b) Changes in Fair Value of Equity Instruments through OCI (Net of Tax)	-	-	-	-	-	3,471.93	3,471.93
As at March 31, 2021	5,446.00	592.14	76,389.38	6,909.91	56,849.51	6,233.94	1,52,420.88

	Capital redemption reserve	Securities premium	Capital reserve	General reserve	Retained earnings	FVTOCI - Equity instruments	Total ₹ In Lakhs
As at March 31, 2019	5,446.00	592.14	76,389.38	6,909.91	41,831.65	2,911.74	1,34,080.82
Effect of Recognition of Lease Liability as per IND AS 116	-	-	-	-	(24.82)	-	(24.82)
Profit for the year	-	-	-	-	8,694.05	-	8,694.05
Other Comprehensive Income :							
a) Remeasurement of Post Employment Benefit Obligations (Net of Tax)	-	-	-	-	(87.06)	-	(87.06)
b) Changes in Fair Value of Equity Instruments Through OCI	-	-	-	-	-	(149.73)	(149.73)
Reductions during the year:							
Dividends Paid (Including Tax Thereon) [Final Dividend of ₹ 2,800.79 Lakhs for FY 18-19 and Interim Dividend for FY 19-20 ₹ 2,528.25 Lakhs]	-	-	-	-	(5,329.04)	-	(5,329.04)
As at March 31, 2020	5,446.00	592.14	76,389.38	6,909.91	45,084.78	2,762.01	1,37,184.22

Nature and purpose of Other Reserves :

1 Capital Redemption Reserve

Capital redemption Reserve is towards the redemption of Preference Shares allotted to Industrial Development Bank of India (IDBI) in FY 2014 - 15.

2 Securities Premium

Securities Premium reserve is towards the Premium on issue of Equity Shares. This reserve is utilised in accordance with the provisions of The Companies Act, 2013.

3 Capital Reserve

Capital reserve of ₹ 4,439.48 Lakhs was created on demerger of manufacturing business of erstwhile Garware Chemicals Limited (GCL) as per the scheme of arrangement between the Company and GCL under provisions of section 391 - 394 of the Companies Act, 1956 and ₹ 61,842.43 Lakhs (net of deferred tax) on account of fair valuation of property, plant and equipment done as at the transition date of Ind AS. Capital reserve also includes revaluation reserve amounting to ₹ 4,584.49 Lakhs pertains to revaluation of land at Mumbai at Vile Parle in 2007 and ₹ 18,755.94 Lakhs revaluation of land situated at Aurangabad and Nashik in FY 2012 - 13 and ₹ (13,235.03) Lakhs pertains to impairment of assets taken over from GCL in FY 2012 - 13 and ₹ 2.07 Lakhs amount paid up on cancellation of 82,756 shares.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

4 Fair Value Through Other Comprehensive Income (FVTOCI) Equity Instruments

The Company has elected to recognise changes in fair value of certain investments in equity instruments through other comprehensive income. These changes are accumulated within the FVTOCI equity instruments reserve within equity.

The Company transfers amounts from this reserve to retained earnings when the relevant equity instruments are derecognised.

13. (a) NON-CURRENT BORROWINGS

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Secured:		
Term Loans		
Indian Rupee Loans from Banks	13,192.89	13,345.13
Unsecured:		
Term Loans		
Sales Tax Deferral Loan from SICOM	-	354.07
TOTAL	13,192.89	13,699.20
Less: Current Maturities Of Long Term Debt (Included In Note 15)	3,531.45	2,144.72
TOTAL	9,661.44	11,554.48

13. (b) NON CURRENT LEASE LIABILITY

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Non Current Lease Liability		
From Bank (Secured)	572.58	653.68
From Others	1,507.04	1,341.15
TOTAL	2,079.62	1,994.83
Less : Current Maturities of Lease Liability (Included In Note 15)		
From Bank	104.74	113.99
From Others	455.81	351.48
TOTAL	1,519.07	1,529.36

13. (c) CURRENT BORROWINGS

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Cash / Packing Credit From Banks (Secured):		
Foreign Currency	-	39.18
Payable to Banks (In Respect of Trade Receivables Discounted)	-	508.27
TOTAL	-	547.45

Terms of Repayment for Borrowings

Particulars	Terms of Repayment
Non-Current :	
Indian Rupee Loans from Banks	Loan of ₹ 7,604.99 Lakhs is repayable in 36 monthly instalments from April-21 to March-24 & loan of ₹ 10,125.00 Lakhs (availed so far ₹ 5,656.58 Lakhs) is repayable in 20 quarterly instalments from December-21 to September-26 Rate of interest: 8.50% to 9.50% p.a.
Obligations Under Finance Leases from Bank	Repayable in 37 to 77 monthly instalments from April-21 to August-27 Rate of interest: 8.10% - 9.75% p.a.
Current :	
Indian Rupee Loans from Banks	Rate of interest : 8.10 % to 10.20% p.a.
Foreign Currency	Rate of Interest : LIBOR + 1.50 % to LIBOR + 3.5% p.a.
Payable to Banks (in Respect of Trade Receivables)	Amount payable ranges between 0 to 120 days from the date trade receivables are discounted

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Details of Security for the Non-Current and Current Borrowings:

Particulars	Nature of Security
Non-Current :	
Indian Rupee Loans from Banks	First pari - passu charge on property, plant and equipment (present and future) except land and building at Vile Parle, Mumbai and second pari - passu charge on current assets.
Obligations Under Finance Leases	Hypothecation of specific assets
Current :	
Indian Rupees and Foreign Currency and Working Capital Loans	Hypothecation of all the Current Assets including inventory, book debts etc. and second charge on Property, Plant and Equipment of the Company excluding property at Vile Parle, Mumbai.
Payable to Banks (in Respect of Trade Receivables)	Trade Receivables are discounted on with recourse basis.

14. TRADE PAYABLES

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Total Outstanding Dues of Micro Enterprises and Small Enterprises	565.31	355.76
Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	8,055.24	6,169.23
TOTAL	8,620.55	6,524.99

Details of Dues to Micro and Small Enterprises as Defined Under the MSMED Act, 2006

Based on the information and records available with the Company, the disclosures required pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED ACT'). The Disclosure pursuant to the said MSMED Act are as follows:

Sr. No.	Particulars	Mar 31, 2021 ₹ In Lakhs	Mar 31, 2020 ₹ In Lakhs
a)	Principal amount due to suppliers registered under MSMED Act and remaining unpaid As at the year end	565.31	355.76
b)	Interest due thereon	-	-
c)	Interest paid by the company in term of Section 16	-	-
d)	Interest due and payable for the period of delay in payment	-	-
e)	Interest accrued and remaining unpaid	-	-
f)	Interest Remaining due and payable even in succeeding years	-	-

15. OTHER FINANCIAL LIABILITIES - CURRENT

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Current Maturities of Long Term Debt	3,531.45	2,144.72
Current Maturities of Lease Obligations	560.55	465.47
Accrued Interest not due on Borrowings	-	101.91
Unclaimed Dividend	93.40	118.01
Creditors for Capital Expenditure	227.35	357.04
Payable for Expenses	467.98	196.56
Payable to Employees	533.62	543.04
Deposit from Customers	618.63	177.85
Derivative Financial Instrument	-	153.64
TOTAL	6,032.98	4,258.24

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

16. (a) NON-CURRENT PROVISIONS

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Provision for Employee Benefits (Refer Note 29)		
Provision for Compensated Absences	403.09	351.56
TOTAL	403.09	351.56

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

16. (b) CURRENT PROVISIONS	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Provision for Employee Benefits (Refer Note 29)		
Provision for Gratuity	388.13	269.72
Provision for Compensated Absences.	503.78	452.36
TOTAL	891.91	722.08
17. OTHER NON CURRENT LIABILITY (GOVERNMENT GRANT)	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Interest Free Sales Tax Deferral (SICOM)	-	7.54
Less: Current Maturities of SICOM Interest Free Sales Tax Deferral Loan	-	7.21
Interest Free Sales Tax Deferral Loan (SICOM)	-	0.33
18. OTHER CURRENT LIABILITIES	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Statutory Liabilities	333.66	264.12
Advances from Customers	1,864.42	1,148.50
Interest Free Sales Tax Deferral Loan (SICOM)	-	7.21
TOTAL	2,198.08	1,419.83
19. REVENUE FROM OPERATIONS	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
Sale of Products	94,266.06	85,598.24
Other Operating Revenue		
Export Incentives	1,513.11	1,937.00
Sale of Scrap and Others	259.47	196.18
TOTAL	96,038.64	87,731.42
20. OTHER INCOME	2020-21 ₹ In Lakhs	2019 -20 ₹ In Lakhs
Interest Income on:		
Bank Deposits	38.44	85.44
Income Tax & Sales Tax Refund	28.17	34.24
Others	1.74	0.02
Dividend from Quoted Equity Investments Measured at Fair Value Through OCI	0.48	57.76
Dividends from Mutual Fund Investments Measured at Fair Value Through Profit And Loss	-	150.95
Dividend from Subsidiary	-	1,325.88
Insurance Claims	2.46	14.45
Profit on Sale of Property, Plant And Equipment	-	17.16
Profit on Sale of Investments	218.17	150.78
Excess Provision / Sundry Credit Balances Written Back	114.55	153.56
Gain on Exchange Rate Fluctuations	887.70	259.37
Net Gain on Financial Assets Measured at FVTPL	253.79	217.13
Unwinding of Security Deposit	9.72	10.06
Government Grant (SICOM Sales Tax Deferral)	7.54	23.69
TOTAL	1,562.76	2,500.49

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

21. COST OF MATERIALS CONSUMED	2020-21	2019 -20
	₹ In Lakhs	₹ In Lakhs
Opening Inventory	2,309.71	1,827.26
Add: Purchases	35,432.32	38,874.46
Less: Sales	(20.16)	(32.40)
Less: Closing Inventory	(2,900.15)	(2,309.71)
TOTAL	34,821.72	38,359.61
22. CHANGE IN INVENTORIES OF FINISHED GOODS AND SEMI-FINISHED GOODS	2020-21	2019 -20
	₹ In Lakhs	₹ In Lakhs
Closing Inventory		
Semi - Finished Goods	3,870.32	3,753.29
Finished Goods	128.34	899.01
	3,998.66	4,652.30
Less: Opening Inventory		
Semi - Finished Goods	3,753.29	3,201.22
Finished Goods	899.01	131.44
	4,652.30	3,332.66
Net Change in Inventory	653.64	(1,319.64)
23. EMPLOYEE BENEFITS EXPENSE	2020-21	2019 -20
	₹ In Lakhs	₹ In Lakhs
Salaries, Wages and Bonus	8,173.07	7,192.42
Contributions to Provident Fund and Other Funds	839.54	752.59
Staff Welfare Expenses	647.03	457.19
TOTAL	9,659.64	8,402.20
24. FINANCE COSTS	2020-21	2019 -20
	₹ In Lakhs	₹ In Lakhs
Interest Expense	1,193.42	1,263.07
Interest Expense on Right to use Assets	191.22	179.76
Other Borrowing Cost	461.57	394.04
Applicable (Gain) / Loss on Foreign Currency Translation and Transactions	(9.47)	(65.54)
TOTAL	1,836.74	1,771.33
Finance costs amounting to ₹ 204.36 Lakhs (March 31, 2020 ₹ 83.27 Lakhs) is capitalised in the cost of assets during the current year.		
25. DEPRECIATION AND AMORTIZATION EXPENSE	2020-21	2019 -20
	₹ In Lakhs	₹ In Lakhs
Depreciation on Property, Plant And Equipment (including IND AS 116 Depreciation)	2,328.28	1,980.62
Amortisation of Intangible Assets	55.26	34.16
TOTAL	2,383.54	2,014.78

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

26. OTHER EXPENSES	2020-21	2019 -20
	₹ In Lakhs	₹ In Lakhs
Stores, Spares & Packing Materials Consumed	5,594.34	5,514.16
Power and Fuel	8,064.06	8,519.00
Processing Charges	4,009.57	3,348.55
Water Charges	105.91	94.58
Rent, Hire Charges and Compensation	14.22	18.07
Rates, Taxes and License Fees	119.31	90.40
Insurance	319.65	211.30
Freight & Forwarding (Net)	4,151.59	2,618.97
Research and Development Expenses	303.30	181.16
Advertisement Expenses	66.75	111.28
Repairs and Maintenance Expenses:		
Plant and Machinery	1,163.51	1,259.66
Building	830.47	549.29
Others	1,215.22	1,074.15
Travelling & Conveyance	153.28	682.63
Postage, Telegrams & Telephones	51.95	56.27
Commission on Sales	457.41	471.79
Contribution Towards Corporate Social Responsibilities (Refer Note 26a)	238.50	115.00
Donation	356.77	428.70
Legal and Professional Charges*	1,372.57	976.46
Auditors Remuneration (Refer Note 26b)	46.90	46.34
Directors Sitting Fees	12.08	13.98
Loss on Sale of Property, Plant and Equipment	75.68	-
Miscellaneous Expenses	1,469.78	1,595.27
TOTAL	30,192.82	27,977.01
<p>*Legal and professional charges include ₹ 6.00 Lakhs (March 31, 2020 ₹ NIL) paid to a firm in which one of the partner of the auditor's firm is interested as a partner and ₹ 12.20 Lakhs (March 31, 2020 ₹ 10.95 Lakhs) paid to a firm in which one of the Directors is a proprietor for Corporate Law and Tax Services.</p>		
26. (a) CORPORATE SOCIAL RESPONSIBILITY (CSR)	2020-21	2019 -20
	₹ In Lakhs	₹ In Lakhs
Gross Amount required to be spent by the Company during the year	178.31	113.07
TOTAL	178.31	113.07
Amount spent during the year		
a. Construction / Acquisition of any Asset	-	-
b. On Purposes other than (a) above	238.50	115.00
TOTAL	238.50	115.00
26. (b) PAYMENT TO AUDITORS	2020-21	2019 -20
	₹ In Lakhs	₹ In Lakhs
As Auditor:		
Statutory Audit Fees	23.00	23.00
Tax Audit Fees	5.50	5.50
In Other Capacity:		
For Certification / Others	17.82	16.65
Reimbursement of Out of Pocket Expenses	0.58	1.19
TOTAL	46.90	46.34
27. EARNINGS PER SHARE (EPS)	2020-21	2019 -20
	₹ In Lakhs	₹ In Lakhs
Net Profit Attributable to the Equity Shareholders of the Company	11,869.72	8,694.05
Weighted Average Number of Equity Shares	23,232,394	23,232,394
Basic & Diluted Earnings Per Share (In ₹)	51.09	37.42

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

28. (a) CONTINGENCIES AND COMMITMENTS

a) Contingent Liabilities:

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Disputed Matters in Appeal / Contested in Respect of:		
Excise Duty and Service Tax	40.57	40.57
Maharashtra State Electricity Board (MSEB)	27.72	27.72
TOTAL	68.29	68.29

b) The Company has given counter-guarantees for ₹ 4,825 Lakhs (March 31, 2020 ₹ 5,323.44 Lakhs) to banks in respect of guarantees given by the banks to third parties for purchase of equipments, supply of goods, clearance of goods from customs, excise bonds, etc

c) Letters of Credit opened on behalf of the Company by Banks for purchase of materials and equipment amount to ₹ 2,819.83 Lakhs (March 31, 2020 ₹ 915.23 Lakhs).

d) Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 8,634.93 Lakhs (March 31, 2020 ₹ 4,962.65 Lakhs) against which an advance of ₹ 1,142.60 Lakhs (March 31, 2020 ₹ 806.08 Lakhs) has been paid.

28 (b) LEASES

Company as a Lessee:

Particulars	March 31, 2021 ₹ in Lakhs	March 31, 2020 ₹ in Lakhs
Depreciation for Right to use Asset	534.70	580.29
Interest Expense on Lease Liabilities	191.22	179.76
Expenses Relating to Short Term Leases / Low Value Assets	96.05	105.25
Repayment of Lease Liabilities	957.03	602.74
Additions to Right to use Assets	1,203.00	507.12
Carrying Amount of Right to use Assets	2,184.62	2,045.67

29. EMPLOYEE BENEFIT OBLIGATIONS

Particulars	March 31, 2021 ₹ In Lakhs	March 31, 2020 ₹ In Lakhs
Gratuity (Refer Note C)	388.13	269.72
Non-Current	-	-
Current	388.13	269.72

A Defined Contribution Plan

The Company has certain defined contribution plans. Contributions are made to provident fund for employees at the rate as per regulation of basic salary. The contributions are made to registered provident fund administered by the government, however certain employees are covered under the contributory plans with trust "Garware Polyester Limited Office Staff and Officers Provident Fund". The expense recognised during the period towards defined contribution plan is ₹ 144.54 Lakhs (March 31, 2020 - ₹ 143.57 Lakhs).

B Compensated Absences

The leave obligations is towards encashment of balance leave. The provision made during the year is ₹ 161.42 Lakhs and reversed during the year ended March 31, 2020 is ₹ 200.85 Lakhs.

C Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The gratuity plan is a funded plan.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

I. The Amounts Recognised in Balance Sheet and Movements in the Net Benefit Obligation over the year are as follows :

₹ In Lakhs

Particulars	Present Value of Obligation	Fair Value of Plan Assets	Net amount
April 1, 2019	2,638.98	(2,386.99)	251.99
Current Service Cost	131.48	-	131.48
Interest Expense/(Income)	181.91	(173.38)	8.53
Total Amount Recognised in Profit or Loss	313.39	(173.38)	140.01
Return on Plan Assets	-	(14.85)	(14.85)
(Gain)/Loss from Experience Changes	77.47	-	77.47
(Gain)/Loss from Change in Financial Assumptions	71.20	-	71.20
Total Amount Recognised in Other Comprehensive Income	148.67	(14.85)	133.82
Employer Contributions	-	(267.00)	(267.00)
Benefits Paid	(224.97)	224.97	-
Mortality Charges and Taxes	-	10.90	10.90
March 31, 2020	2,876.07	(2,606.35)	269.72

₹ In Lakhs

Particulars	Present Value of Obligation	Fair Value of Plan Assets	Net amount
April 1, 2020	2,876.07	(2,606.35)	269.72
Current Service Cost	155.43	-	155.43
Interest Expense/(Income)	180.90	(170.42)	10.48
Total Amount Recognised in Profit or Loss	336.33	(170.42)	165.91
Return on Plan Assets	-	(1.65)	(1.65)
(Gain)/Loss from Experience Changes	(34.41)	-	(34.41)
(Gain)/Loss from Change in Financial Assumptions	197.44	-	197.44
Total Amount Recognised in Other Comprehensive Income	163.03	(1.65)	161.38
Employer Contributions	-	(222.00)	(222.00)
Benefits Paid	(270.34)	270.34	-
Mortality Charges and Taxes	-	13.12	13.12
March 31, 2021	3,105.09	(2,716.96)	388.13

II. The Net Liability Disclosed Above Relates to Funded Plans are as follows :

Particulars	March 31, 2021 ₹ In Lakhs	March 31, 2020 ₹ In Lakhs
Present Value of Funded Obligation	3,105.09	2,876.07
Fair Value of Plan Assets	(2,716.96)	(2,606.35)
Deficit	388.13	269.72

III. Estimates

The Actuarial Assumptions were as follows :

Particulars	March 31, 2021	March 31, 2020
Discount Rate	6.60%	6.60%

IV. Sensitivity of Actuarial Assumptions

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

₹ In Lakhs

Assumption	Impact on Defined Benefit Obligation	
	March 31, 2021	March 31, 2020
Discount Rate		
1 % Increase	(124.24)	(116.69)
1 % Decrease	136.31	127.23
Future Salary Increase		
1 % Increase	109.67	101.37
1 % Decrease	(102.10)	(94.73)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Projected Benefits Payable from the Fund in Future years from the date of Reporting:

	March 31, 2021 ₹ In Lakhs	March 31, 2020 ₹ In Lakhs
Less than a year	920.82	878.82
Between 1 to 2 years	375.99	358.54
Between 2 to 3 years	364.18	365.22
Between 3 to 4 years	371.67	346.16
Between 4 to 5 years	762.48	333.96
Between 6 to 10 years	1,484.69	1,761.07
TOTAL	4,279.83	4,043.77

The Weighted duration of the Defined Benefit Obligation is 5.75 year (Previous year 5.45 years.)

V. The Major Categories of Plan Assets are as Follows:

Particulars	March 31, 2021	March 31, 2020
Funds Managed by Insurer	100%	100%

VI. Risk Exposure

- Asset Volatility** : All plan assets are maintained in a trust managed by a public sector insurer viz. LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.
- Discount Rate Risk** : Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.
- Future Salary Increase and Inflation Risk** : Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.
- Asset-Liability Mismatch Risk** : Risk arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements.

30. RELATED PARTY TRANSACTIONS - AS PER IND AS 24

Name of the Related Parties and Nature of Relationship

a. Subsidiary	Garware Polyester International Limited
b. Step down Subsidiary	Global Pet Films Inc.
c. Key Management Personnel	Shri. S. B. Garware - Chairman and Managing Director Ms. Monika Garware - Vice Chairperson & Joint Managing Director Mrs. Sarita Garware Ramsay - Joint Managing Director Ms. Sonia Garware - Director Mr. C. J. Pathak - Whole-Time Director Mr. B. D. Doshi - Director Mr. Parag B. Doshi - Company Secretary (From 24th January 2019 to 7th August 2019) Mr. Parag B. Doshi - Chief Financial Officer (From 5th April 2019 to 11th November 2019) Mr. Pradeep Mehta - Chief Financial Officer w.e.f. 12th November 2019 Mr. Awaneesh Srivastava - Company Secretary w.e.f. 08th August 2019
d. Non Executive Director	Mr. B. Moradian - Non Executive and Independent Director Mr. Ramesh P. Makhija - Non Executive and Independent Director Mr. M. C. Agarwal - Non Executive and Independent Director Mr. T. M. Parikh - Non Executive and Independent Director Mr. Nilesh R. Doshi - Non Executive and Independent Director Mr. V.H.Kamath - Non Executive and Independent Director Ms. Devanshi H. Nanavati - Non Executive and Independent Director w.e.f. 25th June 2020
e. Entities in which some of the Directors are interested	Garware Industries Private Limited Great View Real Estates Private Limited Shashvat Investment Consultancy & Properties Private Limited Garware Community Centre Garware Charitable Trust S. B. Garware Family Trust Monika Garware Benefit Trust Sarita Garware Benefit Trust Sonia Garware Benefit Trust
f. Post Employment Benefit Plans	Garware Polyester Limited Office Staff and Officers Provident Fund
g. Relatives of Key Managerial Person	Mrs. Sunita C. Pathak Mrs. Priti P. Mehta

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

30. TRANSACTIONS WITH RELATED PARTIES

A Key Management Personnel Compensation

Particulars	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
Short Term Employee Benefits	1,922.04	1,425.23
Post-Employment Benefits	77.66	8.20
TOTAL	1,999.70	1,433.43

Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

B Transactions with the Related Parties

Particulars	Relationship	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
i Sale of Goods			
Garware Polyester International Limited	Subsidiary	4,973.27	4,251.71
Global Pet Films Inc.	Step-down Subsidiary	24,939.61	14,380.67
Garware Industriees Private Limited	Entities in which some of the Directors are interested	20.41	35.06
ii Purchase of Materials			
Global Pet Films Inc.	Step-down Subsidiary	4.68	11.88
Garware Industriees Private Limited	Entities in which some of the Directors are interested	9.25	90.02
iii Service Received / Processing / Commission / Rent Paid / Reimbursement of Expenses/ Donation & CSR Expenses			
Garware Polyester International Limited (Commission / Reimb.of Exp.)	Subsidiary	257.90	285.11
Global Pet Films Inc.	Step-down Subsidiary	-	2.33
Garware Industriees Private Limited (Rent)	Entities in which some of the Directors are interested	206.30	196.48
Garware Industriees Private Limited (Processing Charges)	Entities in which some of the Directors are interested	3,954.32	3,287.42
Great View Real Estates Private Limited (Rent)	Entities in which some of the Directors are interested	72.00	72.00
Shashvat Investment Consultancy & Properties Private Limited (Rent)	Entities in which some of the Directors are interested	30.00	30.00
Ms. Monika Garware (Rent)	Vice Chairperson & Joint Managing Director	72.00	72.00
Mrs. Sarita Garware Ramsay (Rent)	Joint Managing Director	42.00	42.00
Ms. Sonia S.Garware (Rent)	Director	72.00	72.00
Garware Community Centre (Donation & Expenses)	Entities in which some of the Directors are trustees	8.60	19.52
Garware Charitable Trust (Donation & CSR)	Entities in which some of the Directors are trustees	595.27	525.00
Garware Polyester Limited Office Staff and Officers Provident Fund (Employer Contribution)	(Post Employment Benefit Plans)	144.54	143.57
T. M. Parikh & Co. (Legal and Professional Fees)	Director is Proprietor	12.20	10.35
Mr. M. C. Agarwal (Legal and Professional Fees)	Director is Proprietor	-	2.13

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

B Transactions with the Related Parties

Particulars	Relationship	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
iv Dividend Received			
Garware Polyester International Limited	Subsidiary	-	1,325.88
v Managerial Remuneration			
Shri. S.B.Garware	Chairman and Managing Director	744.42	573.49
Ms.Monika Garware	Vice Chairperson & Joint Managing Director	523.12	357.22
Mrs.Sarita Garware Ramsay	Joint Managing Director	477.26	326.04
Mr. C.J. Pathak	Whole -Time Director	116.44	76.42
Mr.Parag Doshi	CFO & Co.Secretary	-	27.77
Mr. Pradeep Mehta	Chief Financial Officer	70.19	27.44
Mr. Awaneesh Srivastava	Company Secretary	68.27	45.06
vi Director Sitting Fees			
Ms.Sonia Garware	Director	0.60	0.60
Mr. B. D. Doshi	Director	1.98	2.53
Mr. B. Moradian	Independent Director	1.78	1.88
Mr. Ramesh P. Makhija	Independent Director	0.80	1.20
Mr. M. C. Agarwal	Independent Director	2.18	2.73
Mr. T. M. Parikh	Independent Director	1.75	2.05
Mr. Nilesh R. Doshi	Independent Director	1.00	1.60
Mr.V.H.Kamath	Independent Director	1.20	1.40
Ms. Devanshi H. Nanavati	Independent Director	0.80	-
vii Car Lease Payment / Insurance Reimbursement			
Mrs. Sunita C. Pathak	Relative of Whole-Time Director	5.06	4.92
Mrs. Priti P. Mehta	Relative of Key Managerial Person	3.78	1.17
viii Net Balances [Dr / (Cr)]			
Garware Polyester International Limited	Subsidiary	1,234.10	1,047.07
Global Films Inc.	Step-down Subsidiary	4,021.92	2,253.90
Garware Industriees Private Limited	Entities in which some of the Directors are interested	(470.56)	(106.44)
Shashvat Investment Consultancy & Properties Private Limited (Rent deposit)	Entities in which some of the Directors are interested	7.50	7.50
Great View Real Estates Private Limited (Rent Deposit)	Entities in which some of the Directors are interested	36.00	36.00
Shri. S.B.Garware (Remuneration Payable)	Chairman and Managing Director	(208.56)	(82.06)
Ms.Sonia Garware (Rent Deposit)	Director	36.00	36.00
Ms.Monika Garware (Rent Deposit / Remuneration Payable)	Vice Chairperson & Joint Managing Director	(99.49)	(34.42)
Mrs.Sarita Garware Ramsay (Rent Deposit / Remuneration Payable)	Joint Managing Director	(96.87)	(37.35)
Mr. C.J. Pathak	Whole -Time Director	(6.36)	(6.42)
Mr. Pradeep Mehta	Chief Financial Officer	(3.51)	(3.40)
Mr. Awaneesh Srivastava	Company Secretary	(2.68)	(2.54)
Mr. B. D. Doshi	Director	-	(0.03)
Mr. B. Moradian	Independent Director	-	(0.03)
Mr. M. C. Agarwal	Independent Director	-	(0.03)
T. M. Parikh & Co. (Legal and professional fees)	Director is Proprietor	(3.43)	(0.65)
Mrs. Sunita C. Pathak	Relative of Whole Time Director	(0.40)	(0.40)
Mrs. Priti P. Mehta	Relative of Key Manager	(0.27)	(0.63)

Note : The above figures are net of Taxes and Duties

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

31. FAIR VALUE MEASUREMENTS

Financial Instruments by Category

₹ In Lakhs

	March 31, 2021			March 31, 2020		
	Fair value through Profit and Loss Account	Fair value through Other Comprehensive Income	Amortised cost	Fair value through Profit and Loss Account	Fair value through Other Comprehensive Income	Amortised cost
Financial Assets						
Investments in Quoted Equity Instruments	-	6,744.90	-	-	2,800.32	-
Investment In Equity Instruments of Subsidiary			133.57			133.57
Investments in Unquoted Equity Instruments	8.08			8.08		
Investment in Unquoted Mutual Funds	15,842.38	-	-	8,770.82	-	-
Security Deposits	-	-	238.42	-	-	228.77
Trade Receivables	-	-	8,753.85	-	-	6,165.68
Cash and Cash Equivalents	-	-	2,997.92	-	-	1,134.73
Bank Balances Other than above	-	-	726.00	-	-	717.74
Loans and Advances to Employees	-	-	51.86	-	-	20.08
Interest Accrued on Fixed Deposits	-	-	-	-	-	0.61
Other Receivables	-	-	35.23	-	-	174.44
Derivative Financial Instrument	32.77	-	-	-	-	-
Total Financial Assets	15,883.23	6,744.90	12,936.85	8,778.90	2,800.32	8,575.62
Financial Liabilities						
Non-Current Borrowings	-	-	9,661.44	-	-	11,432.43
Sales Tax Deferral Loan From Sicom	-	-	-	-	-	122.05
Non Current Lease Liability	-	-	1,519.07	-	-	1,529.36
Current Borrowings	-	-	-	-	-	547.45
Trade Payables	-	-	8,620.55	-	-	6,524.99
Current Maturities of Long Term Debt	-	-	3,531.45	-	-	2,144.72
Current Maturities Lease Liability	-	-	560.55	-	-	465.47
Accrued Interest Not Due on Borrowings	-	-	-	-	-	101.91
Unclaimed Dividend	-	-	93.40	-	-	118.01
Creditors for Capital Expenditure	-	-	227.35	-	-	357.04
Payable for Expenses	-	-	467.98	-	-	196.56
Payable to Employees	-	-	533.62	-	-	543.04
Deposit from Customers	-	-	618.63	-	-	177.85
Derivative Financial Instrument	-	-	-	153.64	-	-
Total financial liabilities	-	-	25,834.04	153.64	-	24,260.88

Note: Investment in subsidiary ₹ 133.57 Lakhs (March 31, 2020 ₹ 133.57 Lakhs) been accounted for as per Ind AS 27.

i) Fair Value Hierarchy

The fair values of the financial instruments that are recognised and measured at fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Indian accounting standard.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

₹ In Lakhs

Financial Assets and Liabilities Measured at Fair Value - Recurring Fair Value Measurements	Notes	Level 1	Level 2	Level 3	Total
At March 31, 2021					
Financial Assets					
Derivative Financial Instrument (Assets)	8	-	32.77	-	32.77
Investment in Unquoted Mutual Fund	3 (b)	15,842.38	-	-	15,842.38
Investment in Quoted Equity Instruments	3 (a)	6,744.90	-	-	6,744.90
Investments in Unquoted Equity Instruments	3 (a)	-	8.08	-	8.08

₹ In Lakhs

Financial Assets and Liabilities Measured at Fair Value - Recurring Fair Value Measurements	Notes	Level 1	Level 2	Level 3	Total
At March 31, 2020					
Financial Assets					
Derivative Financial Instrument (Liability)	15	-	153.64	-	153.64
Investment in Unquoted Mutual Fund	3 (b)	8,770.82	-	-	8,770.82
Investment in Quoted Equity Instruments	3 (a)	2,800.32	-	-	2,800.32
Investments in Unquoted Equity Instruments	3 (a)	-	8.08	-	8.08

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes quoted equity instruments. The fair value of all the equity instruments which are treated in the stock exchanges is valued using the closing price as at the reporting period and the mutual funds are valued using the closing NAV.

Level 2: The fair value of derivatives and investment in unquoted equity and unquoted mutual funds instruments is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Valuation Technique Used to Determine Fair Value

Specific valuation techniques used to value financial instruments include:

The use of quoted market prices or dealer quotes for similar instruments.

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.

The fair value of mutual funds is calculated by valuing them at closing NAV.

iii) Fair Value of Financial Assets and Liabilities Measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

32. FINANCIAL RISK MANAGEMENT

The Company's activities exposes it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are taken.

The Company's risk management is carried out by the Company's treasury department under policies approved by the board of directors. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(A) Credit Risk

Credit risk refers to a risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities primarily trade receivables, derivative financial instruments, investment in mutual funds, deposits held with banks, loans and other receivables.

The Company has a policy of only dealing with counterparties that have sufficiently high credit rating. The Company's exposure and credit ratings of its customers are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties. For investment in mutual funds, derivative financial instruments and balances held with banks, banks and recognised financial institutions with only high credit rating are accepted.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(i) Trade Receivables

Credit risk arises from the possibility that customer will not be able to settle their obligations as and when agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of accounts receivable and forward looking information. Individual credit limits are set accordingly.

Movement of Provision for Doubtful Debts:

₹ In Lakhs

	2020-21	2019-20
Provision for Doubtful Debts as on April 1,	20.86	20.86
Change during the year	-	-
Provision for Doubtful Debts as on March 31,	20.86	20.86

(B) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying business, the Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

(i) Maturities of Financial Liabilities:

Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non - derivative financial liabilities are as follows:

₹ In Lakhs

Particulars	Carrying amount as at March 31, 2021	< 1 year	1 to 3 years	> 3 years
Non Current Borrowings	9,661.44	-	9,087.90	573.54
Non Current Lease Liability	1,519.07	-	1,066.84	452.23
Trade Payables	8,620.55	8,620.55	-	-
Current Maturities of Long Term Debt	3,531.45	3,531.45	-	-
Current Maturities of Lease Liability	560.55	560.55	-	-
Unclaimed Dividend	93.40	93.40	-	-
Creditors for Capital Expenditure	227.35	227.35	-	-
Payable for Expenses	467.98	467.98	-	-
Payable to Employees	533.62	533.62	-	-
Deposit from Customers	618.63	618.63	-	-
Total	25,834.04	14,653.53	10,154.74	1,025.77

₹ In Lakhs

Particulars	Carrying amount as at March 31, 2020	< 1 year	1 to 3 years	> 3 years
Non Current Borrowings	11,432.43	-	6,781.49	4,650.94
Sales Tax Deferral Loan From Sicom	122.05	-	122.05	-
Non Current Lease Liability	1,529.36	-	1033.8	495.56
Current Borrowings	547.45	547.45	-	-
Trade Payables	6,524.99	6,524.99	-	-
Current Maturities of Long Term Debt	2,144.72	2,144.72	-	-
Current Maturities of Lease Liability	465.47	465.47	-	-
Accrued Interest Not Due on Borrowings	101.91	101.91	-	-
Unclaimed Dividend	118.01	118.01	-	-
Creditors for Capital Expenditure	357.04	357.04	-	-
Payable for Expenses	196.56	196.56	-	-
Payable to Employees	543.04	543.04	-	-
Deposit from Customers	177.85	177.85	-	-
Derivative Financial Instruments	153.64	153.64	-	-
Total	24,414.52	11,330.68	7,937.34	5,146.50

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(C) Market Risk

i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The company is engaged in international trade and thereby exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (₹). The Company's risk management policy is to hedge sales and purchases. The Company uses foreign exchange forward contracts to hedge its exposure in foreign currency risk.

i) Foreign Currency Risk Exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in Rs In Lakhs, are as follows :-

	March 31, 2021						March 31, 2020				
	EUR	USD	AUD	AED	JPY	GBP	EUR	USD	AUD	MYR	GBP
Financial Assets											
Trade Receivables	1,525.43	5,868.02	-	-	6.45	338.76	1,429.65	3,292.76	-	-	309.70
Financial Instruments (Assets) - Foreign Exchange Forward Contracts (Sell Foreign Currency)	(780.41)	(4,832.81)	-	-	-	-	(1,305.18)	(3,347.36)	-	-	-
Net Exposure to Foreign Currency Risk (Assets)	745.02	1,035.21	-	-	6.45	338.76	124.47	(54.60)	-	-	309.70
Financial Liabilities											
Trade Payables	12.18	745.91	0.56	0.00	-	51.36	24.64	478.75	5.62	4.73	64.84
Packing Credit in Foreign Currency	-	-	-	-	-	-	-	39.18	-	-	-
Net Exposure to Foreign Currency Risk (Liabilities)	12.18	745.91	0.56	0.00	-	51.36	24.64	517.93	5.62	4.73	64.84

ii) Sensitivity

The sensitivity of Profit and Loss to changes in the exchange rates arises mainly from foreign currency denominated Financials Instruments:

	Impact on Profit Before Tax	
	March 31, 2021 ₹ In Lakhs	March 31, 2020 ₹ In Lakhs
EUR sensitivity		
₹ / EUR - Increase/ Decrease by 5%	36.64	4.99
USD sensitivity		
₹ / USD - Increase/ Decrease by 5%	14.47	28.63
AUD sensitivity		
₹ / AUD - Increase/ Decrease by 5%	0.03	0.28
JPY sensitivity		
₹ / JPY - Increase/ Decrease by 5%	0.32	-
MYR sensitivity		
₹ / MYR - Increase/ Decrease by 5%	-	0.24
GBP sensitivity		
₹ / GBP - Increase/ Decrease by 5%	14.37	12.24
* Holding all other variables constant		

ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on financial liabilities such as borrowings, both non - current and current. The Company has not used any interest rate derivatives. The Company is also exposed to interest rate risk on its financial assets that include fixed deposits and liquid investments such as deposits which are part of cash and cash equivalents. Since all these are generally for short durations, the Company believes it has manageable risk for achieving satisfactory returns.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

33. CAPITAL MANAGEMENT

a) Risk Management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholders value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

b) Dividends (including Dividend Distribution Tax)

₹ In Lakhs

	March 31, 2021	March 31, 2020
(i) Equity Shares		
Final dividend paid for the year ended March 31, 2020 ₹ NIL (March 31, 2019 of ₹ 10) per fully paid share	-	2,800.79
Interim Dividend Paid for FY 2020-21 ₹ NIL (FY 2019-20 - ₹ 10) per fully paid share	-	2,528.25
(ii) Dividends not recognised at the end of the reporting period		
The Directors have recommended the payment of a final dividend of ₹ 10/- (March 31, 2020 - ₹ NIL) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	-	-

34. PREVIOUS YEAR FIGURES HAVE BEEN RECLASSIFIED/ REGROUPED TO CONFORM TO THE THIS YEAR CLASSIFICATION.

As per our report of even date

As per our report of even date

For and on behalf of the Board of Directors

For Manubhai & Shah LLP

Chartered Accountants

(Firm's Registration No. 106041W/ W100136)

For Kirtane & Pandit LLP

Chartered Accountants

(Firm's Registration No. 105215W/ W100057)

S. B. GARWARE

Chairman &
Managing Director
(DIN: 00943822)

C. J. PATHAK

Whole-Time Director
(DIN: 00601668)

P. N. SHAH

Partner

M.No.: 001738

Mumbai, May 27, 2021

SANDEEP WELLING

Partner

M.No.: 044576

Mumbai, May 27, 2021

T. M. PARIKH

Director (DIN: 00049287)

PRADEEP MEHTA

Chief Financial Officer

AWANEESH SRIVASTAVA

Company Secretary (ICSI M. No. FCS8513)

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED IND AS FINANCIAL STATEMENTS

To
The Members of
Garware Hi-Tech Films Limited (formerly known as Garware Polyester Limited)
Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Garware Hi-Tech Films Limited (formerly known as Garware Polyester Limited)** ("the Holding Company") and its subsidiaries (the Holding company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as 'the consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the 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 Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at 31st March 2021, the consolidated profit and consolidated total comprehensive income, consolidated changes in equity and its consolidated 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 Act. Our responsibilities under those Standards are further described in the *Auditors Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group 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 consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Due to COVID-19 lockdown throughout the country in the last year, in absence of physical presence, we have adopted alternative methodologies using technological solutions in performing our audit procedures. We have determined that the matters described below to be the Key Audit Matters to be communicated in the Report:

Sr. No.	Key Audit Matters	Auditor's Response (Audit Procedures followed)
1.	<p>Evaluation of Tax matters</p> <p>The Company has some Direct & Indirect tax matters which involve judgment to determine possible outcome of these tax assessments.</p> <p>Refer Note 10 (a) & 28(a) to the Consolidated Financial Statements.</p>	<p>Principal Audit Procedures</p> <ul style="list-style-type: none"> We have carried out detailed review of all pending tax assessments. Obtained details of completed tax assessments and demands from the management for the year ended March 31, 2021. We involved our internal experts to verify the management's underlying assumptions in estimating the tax provisions and the possible outcomes of disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these tax matters & legal position.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our 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.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true

and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financials Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Act, we are also responsible for expressing our opinion on whether the Holding 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.
- 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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the

underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

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

Other Matter

We did not audit the financial statements of two subsidiaries incorporated outside India, whose financial statements reflect total assets of ₹ 5381.64 Lakhs as at 31st March 2021, total revenues of ₹ 33472.86 Lakhs and net cash inflows amounting to ₹ 1847.71 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries are based solely on the report of the other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors.

Report on Other Legal and Regulatory Requirements

- 1) 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 of the aforesaid consolidated financial statements.

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company, and the report of the statutory auditors of its subsidiary companies incorporated outside India none of the director is disqualified as on 31st March, 2021 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 and the operating effectiveness of such controls refer to our separate report in “Annexure A”;
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of 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, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 28(a) to the consolidated financial statements.
 - (ii) The Group has made provision, as required under the applicable law or Indian accounting standard, for material foreseeable losses, if any on long-term contracts including derivative contracts and
 - (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company.

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

P. N. Shah
Partner
Membership No. 001738

Place: Mumbai
Date: May 27, 2021
UDIN: 21001738AAAAAD6666

For Kirtane & Pandit LLP
Chartered Accountants
FRN: 105215W/W100057

Sandeep Welling
Partner
Membership No. 044576

Place: Mumbai
Date: May 27, 2021
UDIN: 21044576AAAAFU2914

ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in paragraph 1(f) under “Report on Other Legal and Regulatory Requirements” section of our report of even date,

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

In conjunction with our audit of the Ind AS financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls over financial reporting of **Garware Hi-Tech Films Limited (formerly known as Garware Polyester Limited)** the Holding Company, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

P. N. Shah
Partner
Membership No. 001738

Place: Mumbai
Date: May 27, 2021
UDIN: 21001738AAAAAD6666

For Kirtane & Pandit LLP
Chartered Accountants
FRN: 105215W/W100057

Sandeep Welling
Partner
Membership No. 044576

Place: Mumbai
Date: May 27, 2021
UDIN: 21044576AAAAFU2914

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

Particulars	Notes	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
ASSETS			
NON-CURRENT ASSETS			
Property, Plant And Equipment	2	1,32,714.93	1,27,846.11
Capital Work-In-Progress	2 (a)	1,083.15	1,864.21
Intangible Assets	2	205.45	81.52
Intangible Assets Under Development	2 (a)	15.29	143.85
Financial Assets			
Investments	3 (a)	6,752.98	2,808.40
Other Financial Assets	4	238.42	228.77
Deferred Tax Assets (Net)	11 (a)	-	2,494.19
Other Non - Current Assets	10 (a)	2,321.90	2,031.39
TOTAL NON-CURRENT ASSETS		1,43,332.12	1,37,498.44
CURRENT ASSETS			
Inventories	9	12,411.35	10,451.13
Financial Assets			
Investments	3 (b)	15,842.38	8,770.82
Trade Receivables	5	4,202.02	5,235.03
Cash And Cash Equivalents	6 (a)	6,252.98	2,483.70
Bank Balances Other than above	6 (b)	726.00	717.74
Loans	7	51.86	20.08
Other Financial Assets	8	68.00	175.05
Current Tax Assets (Net)	11 (b)	269.67	265.63
Assets Classified as Held for Sale	10 (c)	81.06	-
Other Current Assets	10 (b)	3,598.29	2,284.75
TOTAL CURRENT ASSETS		43,503.61	30,403.93
TOTAL ASSETS		1,86,835.73	1,67,902.37
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	12 (a)	2,323.24	2,323.24
Other Equity	12 (b)	1,54,032.20	1,38,049.21
TOTAL EQUITY		1,56,355.44	1,40,372.45
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	13 (a)	9,661.44	11,554.48
Other Non Current Liabilities	13 (b)	1,519.07	1,529.36
Deferred Tax Liabilities (Net)	11 (a)	751.07	-
Provisions	16 (a)	403.09	351.56
Other Non Current Liability	17	-	0.33
TOTAL NON-CURRENT LIABILITIES		12,334.67	13,435.73
CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	13 (c)	-	547.45
Trade and Other Payables	14		
Total Outstanding Dues of Micro Enterprises and Small Enterprises		565.31	355.76
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		8,083.90	6,172.48
Other Financial Liabilities	15	6,078.46	4,375.91
Other Current Liabilities	18	2,427.81	1,586.08
Provisions	16 (b)	891.91	722.08
Current Tax Liabilities (Net)	11 (b)	98.23	334.43
TOTAL CURRENT LIABILITIES		18,145.62	14,094.19
TOTAL LIABILITIES		30,480.29	27,529.92
TOTAL EQUITY AND LIABILITIES		1,86,835.73	1,67,902.37
Notes forming part of the Financial Statement	1 to 36		

As per our report of even date

For **Manubhai & Shah LLP**
Chartered Accountants
(Firm's Registration No.106041W/ W100136)

P. N. SHAH
Partner
M.No.: 001738

Mumbai, May 27, 2021

As per our report of even date

For **Kirtane & Pandit LLP**
Chartered Accountants
(Firm's Registration No.105215W/ W100057)

SANDEEP WELLING
Partner
M.No.: 044576

Mumbai, May 27, 2021

For and on behalf of the Board of Directors

S. B. GARWARE
Chairman &
Managing Director
(DIN: 00943822)

T. M. PARIKH
Director (DIN: 00049287)

AWANEESH SRIVASTAVA
Company Secretary (ICSI M. No. FCS8513)

C. J. PATHAK
Whole-Time Director
(DIN: 00601668)

PRADEEP MEHTA
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Notes	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
INCOME			
Revenue from Operations	19	98,903.00	92,483.43
Other Income	20	1,564.00	1,182.05
Total Income		1,00,467.00	93,665.48
EXPENSES			
Cost of Materials Consumed	21	36,646.21	39,575.10
Change in Inventories of Finished Goods and Work-In-Progress	22	(1,267.69)	(1,380.69)
Employee Benefits Expense	23	10,759.27	9,359.79
Finance Costs	24	1,959.16	1,846.29
Depreciation and Amortisation Expense	25	2,397.28	2,029.19
Other Expenses	26	30,964.42	28,764.16
Total Expenses		81,458.65	80,193.84
Profit Before Tax		19,008.35	13,471.64
TAX EXPENSES			
Current Tax	11 (b)	3,585.85	2,550.61
Short / (Excess) Tax of Earlier Year		-	(0.53)
Deferred Tax	11 (a&b)	2,827.27	2,319.69
Total Tax Expense		6,413.12	4,869.77
Profit for the Year		12,595.23	8,601.87
Other Comprehensive Income (OCI)			
Items that will not be reclassified to Statement of Profit and Loss			
Gain on Fair Valuation of Equity Instruments		3,944.57	(169.47)
Remeasurement Of Post-Employment Defined Benefit Obligations	29	(161.38)	(133.82)
Income Tax Relating to these Items	11 (b)	(416.25)	66.50
Other Comprehensive Income for the year, Net of Tax		3,366.94	(236.79)
Total Comprehensive Income for the year (Net)		15,962.17	8,365.08
Earnings Per Share			
Basic and Diluted	27	54.21	37.03
Notes forming part of the Financial Statement	1 to 36		

As per our report of even date

For **Manubhai & Shah LLP**

Chartered Accountants

(Firm's Registration No.106041W/ W100136)

P. N. SHAH

Partner

M.No.: 001738

Mumbai, May 27, 2021

As per our report of even date

For **Kirtane & Pandit LLP**

Chartered Accountants

(Firm's Registration No.105215W/ W100057)

SANDEEP WELLING

Partner

M.No.: 044576

Mumbai, May 27, 2021

For and on behalf of the Board of Directors

S. B. GARWARE

Chairman &

Managing Director

(DIN: 00943822)

T. M. PARIKH

Director (DIN: 00049287)

AWANEESH SRIVASTAVA

Company Secretary (ICSI M. No. FCS8513)

C. J. PATHAK

Whole-Time Director

(DIN: 00601668)

PRADEEP MEHTA

Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

EQUITY SHARE CAPITAL

	Notes	₹ In Lakhs
As at March 31, 2020	12 (a)	2,323.24
As at March 31, 2021	12 (a)	2,323.24

OTHER EQUITY

	Capital Redemption Reserve	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve (OCI)	FVTOCI - Equity Instruments	Total ₹ In Lakhs
As At March 31, 2020	5,446.00	592.14	76,389.38	6,909.91	45,821.56	128.21	2,762.01	1,38,049.21
Profit For The Year	-	-	-	-	12,595.23	-	-	12,595.23
Other Comprehensive Income :								
a) Remeasurement of Post Employment Benefit Obligations (Net of Tax)	-	-	-	-	(104.99)	-	-	(104.99)
b) Changes In Fair Value of Equity Instruments Through OCI (Net of Tax)	-	-	-	-	-	-	3,471.93	3,471.93
Currency Translation Adjustments Relating to Subsidiaries	-	-	-	-	-	20.82	-	20.82
As At March 31, 2021	5,446.00	592.14	76,389.38	6,909.91	58,311.80	149.03	6,233.94	1,54,032.20

OTHER EQUITY

	Capital Redemption Reserve	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve (OCI)	FVTOCI - Equity Instruments	Total ₹ In Lakhs
As At March 31, 2019	5,446.00	592.14	76,389.38	6,909.91	42,660.61	(15.66)	2,911.74	1,34,894.12
Effect of Recognition of Lease Liability as per IND-AS 116	-	-	-	-	(24.82)	-	-	(24.82)
Profit For The Year	-	-	-	-	8,601.87	-	-	8,601.87
Other Comprehensive Income :								
a) Remeasurement of Post Employment Benefit Obligations (Net of Tax)	-	-	-	-	(87.06)	-	-	(87.06)
b) Changes in Fair Value of Equity Instruments Through OCI (Net of Tax)	-	-	-	-	-	-	(149.73)	(149.73)
Currency Translation Adjustments Relating to Subsidiaries	-	-	-	-	-	143.87	-	143.87
Reductions During The Year:								
Dividends Paid (Including Tax Thereon) [Final Dividend of ₹ 2,800.79 Lakhs for FY 18-19 and Interim Dividend for FY 19-20 ₹ 2,528.25 Lakhs]	-	-	-	-	(5,329.04)	-	-	(5,329.04)
As At March 31, 2020	5,446.00	592.14	76,389.38	6,909.91	45,821.56	128.21	2,762.01	1,38,049.21

As per our report of even date

For **Manubhai & Shah LLP**
Chartered Accountants
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C. J. PATHAK
Whole-Time Director
(DIN: 00601668)

PRADEEP MEHTA
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Year ended March 31, 2021 ₹ In Lakhs	Year ended March 31, 2020 ₹ In Lakhs
A. Cash Flow From Operating Activities		
Profit Before Tax	19,008.35	13,471.64
Adjustments For:		
Depreciation and Amortisation Expense	2,397.28	2,029.19
Finance Cost	1,959.16	1,846.29
Unrealised Exchange (Gain) / Loss	(16.93)	(239.91)
Interest Income	(69.59)	(127.14)
Profit / Loss on Sale / Disposal / Write off of Property, Plant and Equipment	80.16	(17.16)
Profit on Sale of Investment	(218.17)	(150.78)
Dividend Income	(0.48)	(208.71)
Sundry Credit Balances & Provisions No Longer Required, Written Back	(114.55)	(153.56)
Net Gain on Financial Assets	(457.46)	(41.93)
	<u>3,559.42</u>	<u>2,936.29</u>
Operating Profit / (Loss)	22,567.77	16,407.93
Transfer to Foreign Currency Translation Reserve	20.82	143.87
Changes in Assets and Liabilities:		
(Increase) / Decrease in Operating Assets:		
Inventories	(1,960.22)	(1,908.47)
Trade Receivables	1,151.36	694.52
Loans	(31.78)	6.20
Other Financial Assets	199.06	(21.81)
Other Assets	(1,618.56)	(153.47)
Increase / (Decrease) in Operating Liabilities:		
Trade Payables	2,143.72	(1,629.63)
Other Financial Liabilities	325.59	(861.01)
Other Liabilities	896.16	386.27
Provisions	59.98	(348.77)
	<u>1,186.13</u>	<u>(3,692.30)</u>
Cash Generated from Operations	23,753.90	12,715.63
Direct Taxes Paid	(3,826.09)	(2,811.65)
Net Cash Flow from Operating Activities (A)	19,927.81	9,903.98
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment & Intangible Assets	(6,380.81)	(5,373.76)
Proceeds from Sale of Property, Plant and Equipment	331.00	17.21
Interest Income	70.20	129.51
Dividend Income	0.48	208.71
Net (Investment) / Redemption of Mutual Funds	(6,599.60)	638.35
Net Cash Flow (Used) in Investing Activities (B)	(12,578.73)	(4,379.98)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (Contd...)

Particulars	Year ended March 31, 2021 ₹ In Lakhs	Year ended March 31, 2020 ₹ In Lakhs
C. Cash Flow from Financing Activities		
Finance Cost	(2,061.07)	(1,744.38)
Proceeds from Long Term Borrowings	4,181.55	2,293.48
(Repayments) of Long Term Borrowings	(4,639.61)	(1,749.09)
Proceeds from Finance Lease.	449.99	415.53
(Repayment) of Lease Liability	(957.03)	(602.74)
Increase/ (Decrease) in Current Borrowings	(545.37)	120.68
Dividend Paid / Deposited Including Distribution Tax	-	(5,329.04)
Movement in Margin Money Deposit	(32.87)	279.92
Movement In Unclaimed Dividend Account	24.61	(94.75)
Net Cash Flow from / (Used in) Financing Activities (C)	(3,579.80)	(6,410.39)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	3,769.28	(886.39)
Cash and Cash Equivalents (Opening Balance)	2,483.70	3,370.09
Cash and Cash Equivalents (Closing Balance)	6,252.98	2,483.70

Cash and Cash Equivalents at the end of the year include:

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Cash on Hand	27.77	7.17
Balances with Banks in Current and Deposit Accounts	6,225.21	2,476.53
Cash and Cash Equivalents (Refer Note 6 (A))	6,252.98	2,483.70
Cash and Cash Equivalents at the end of the year	6,252.98	2,483.70

Particulars	As at March 31, 2020 ₹ In Lakhs	Cash Flow	Non Cash change			As at March 31, 2021 ₹ In Lakhs
			Fair Value Changes	Foreign Exchange Movement / Others	Recognition of Lease Liability	
Borrowings - Non current	13,083.84	(2,462.96)	16.05	(48.24)	591.82	11,180.51
Borrowings - Current	547.45	(545.37)	-	(2.08)	-	-
Other Financial Liabilities	2,610.19	1,481.81	-	-	-	4,092.00

As per our report of even date

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M.No.: 001738

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Mumbai, May 27, 2021

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Director (DIN: 00049287)

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Company Secretary (ICSI M. No. FCS8513)

C. J. PATHAK

Whole-Time Director

(DIN: 00601668)

PRADEEP MEHTA

Chief Financial Officer

GROUP INFORMATION:

Garware Hi-Tech Films Limited (formerly known as ‘Garware Polyester Limited’ (‘the Company/Parent’) and its subsidiaries (together referred to as ‘the Group’) is engaged in the business of manufacturing / Trading of polyester films. The Company is limited by shares, incorporated and domiciled in India and equity shares of the Company are listed on the Indian stock exchange BSE (Bombay Stock Exchange). The registered office of the company is located at Naigaon, Post Waluj, Aurangabad 431 133.

The name of the company / parent has been changed from Garware Polyester Limited to Garware Hi-Tech Films Limited from April 20, 2021.

The consolidated financial statements of the Group have been authorised for issue by the Company’s Board of Directors at their meeting held on May 27, 2021.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS:

A. Significant Accounting Policies:

(a) Basis of Preparation

(i) Compliance with Ind AS

These consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act.

Group’s financial statements are presented in Indian Rupees, which is the functional currency of the Company.

These consolidated financial statements have been prepared and presented under the historical cost convention, on accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these consolidated financial statements

(ii) Classification of Assets and Liabilities

All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non - current classification of assets and liabilities.

(b) Principles of Consolidation

The consolidated financial statements have been prepared in accordance with Ind AS 110 Consolidated Financial Statements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Subsidiary Companies considered in the presentation of consolidated financial statements are as follows:

Name of the Company	Country of Incorporation	Percentage of Voting Power	Financial Year
Subsidiary Garware Polyester International Ltd.	United Kingdom	100%	2020-21
Step down Subsidiary Global Pet Films Inc.	U.S.A.	100%	2020-21

(c) Segment Reporting

The Group’s Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) as defined in Ind AS 108 Operating Segments. The CODM is the Company’s board of directors. The board of directors assesses the financial performance and position of the Group and makes strategic decisions. Refer note 31 for segment information presented.

(d) Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of Property, Plant and Equipment.

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 Group and the cost of the Property, Plant and Equipment 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.

Depreciation, Estimated Useful Lives and Residual Value

Depreciation on each item of Property, Plant and Equipment of the Company is provided as per the Schedule II of the Companies Act, 2013 (Act) on the basis of useful lives of assets.

The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of the each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/ other expenses respectively.

Capital Work-in-Progress

Capital work-in-progress assets in the course of installation for production or/ and supply of goods or services or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. At the point when an asset is operating at management's intended use, the cost of construction/ installation is transferred to the appropriate category of Property, Plant and Equipment. Costs associated with the commissioning of an asset are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed.

(e) Intangible Assets

Intangible assets are stated at acquisition cost net of tax/ duty credits availed, if any, and net of accumulated amortisation. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the profit or loss. Intangible assets are amortized on the straight line method as follows:

Asset	Useful life
Software	5 Years

(f) Impairment of Assets

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

After impairment, depreciation / amortization is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortization if there was no impairment.

(g) Non Current Assets Held for Sale

Non-Current Assets are classified as Held for Sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortized.

(h) Revenue Recognition

A. Revenue from Sale of Products

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally when the product is dispatched to the customer.

The Group provides retrospective rebates to certain customers based on achievement of targeted volumes and other measures. To estimate the variable consideration for the expected future rebates, the Group applies the expected value method.

The Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised goods and services to the customer and when the customer pays for that goods and services will be one year or less. Thus there is no significant financing component.

B. Contract Balances

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Refund Liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Export Benefits

Export entitlements under the Duty Draw Back Scheme / Other Schemes are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Others

Revenue from services is recognised on rendering of services.

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

Interest income is recognised on the time proportion basis.

(i) Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating revenue.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

(j) Inventories

- (1) Raw Materials and Packing Materials are valued at the lower of cost and net realizable value. Cost is determined on a moving weighted average basis. Cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties & taxes, which are subsequently recoverable from the taxing authorities.
- (2) Stores and Spares are valued at cost computed on a moving weighted average basis. Cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes that are subsequently recoverable from the taxing authorities.
- (3) Semi-finished goods including those held for captive consumption is valued at factory cost including depreciation.
- (4) Finished goods are valued at the lower of cost and net realizable value. Cost includes direct material & labour cost and a proportion of manufacturing overheads.
- (5) Purchases of finished goods are valued at the lower of cost and net realizable value.

(k) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Financial Assets

(1) Classification

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(2) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss statement.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely for payment of principal and interest.

Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments as follows:

- **Amortised Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Equity Instruments

The Group subsequently measures equity investment at fair value. The Group's Management elects to present fair value gains and losses on equity investments in other comprehensive income or profit and loss account on an instrument by instrument basis.

(3) Impairment of Financial Assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer Note 34 (A) for details of credit risk.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(4) Derecognition of Financial Assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the Financial Asset.

B. Financial Liability

(1) Initial recognition and Measurement:

The Group recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

(2) Measurement:

All financial liabilities of the Group are subsequently measured at amortised cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortised cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognised as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

(3) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the Statement of Profit and Loss.

(l) Derivative Financial Instruments

Derivative financial instruments such as forward contracts to hedge foreign currency risk are initially recognised at fair value and subsequently remeasured at their fair value with changes in fair value recognised in the Statement of Profit & Loss in the period when they arise.

(m) Foreign Currency Translation

(1) Functional and Presentation Currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupees, which is the Company's functional and presentation currency.

(2) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit and loss and are presented in the Statement of Profit or Loss on a net basis. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange gains and losses on foreign currency borrowings is accounted by addition or deduction to the cost of asset so far it relates to capital asset to the extent that they are regarded as an adjustment to interest cost and in other cases by charging it to the statement of profit and loss as a gain or loss on account of exchange differences under the head finance costs.

(3) Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income (On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss)

(n) Leases

The Group lease asset primarily consists of leases for buildings, and for vehicles. The Group, at the inception of the contract, assesses whether a contract contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

The Group recognizes a right-of-use asset (“ROU”) and a corresponding lease liability at the lease commencement date. The right-of-use assets initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are subsequently depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets is evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using respective Company’s incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the respective Company changes its assessment of whether it exercises an extension or a termination option.

The Group treated the leases with remaining lease term for less than 12 months as if they were “short term lease”.

Lease liability and ROU asset have been separately presented in the Balance Sheet, and lease payments have been classified as financing cash flows.

(o) Cash and Cash Equivalents

Cash and cash Equivalents for the purpose of cash flows statement comprise cash at bank, cash in hand, demand deposits with banks and other deposits with an original maturity of three months or less.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

(q) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the year in which they are incurred.

(r) Provisions and Contingent Liabilities & Assets

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

(s) Employee Benefits

(i) Short-term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees’ services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other Long-Term Employee Benefit Obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(iii) Post-employment Benefits

The Group operates the following post-employment schemes:

- (a) Defined benefit plans such as Gratuity and Pension; and
- (b) Defined contribution plans such as Provident Fund.

Define Benefit Plans

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred. Further for certain employees, the monthly contribution for Provident Fund is made to a Trust administered by the Group. The interest payable by the Trust is notified by the Government. The Group has an obligation to make good the shortfall, if any.

Termination Benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due for more than 12 months after the end of the reporting period are discounted to present value.

(t) Earnings Per Share

Earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

(u) Income Taxes

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. Current tax is determined as the amount of tax payable in respect of taxable income for the period. The credit is taken as per entitlement for the tax liability provided under MAT based on taxable income as per the provisions of Income Tax Act, 1961.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

(v) Significant Accounting Judgements, Estimates and Assumptions

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies. The management overview the areas that involve a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group has based assumptions and estimates on parameters available when the consolidated financial statements were prepared. However existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions as and when they occur.

i. Taxes

The Group provides for tax considering the applicable tax regulations and based on reasonable estimates, management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Group against which such assets can be utilised.

ii. Defined Benefit Obligations

The cost of the defined benefit plans and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameters subject to change is the discount rate, escalation rate, expected rate of return and mortality rate. Future salary increases are based on expected future inflation rates.

iii. Recoverability of Trade Receivables

Required judgements are used in assessing the recoverability of overdue trade receivables and for determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate risk of non-payment.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

2. PROPERTY, PLANT AND EQUIPMENT

₹ in Lakhs

Description	Gross Carrying Amount			Depreciation / Amortisation			Net Carrying Amount As at March 31, 2021
	Gross Carrying Amount as at April 1, 2020	Additions / Adjustments during the year	Disposal / Adjustments during the year	As at March 31, 2021	Up to March 31, 2020	Charge for the year	
Property, Plant and Equipment :-							
Land (Freehold)	77,066.97	-	-	77,066.97	-	-	77,066.97
Land (Leasehold)	23,580.99	-	-	23,580.99	-	-	23,580.99
Buildings	5,163.00	1,002.91	-	6,165.91	1,003.67	273.65	4,888.59
Right to use - Building	2,179.44	591.82	594.56	2,176.70	961.24	453.96	1,366.06
Plant & Machinery #	23,161.40	4,990.21	248.83	27,902.78	3,326.26	1,213.30	23,364.04
Electrical Installations	297.86	61.92	-	359.78	53.56	30.83	275.39
Laboratory Equipments	629.29	142.90	-	772.19	149.56	70.46	552.17
Furniture & Fixtures	364.22	35.49	40.80	358.91	200.51	32.44	164.34
Office Equipments	261.51	84.84	11.49	334.86	146.41	47.09	150.86
Vehicles*	92.90	-	(417.88)	510.78	20.48	77.83	284.18
Right to use - Vehicles*	1,235.80	611.18	888.95	958.03	408.33	80.74	828.56
Capital Expenditure On Research & Development	15.90	2.22	-	18.12	6.95	1.83	9.34
Data Processing Equipments	332.14	179.53	-	511.67	258.34	59.89	183.44
TOTAL (A)	1,34,381.42	7,703.02	1,366.75	1,40,717.69	6,535.31	2,342.02	8,002.76
Intangible Assets :-							
Software	200.83	179.19	-	380.02	119.31	55.26	174.57
TOTAL (B)	200.83	179.19	-	380.02	119.31	55.26	205.45
TOTAL (A + B)	1,34,582.25	7,882.21	1,366.75	1,41,097.71	6,654.62	2,397.28	8,177.33
Capital Work-in-Progress (Refer Note 2 (a))							1,098.44

Refer Note No. 28 (a) (d) for disclosure of contractual commitments for Property, Plant and Equipments.

Refer Note No. 13 for Property pledged as security.

*Disposal / adjustment during the year ₹ 888.95 Lakhs transfer from ROU vehicles to vehicle in gross carrying amount and ₹ 359.60 Lakhs towards accumulated depreciation on repayment of vehicle loans.

#Disposal / adjustment during the year ₹ 248.83 Lakhs includes assets classified as held for sale (Refer Note No. 10 (c)).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

2. PROPERTY, PLANT AND EQUIPMENT

Description	Gross Carrying Amount			Depreciation / Amortisation			Net Carrying Amount		
	Gross Carrying Amount as at April 1, 2019	Additions / Adjustments during the year	Disposal / Adjustments during the year	As at March 31, 2020	Up to March 31, 2019	Charge for the year		Disposal during the year	Up to March 31, 2020
Property, Plant and Equipment :-									
Land (Freehold)	77,066.97	-	-	77,066.97	-	-	-	-	77,066.97
Land (Leasehold)	23,580.99	-	-	23,580.99	-	-	-	-	23,580.99
Buildings	5,080.42	82.58	-	5,163.00	750.10	253.57	-	1,003.67	4,159.33
Right to use - Building	2,219.33	43.37	88.26	2,179.44	595.76	448.74	83.26	961.24	1,218.20
Plant & Machinery	19,878.84	3,282.56	-	23,161.40	2,357.34	968.92	-	3,326.26	19,835.14
Electrical Installations	125.66	172.20	-	297.86	36.09	17.47	-	53.56	244.30
Laboratory Equipments	385.71	243.58	-	629.29	100.48	49.08	-	149.56	479.73
Furniture & Fixtures	335.98	28.24	-	364.22	168.45	32.06	-	200.51	163.71
Office Equipments	198.98	62.53	-	261.51	104.49	41.92	-	146.41	115.10
Vehicles	25.52	68.47	1.09	92.90	15.25	6.27	1.04	20.48	72.42
Right to use - Vehicles	788.85	463.75	16.80	1,235.80	293.58	131.55	16.80	408.33	827.47
Capital Expenditure on Research & Development	15.36	0.54	-	15.90	5.23	1.72	-	6.95	8.95
Data Processing Equipments	294.41	37.73	-	332.14	214.61	43.73	-	258.34	73.80
TOTAL (A)	1,29,997.02	4,485.55	101.15	1,34,381.42	4,641.38	1,995.03	101.10	6,535.31	1,27,846.11
Intangible Assets :-									
Software	192.26	8.57	-	200.83	85.15	34.16	-	119.31	81.52
TOTAL (B)	192.26	8.57	-	200.83	85.15	34.16	-	119.31	81.52
TOTAL (A + B)	1,30,189.28	4,494.12	101.15	1,34,582.25	4,726.53	2,029.19	101.10	6,654.62	1,27,927.63
Capital Work-in-Progress (Refer Note 2 (a))									2,008.06

2. (a) The break up of expenses shown Under Capital Work-in-Progress (pending allocation) as on March 31, 2021 is as under :

Particulars	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
Opening Balance	2,008.06	1,059.16
Additions during the year	5,210.19	4,189.82
Less: Capitalised during the year	(6,324.32)	(3,305.73)
Finance Charges	2,04.51	64.81
Closing Balance #	1,098.44	2,008.06

[Note : Includes Intangible Assets under development ₹ 15.29 Lakhs (March 31, 2020 ₹ 143.85 Lakhs)]

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

3. (a) NON - CURRENT INVESTMENTS

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Investment At Fair Value Through Other Comprehensive Income (FVTOCI) In Quoted Equity Instruments		
262,543 (March 31, 2020 - 262,543) Equity Shares of Garware Technical Fibres Limited, of the face value of ₹ 10/- each, fully paid-up.	6,744.90	2,800.32
Investment at Fair Value Through Profit and Loss (FVTPL) in Unquoted Equity Instruments		
500 (March 31, 2020 - 500) Equity Shares of The Co-Operative Stores Ltd. (New Delhi), of the face value of ₹ 10/- each, fully paid-up	0.05	0.05
10,000 (March 31, 2020 - 10,000) Equity Shares of S I C O M Ltd., of the face value of ₹ 10/- each fully paid-up	8.00	8.00
100 (March 31, 2020 - 100) Equity Shares of Cosmos Co-Operative Bank Ltd., of the face value of ₹ 10/- each fully paid-up	0.02	0.02
25 (March 31, 2020 - 25) Equity Shares of Shamrao Vitthal Co-Operative Bank Ltd, of the face value of ₹ 25/- each fully paid-up	0.01	0.01
TOTAL	6,752.98	2,808.40
Aggregate Amount of Quoted Investment	6,744.90	2,800.32
Aggregate Amount of Unquoted Investments	8.08	8.08
Aggregate Cost of Total Investments	45.50	45.50

3. (b) CURRENT INVESTMENTS

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Investment At Fair Value Through Profit And Loss (FVTPL) in Quoted Mutual Funds		
5,20,32,685 Units in HDFC Arbitrage Fund (Previous year 0 Units)	8,029.16	-
139,789 Units in HDFC Overnight Mutual Fund (Previous year 93,750)	4,274.85	2,783.56
74,37,463 Units In Hdfc Low Duration Fund (Previous year 0 Units)	3,538.37	-
0 Units in HDFC Liquid Mutual Fund (Previous year 1,53,260)	-	5,987.26
TOTAL	15,842.38	8,770.82
Aggregate Cost of Quoted Investments	15,588.59	8,553.69
Aggregate Fair Value of Quoted Investments (NAV)	15,842.38	8,770.82

4. OTHER FINANCIAL ASSETS - NON - CURRENT

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Security deposits (Considered good, Unsecured)	238.42	228.77
TOTAL	238.42	228.77

Security deposit includes rental Deposits of ₹ 64.50 Lakhs given to Directors (March 31, 2020 - ₹ 64.50 Lakhs) and ₹ 43.50 Lakhs given to Companies in which directors are a Director / Member (March 31, 2020 - ₹ 43.50 Lakhs).

5. TRADE RECEIVABLES

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Considered Good, Unsecured	4,202.02	5,235.03
Credit Impaired	20.86	20.86
Less: Allowance For Doubtful Debts	(20.86)	(20.86)
TOTAL	4,202.02	5,235.03

The Carrying Amounts of Trade Receivables Discounted are as Follows:

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Total Trade Receivables Discounted	-	508.27
Corresponding Borrowings Against Trade Receivables Discounted (Refer Note 13 c)	-	508.27

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

6. (a) CASH AND CASH EQUIVALENTS	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Balances With Banks		
In Current Accounts	6,172.84	2,426.83
In Deposit Accounts	52.37	49.70
Cash On Hand	27.77	7.17
TOTAL	6,252.98	2,483.70
6. (b) OTHER BANK BALANCES	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
In Earmarked Accounts		
Unclaimed Dividend Accounts	93.40	118.01
Margin Money Deposit	632.60	599.73
TOTAL	726.00	717.74
7. LOANS - CURRENT	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Loans and Advances to Employees - Considered Good, Unsecured	51.86	20.08
TOTAL	51.86	20.08
8. OTHER FINANCIAL ASSETS - CURRENT	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Interest Accrued on Fixed Deposits	-	0.61
Derivative Financial Instrument.	32.77	-
Other Receivables	35.23	174.44
TOTAL	68.00	175.05
Other receivables includes insurance claim and discount receivable from vendors.		
9. INVENTORIES	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Stores, Spares and Packing Materials	2,515.42	2,413.31
Raw Materials	2,900.15	2,309.71
Finished Goods	865.40	899.07
Finished Goods (Stock in Transit)	2,260.06	1,075.75
Semi Finished Goods	3,870.32	3,753.29
TOTAL	12,411.35	10,451.13
10. (a) OTHER NON CURRENT ASSETS	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Capital Advances		
Unsecured, Considered Good	1,142.60	806.08
Advances other than Capital Advances		
Balances with Government Authorities. [Includes ₹ 1,178.30 Lakhs towards CST receivable (Previous year ₹ 1,178.30 Lakhs)]	1,179.30	1,225.31
TOTAL	2,321.90	2,031.39

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

10. (b) OTHER CURRENT ASSETS	As at	As at
	March 31, 2021	March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Prepaid Expenses	262.98	159.09
Balances with Government Authorities	2,508.07	1,569.73
Advances Paid To Suppliers/ Vendors	827.24	555.93
TOTAL	3,598.29	2,284.75

10. (c) ASSETS CLASSIFIED AS HELD FOR SALE	As at	As at
	March 31, 2021	March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Plant and Equipment *	81.06	-
TOTAL	81.06	-

*The company intends to dispose off certain used / old plant and equipment situated at Waluj plant, as it no longer intends to use in the next 12 months. The company expects fair value less cost to sell to be higher than carrying amount.

11. (a) DEFERRED TAX ASSETS

The Balance of Deferred Tax Comprises Temporary Differences Attributable to:

	As at	As at
	March 31, 2021	March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Deferred Tax Assets		
Expenses Allowed on Payment Basis	305.49	335.07
Minimum Alternate Tax Credit Entitlement	3,158.22	5,698.70
Unrealised Profits on Inter Companies Stock	253.56	7.96
IND AS 116- Right to Use Assets	43.37	28.44
Remeasurements of Post Defined Benefit Obligations	124.59	68.20
Others	10.32	8.18
TOTAL (a)	3,895.55	6,146.55
Deferred Tax Liabilities		
Excess of Written Down Value as per Books and as per Income Tax Act, 1961	4,084.41	3,555.20
Deferred Tax on Fair Value Changes in Mutual Fund	562.21	76.75
Deferred Tax on Loan Processing Charges	-	20.41
TOTAL (b)	4,646.62	3,652.36
Deferred Tax Assets / (Liability) (Net)	TOTAL (a-b)	
	(751.07)	2,494.19

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Changes in Deferred Tax Assets/ (Liabilities) in Statement of Profit and Loss [(Charged) / Credited during the year]

	Year Ended	
	March 31, 2021 ₹ In Lakhs	March 31, 2020 ₹ In Lakhs
Expenses Allowed on Payment Basis	(29.58)	(38.67)
Others	2.14	2.24
Minimum Alternate Tax Credit Entitlement	(2,540.48)	(1,484.33)
IND AS 116- Right to Use Assets	14.93	15.11
Remeasurements of Post Defined Benefit Obligations	56.39	46.76
Unrealised Profits on Inter Companies Stock	245.60	(202.32)
Excess of Written Down Value as per Books and as per Income Tax Act, 1961	(527.47)	(515.44)
Deferred Tax on Fair Value changes	(485.46)	(56.13)
Deferred Tax on Loan Processing Charges	20.41	(20.41)
TOTAL	(3,243.52)	(2,253.19)

11. (b) INCOME TAXES

The Major Components of Income Tax Expense for the year ended are :

	Year ended March 31, 2021 ₹ In Lakhs	Year ended March 31, 2020 ₹ In Lakhs
Statement of Profit and Loss		
Profit and Loss Section		
Current Income Tax		
Current Tax on Profit for the Current Year	3,585.85	2,550.61
Short / (Excess) Tax of Earlier Year	-	(0.53)
Deferred tax		
Deferred tax	286.79	835.36
MAT Credit Entitlement	2,540.48	1,484.33
Income Tax Expense Reported in the Statement of Profit or Loss	6,413.12	4,869.77
Other Comprehensive Income Section		
Deferred Tax Relating to Remeasurements of Post Employment Benefit Obligations and Gain on Fair Valuation of Equity Instruments	416.25	(66.50)
Income Tax Charged to OCI	416.25	(66.50)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Movement in income Tax (Assets) / Liabilities (Net)	Year ended March 31, 2021 ₹ In Lakhs	Year ended March 31, 2020 ₹ In Lakhs
Opening Balance [Payable/ (Receivable)]	68.80	330.38
Add : Current Tax Payable for the year	3,585.85	2,550.61
Add : Prior Period Income Tax Refund	-	(0.53)
Less : Taxes Paid	(3,826.09)	(2,811.66)
Closing Balance [Payable / (Receivable)]	(171.44)	68.80

Reconciliation of Tax Expense and Accounting Profit for the year:	Year ended March 31, 2021 ₹ In Lakhs	Year ended March 31, 2020 ₹ In Lakhs
Accounting Profit Before Tax	19,008.35	13,471.64
Tax at Statutory Income Tax Rate of @ 34.94%	6,642.28	4,707.53
Tax Effect of Amounts which are Not Deductible (Taxable) in Calculating Taxable Income		
Dividend Income	-	(72.93)
Dividend Income Taxable at Special Rate	-	(231.66)
Donations	106.78	95.00
Research and Development Expenditure	(0.78)	(32.00)
Short / (Excess) Tax of earlier year Expenditure	-	(0.53)
Other Items	(229.70)	22.67
Difference In Tax Rates of Subsidiaries	(105.46)	381.69
Income-Tax Expense	6,413.12	4,869.77

12. (a) EQUITY AND SHARE CAPITAL

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Authorised Equity Share Capital :		
40,000,000 (March 31, 2020: 40,000,000) Equity Shares of ₹ 10/- each	4,000	4,000
6,000,000 (March 31, 2020: 6,000,000) Preference Shares of ₹ 100/- each	6,000	6,000
TOTAL	10,000	10,000
Issued, subscribed and Paid up :		
23,232,394 (March 31, 2020: 23,232,394) Equity Shares of ₹ 10/- each	2,323.24	2,323.24
TOTAL	2,323.24	2,323.24

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(i) Reconciliation of Number of Equity Shares

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Shares outstanding at the Beginning of the year	23,232,394	23,232,394
Outstanding at the end of the year	23,232,394	23,232,394

(ii) Terms/ Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10/-. Each shareholder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders. The Company declares and pays Dividend in Indian rupees.

Final Dividend of ₹ 10/- per equity share for the Financial year ended 31st March 2021 is proposed by board of directors in its meeting held on 27th May 2021 is subject to approval of shareholders in the ensuing Annual General Meeting and if approved, would result in Cash outflow of ₹ 2,323.24 Lakhs.

(iii) Details of Equity Shares held by Shareholders holding more than 5% of the aggregate Shares in the Company

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	% holding	No. of shares	% holding	No. of shares
S. B. Garware Family Trust	38.17%	88,68,372	38.17%	88,68,372
B. D. Garware Research Centre	5.35%	12,42,216	5.35%	12,42,216
Shri S. B. Garware	5.01%	11,63,001	5.01%	11,63,001
Minal Bharat Patel	6.48%	15,06,405	8.08%	18,76,620

12. (b) OTHER EQUITY

	Capital redemption reserve	Securities premium	Capital reserve	General reserve	Retained earnings	Foreign Currency Translation Reserve	FVTOCI - Equity instruments	Total ₹ In Lakhs
As at March 31, 2020	5,446.00	592.14	76,389.38	6,909.91	45,821.56	128.21	2,762.01	1,38,049.21
Profit for the year	-	-	-	-	12,595.23	-	-	12,595.23
Other Comprehensive Income:								
a) Remeasurement of Post Employment Benefit Obligations (Net of Tax)	-	-	-	-	(104.99)	-	-	(104.99)
b) Changes in Fair Value of Equity Instruments Through OCI	-	-	-	-	-	-	3,471.93	3,471.93
Currency Translation Adjustments Relating to Subsidiaries	-	-	-	-	-	20.82	-	20.82
As at March 31, 2021	5,446.00	592.14	76,389.38	6,909.91	58,311.80	149.03	6,233.94	1,54,032.20

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

OTHER EQUITY

	Capital Redemption Reserve	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve (OCI)	FVTOCI - Equity Instruments	Total ₹ In Lakhs
As at March 31, 2019	5,446.00	592.14	76,389.38	6,909.91	42,660.61	(15.66)	2,911.74	1,34,894.12
Effect of Recognition of Lease Liability as per IND-AS 116	-	-	-	-	(24.82)	-	-	(24.82)
Profit for the year	-	-	-	-	8,601.87	-	-	8,601.87
Other Comprehensive Income:								
a) Remeasurement of Post Employment Benefit Obligations (Net of Tax)	-	-	-	-	(87.06)	-	-	(87.06)
b) Changes in Fair Value of Equity Instruments Through OCI	-	-	-	-	-	-	(149.73)	(149.73)
Currency Translation Adjustments Relating to Subsidiaries	-	-	-	-	-	143.87	-	143.87
Reductions during the year:								
Dividends Paid (Including Tax Thereon) [Final Dividend of ₹ 2,800.79 Lakhs for FY 18-19 and Interim Dividend for FY 19-20 ₹ 2,528.25 Lakhs]	-	-	-	-	(5,329.04)	-	-	(5,329.04)
As At March 31, 2020	5,446.00	592.14	76,389.38	6,909.91	45,821.56	128.21	2,762.01	1,38,049.21

Nature and Purpose of Other Reserves:

1 Capital Redemption Reserve

Capital redemption reserve is towards the redemption of preference shares allotted to Industrial Development Bank of India (IDBI) in FY 2014 - 15.

2 Securities Premium

Securities Premium is towards the premium on issue of equity shares and will be utilised in accordance with the provisions of the Companies Act, 2013.

3 Capital Reserve

Capital Reserve of ₹ 4,439.48 Lakhs was created on demerger of manufacturing business of erstwhile Garware Chemicals Limited (GCL) as per the scheme of arrangement between the Company and GCL under provisions of section 391 - 394 of the Companies Act, 1956 and ₹ 61,842.43 Lakhs (net of deferred tax) on account of fair valuation of property, plant and equipment done as at the transition date of Ind AS. Capital reserve also includes revaluation reserve amounting to ₹ 4,584.49 Lakhs pertains to revaluation of land at Mumbai at Vile Parle in 2007 and ₹ 18755.94 Lakhs revaluation of land situated at Aurangabad and Nashik in FY 2012 - 13 and ₹ (13,235.03) Lakhs pertains to impairment of assets taken over from GCL in FY 2012 - 13 and ₹ 2.07 Lakhs amount paid up on cancellation of 82,756 shares.

4 Fair Value Through Other Comprehensive Income (FVTOCI) Equity instruments

The Company has elected to recognise changes in fair value of certain investments in equity instruments through other comprehensive income. These changes are accumulated within the FVTOCI equity instruments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity instruments are derecognised.

13. (a) NON CURRENT BORROWINGS

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Secured :		
Term Loans		
Indian Rupee Loans from Banks	13,192.89	13,345.13
Unsecured :		
Term Loans		
Sales Tax Deferral Loan from SICOM	-	354.07
TOTAL	13,192.89	13,699.20
Less: Current Maturities of Long Term Debt (Included In Note 15)	3,531.45	2,144.72
TOTAL	9,661.44	11,554.48

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

13. (b) NON CURRENT LEASE LIABILITY

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Non Current Lease Liability		
From Bank (Secured)	572.58	653.68
From Others	1,507.04	1,341.15
TOTAL	2,079.62	1,994.83
Less : Current Maturities of Lease Liability		
From Bank	104.74	113.99
From Others	455.81	351.48
TOTAL	1,519.07	1,529.36

13. (c) CURRENT BORROWINGS

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Cash / Packing Credit from Banks (Secured) :		
Foreign Currency	-	39.18
Payable to Banks (In Respect of Trade Receivables Discounted)	-	508.27
TOTAL	-	547.45

Terms of Repayment for Borrowings

Particulars	Terms of Repayment
Non - Current :	
Indian Rupee Loans from Banks	Loan of ₹ 7,604.99 Lakhs is repayable in 36 monthly instalments from April-21 to March-24 & loan of ₹ 10,125.00 Lakhs (availed so far ₹ 5,656.58 Lakhs) is repayable in 20 quarterly instalments from December - 21 to September - 26 Rate of interest: 8.50% to 9.50% p.a.
Obligations Under Finance Leases	Repayable in 37 to 77 monthly instalments from April - 21 to August - 27 Rate of interest: 8.10% - 9.75% p.a.
Current :	
Indian Rupee Loans from Banks	Rate of interest : 8.10 % to 10.20% p.a.
Foreign Currency	Rate of Interest : LIBOR + 1.50 % to LIBOR + 3.5% p.a.
Payable to Banks (in Respect of Trade Receivables)	Amount payable ranges between 0 to 120 days from the date trade receivables are discounted.

Details of Security for the Non - Current and Current Borrowings:

Particulars	Nature of security
Non - Current :	
Indian Rupee Loans from Banks	First pari - passu charge on Property, Plant and Equipment (present and future) except land and building at Vile Parle, Mumbai and second pari - passu charge on current assets.
Obligations Under Finance Leases	Hypothecation of specific assets
Current :	
Indian Rupees and Foreign Currency and Working Capital Loans	Hypothecation of all the current assets including inventory, book debts etc. and second charge on property, plant and equipment of the Company excluding property at Vile Parle, Mumbai.
Payable to Banks (in Respect of Trade receivables)	Trade Receivables are discounted on with recourse basis.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

14. TRADE PAYABLES

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Total Outstanding Dues of Micro Enterprises and Small Enterprises	565.31	355.76
Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises	8,083.90	6,172.48
TOTAL	8,649.21	6,528.24

Details of Dues to Micro and Small Enterprises as Defined Under the MSMED Act, 2006

Based on the information and records available with the Company, the disclosures required pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED ACT'). The Disclosure pursuant to the said MSMED Act are as follows:

Sr. No.	Particulars	March 31, 2021 ₹ In Lakhs	March 31, 2020 ₹ In Lakhs
a)	Principal amount due to suppliers registered under MSMED Act and remaining unpaid as at the year end.	565.31	355.76
b)	Interest due thereon	-	-
c)	Interest paid by the Company in term of Section 16	-	-
d)	Interest due and Payable for the period of delay in payment	-	-
e)	Interest accrued and remaining unpaid	-	-
f)	Interest remaining due and payable even in succeeding years	-	-

15. OTHER FINANCIAL LIABILITIES - CURRENT

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Current Maturities of Long Term Debt	3,531.45	2,144.72
Current Maturities of Lease Obligations	560.55	465.47
Accrued Interest not due on Borrowings	-	101.91
Unclaimed Dividend	93.40	118.01
Creditors for Capital Expenditure	227.35	357.04
Payable for Expenses	513.46	314.23
Payable to Employees	533.62	543.04
Deposit from Customers	618.63	177.85
Derivative Financial Instrument	-	153.64
TOTAL	6,078.46	4,375.91

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

16. (a) NON-CURRENT PROVISIONS

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Provision For Employee Benefits (Refer Note 29)		
Provision For Compensated Absences	403.09	351.56
TOTAL	403.09	351.56

16. (b) CURRENT PROVISIONS

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Provision For Employee Benefits (Refer Note 29)		
Provision for Gratuity	388.13	269.72
Provision for Compensated Absences.	503.78	452.36
TOTAL	891.91	722.08

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

17. OTHER NON CURRENT LIABILITY (GOVERNMENT GRANT)

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Interest Free Sales Tax Deferral (SICOM)	-	7.54
Less: Current Maturities of SICOM Interest Free Sales Tax Deferral Loan	-	7.21
Interest Free Sales Tax Deferral (SICOM)	-	0.33

18. OTHER CURRENT LIABILITIES

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
Statutory Liabilities	369.03	299.64
Advances from Customers	2,058.78	1,279.23
Interest Free Sales Tax Deferral (SICOM)	-	7.21
TOTAL	2,427.81	1,586.08

19. REVENUE FROM OPERATIONS

	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
Sale of Products	97,130.42	90,350.25
Other Operating Revenue		
Export Incentives	1,513.11	1,937.00
Sale of Scrap and Others	259.47	196.18
TOTAL	98,903.00	92,483.43

20. OTHER INCOME

	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
Interest Income on :		
Bank Deposits	39.68	92.88
Income Tax & Sales Tax Refund	28.17	34.24
Others	1.74	0.02
Dividend from Quoted Equity Investments Measured at Fair Value Through OCI	0.48	57.76
Dividends from Mutual Fund Investments Measured at Fair Value Through Profit And Loss	-	150.95
Insurance Claims	2.46	14.45
Profit on Sale of Property, Plant and Equipment	-	17.16
Profit on Sale of Investments	218.17	150.78
Excess Provision/ Sundry Credit Balances Written Back	114.55	153.56
Gain on Exchange Rate Fluctuations	887.70	259.37
Net Gain on Financial Assets Measured at FVTPL	253.79	217.13
Net Gain on Financial Assets Measured at Amortised Cost	-	10.06
Unwinding of Security Deposit	9.72	-
Government Grant (SICOM Sales Tax Deferral)	7.54	23.69
TOTAL	1,564.00	1,182.05

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

21. COST OF MATERIALS CONSUMED

	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
Opening Inventory	2,309.71	1,827.26
Add: Purchases	37,256.81	40,089.95
Less: Sales	(20.16)	(32.40)
Less: Closing Inventory	(2,900.15)	(2,309.71)
TOTAL	36,646.21	39,575.10

22. CHANGE IN INVENTORIES OF FINISHED GOODS AND SEMI - FINISHED GOODS

	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
Closing Inventory		
Semi - Finished Goods	3,870.32	3,753.29
Finished Goods	3,125.46	1,974.76
	6,995.78	5,728.05
Less: Opening Inventory		
Semi - Finished Goods	3,753.29	3,201.22
Finished Goods	1,974.80	1,146.14
	5,728.09	4,347.36
Net Change In Inventory	(1,267.69)	(1,380.69)

23. EMPLOYEE BENEFITS EXPENSE

	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
Salaries, Wages and Bonus	9,272.68	8,149.86
Contributions to Provident Fund and Other Funds	839.54	752.59
Staff Welfare Expenses	647.05	457.34
TOTAL	10,759.27	9,359.79

24. FINANCE COSTS

	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
Interest Expense	1,315.84	1,338.03
Interest Expense on Right to use Assets	191.22	179.76
Other Borrowing Cost	461.57	394.04
Applicable (Gain)/ Loss on Foreign Currency Translation and Transactions	(9.47)	(65.54)
TOTAL	1,959.16	1,846.29

Finance costs amounting to ₹ 204.36 Lakhs (March 31, 2020 ₹ 83.27 Lakhs) is capitalised in the Cost of Assets during the current year.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

25. DEPRECIATION AND AMORTIZATION EXPENSE

	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
Depreciation on Property, Plant and Equipment	2,342.02	1,995.03
Amortisation of Intangible Assets	55.26	34.16
TOTAL	2,397.28	2,029.19

26. OTHER EXPENSES

	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
Stores, Spares & Packing Materials Consumed	5,594.34	5,514.16
Power and Fuel	8,065.77	8,520.70
Processing Charges	4,009.57	3,348.55
Water Charges	105.91	94.58
Rent, Hire Charges and Compensation	74.53	61.75
Rates, Taxes and License Fees	119.75	90.65
Insurance	347.63	232.20
Freight & Forwarding (Net)	4,809.85	3,158.17
Research and Development Expenses	303.30	181.16
Advertisement Expenses	66.75	125.35
Repairs and Maintenance Expenses:		
Plant And Machinery	1,163.51	1,259.66
Building	830.47	549.29
Others	1,215.22	1,074.35
Travelling & Conveyance	208.46	837.14
Postage, Telegrams & Telephones	75.92	77.82
Commission on Sales	171.54	212.10
Contribution towards Corporate Social Responsibilities (Refer Note 26a)	238.50	115.00
Donation	378.27	437.23
Legal and Professional Charges*	1,425.95	1,067.93
Auditors Remuneration (Refer Note 26b)	77.03	75.23
Directors Sitting Fees	12.08	13.98
Loss on Sale of Property, Plant and Equipment	75.68	-
Miscellaneous Expenses	1,594.39	1,717.16
TOTAL	30,964.42	28,764.16

*Legal and professional charges include ₹ 6.00 Lakhs (March 31, 2020 ₹ NIL) paid to a firm in which one of the partner of the auditor's firm is interested as a partner and ₹ 12.20 Lakhs (March 31, 2020 ₹ 10.95 Lakhs) paid to a firm in which one of the Directors is a proprietor for Corporate Law and Tax Services.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

26. (a) CORPORATE SOCIAL RESPONSIBILITY (CSR)

	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
Gross Amount Required to be Spent by the Company during the year	178.31	113.07
TOTAL	178.31	113.07
Amount spent during the year		
a. Construction/ Acquisition of any Asset	-	-
b. On Purposes other than (a) above	238.50	115.00
TOTAL	238.50	115.00

26. (b) PAYMENT TO AUDITORS

	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
As Auditor :		
Statutory Audit Fees	53.13	51.89
Tax Audit Fees	5.50	5.50
In Other Capacity :		
For Certification/ Others	17.82	16.65
Reimbursement of Out of Pocket Expenses	0.58	1.19
TOTAL	77.03	75.23

27. EARNINGS PER SHARE (EPS)

	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
Net Profit Attributable to the Equity Shareholders of the Company	12,595.23	8,601.87
Weighted Average Number of Equity Shares	23,232,394	23,232,394
Basic & Diluted Earnings Per Share (In ₹)	54.21	37.03

28. (a) CONTINGENCIES AND COMMITMENTS

	As at March 31, 2021 ₹ In Lakhs	As at March 31, 2020 ₹ In Lakhs
a) Consignment Liabilities		
Disputed Matters in Appeal / Contested in Respect of:		
Excise Duty and Service Tax	40.57	40.57
Maharashtra State Electricity Board (MSEB)	27.72	27.72
TOTAL	68.29	68.29

- b) The Company has given counter-guarantees for ₹ 4,825 Lakhs (March 31, 2020 ₹ 5,323.44 Lakhs) to banks in respect of guarantees given by the banks to third parties for purchase of equipments, supply of goods, clearance of goods from customs, excise bonds, etc.
- c) Letters of Credit opened on behalf of the Company by Banks for purchase of materials and equipment amount to ₹ 2,819.83 Lakhs (March 31, 2020 ₹ 915.23 Lakhs).
- d) Capital commitments
Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 8,634.93 Lakhs (March 31, 2020 ₹ 4,962.65 Lakhs) against which an advance of ₹ 1,142.60 Lakhs (March 31, 2020 ₹ 806.08 Lakhs) has been paid.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

28. (b) LEASES

Company as a Lessee:

Particulars	March 31, 2021 ₹ In Lakhs	March 31, 2020 ₹ In Lakhs
Depreciation for Right to Use Asset	534.70	580.29
Interest Expense on Lease Liabilities	191.22	179.76
Expenses Relating to Short Term Leases / Low Value Assets	156.36	105.25
Repayment of Lease Liabilities	957.03	602.74
Additions to Right to Use Assets	1,203.00	507.12
Carrying Amount of Right to Use Assets	2,184.62	2,045.67

29. EMPLOYEE BENEFIT OBLIGATIONS

Particulars	March 31, 2021 ₹ In Lakhs	March 31, 2020 ₹ In Lakhs
Gratuity (Refer Note C)	388.13	269.72
Non-current	-	-
Current	388.13	269.72

A Defined Contribution Plan

The Company has certain defined contribution plans. Contributions are made to provident fund for employees at the rate as per regulation of basic salary. The contributions are made to registered provident fund administered by the government, however certain employees are covered under the contributory plans with trust "Garware Polyester Limited Office Staff and Officers Provident Fund". The expense recognised during the period towards defined contribution plan is ₹ 144.54 Lakhs (March 31, 2020 - ₹ 143.57 Lakhs).

B Compensated Absences

The leave obligations is towards encashment of balance leave. The provision made during the year is ₹ 161.42 Lakhs and reversed during the year ended March 31, 2020 is ₹ 200.85 Lakhs.

C Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The gratuity plan is a funded plan.

I The Amounts Recognised in Balance Sheet and Movements in the Net Benefit Obligation Over the year are as follows :

Particulars	Present Value of Obligation	Fair Value of Plan Assets	Net amount
April 1, 2019	2,638.98	(2,386.99)	251.99
Current Service Cost	131.48	-	131.48
Interest Expense/(Income)	181.91	(173.38)	8.53
Total Amount Recognised in Profit or Loss	313.39	(173.38)	140.01
Return on Plan Assets		(14.85)	(14.85)
(Gain)/Loss from Experience Changes	77.47	-	77.47
(Gain)/Loss from Change in Financial Assumptions	71.20	-	71.20
Total Amount Recognised in Other Comprehensive Income	148.67	(14.85)	133.82
Employer Contributions		(267.00)	(267.00)
Benefits Paid	(224.97)	224.97	-
Mortality Charges and Taxes	-	10.90	10.90
March 31, 2020	2,876.07	(2,606.35)	269.72

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Present Value of Obligation	Fair Value of Plan Assets	₹ In Lakhs
			Net amount
April 1, 2020	2,876.07	(2,606.35)	269.72
Current Service Cost	155.43	-	155.43
Interest Expense/(Income)	180.90	(170.42)	10.48
Total amount recognised in Profit or Loss	336.33	(170.42)	165.91
Return on Plan Assets	-	(1.65)	(1.65)
(Gain)/Loss from Experience Changes	(34.41)	-	(34.41)
(Gain)/Loss from Change in Financial Assumptions	197.44	-	197.44
Total Amount Recognised in Other Comprehensive Income	163.03	(1.65)	161.38
Employer Contributions	-	(222.00)	(222.00)
Benefits Paid	(270.34)	270.34	-
Mortality Charges and Taxes	-	13.12	13.12
March 31, 2021	3,105.09	(2,716.96)	388.13

II The Net Liability Disclosed above Relates to Funded Plans are as follows :

Particulars	March 31, 2021	March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Present Value of Funded Obligation	3,105.09	2,876.07
Fair Value of Plan Assets	(2,716.96)	(2,606.35)
Deficit	388.13	269.72

III Estimates

The Actuarial Assumptions were as follows :

Particulars	March 31, 2021	March 31, 2020
Discount Rate	6.60%	6.60%

IV Sensitivity of Actuarial Assumptions

The Sensitivity of Defined Obligation to Changes in the Weighted Principal Assumptions is:

Assumption	₹ In Lakhs	
	Impact on Defined Benefit Obligation	
	March 31, 2021	March 31, 2020
Discount Rate		
1 % Increase	(124.24)	(116.70)
1 % Decrease	136.31	127.22
Future Salary Increase		
1 % Increase	109.67	101.36
1 % Decrease	(102.10)	(94.74)

Projected Benefits Payable from the Fund in Future years from the Date of Reporting:

	March 31, 2021	March 31, 2020
	₹ In Lakhs	₹ In Lakhs
Less than a year	920.82	878.82
Between 1 to 2 years	375.99	358.54
Between 2 to 3 years	364.18	365.22
Between 3 to 4 years	371.67	346.16
Between 4 to 5 years	762.48	333.96
Between 6 to 10 years	1,484.69	1,761.07
TOTAL	4,279.83	4,043.77

The Weighted duration of the Defined Benefit Obligation is 5.75 year (Previous year 5.45 years.)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

V The Major Categories of Plan Assets are as Follows:

Particulars	March 31, 2021	March 31, 2020
Funds Managed by Insurer	100%	100%

VI Risk Exposure

- Asset Volatility** : All plan assets are maintained in a trust managed by a public sector insurer viz. LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.
- Discount Rate Risk** : Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.
- Future Salary Increase and Inflation Risk** : Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.
- Asset-Liability Mismatch Risk** : Risk arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements.

30. RELATED PARTY TRANSACTIONS - AS PER IND AS 24

Name of the Related Parties and Nature of Relationship

Key Management Personnel	Shri. S. B. Garware Chairman and Managing Director Ms. Monika Garware - Vice Chairperson & Joint Managing Director Mrs. Sarita Garware Ramsay - Joint Managing Director Ms. Sonia Garware - Director Mr. C. J. Pathak - Whole-Time Director Mr. B. D. Doshi - Director Mr. Parag B. Doshi - Company Secretary (From 24th January 2019 to 7th August 2019) Mr. Parag B. Doshi - Chief Financial Officer (From 5th April 2019 to 11th November 2019) Mr. Pradeep Mehta - Chief Financial Officer w.e.f 12th November 2019 Mr. Awaneesh Srivastava - Company Secretary w.e.f. 08th August 2019
Non Executive Director	Mr. B. Moradian - Non Executive and Independent Director Mr. Ramesh P. Makhija - Non Executive and Independent Director Mr. M. C. Agarwal - Non Executive and Independent Director Mr. T. M. Parikh - Non Executive and Independent Director Mr. Nilesh R. Doshi - Non Executive and Independent Director Mr. V. H. Kamath - Non Executive and Independent Director Ms. Devanshi H. Nanavati - Non Executive and Independent Director w.e.f. 25th June 2020
Entities in which some of the Directors are interested	Garware Industries Private Limited Great View Real Estates Private Limited Shashvat Investment Consultancy & Properties Private Limited Garware Community Centre Garware Charitable Trust S. B. Garware Family Trust Monika Garware Benefit Trust Sarita Garware Benefit Trust Sonia Garware Benefit Trust
Post Employment Benefit Plans	Garware Polyester Limited Office Staff And Officers Provident Fund
Relatives of Key Managerial Person	Mrs. Sunita C. Pathak Mrs. Priti P. Mehta

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

30 . TRANSACTIONS WITH RELATED PARTIES

A Key Management Personnel Compensation

Particulars	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
Short Term Employee Benefit Expense	2,235.27	1,719.57
Post-Employment Benefits	77.66	8.20
TOTAL	2,312.93	1,727.77

Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

B Transactions with the related parties

Particulars	Relationship	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
i) Sale of Goods			
Garware Industriees Private Limited	Entities in which some of the Directors are interested	20.41	35.06
ii) Purchase of Materials			
Garware Industriees Private Limited	Entities in which some of the Directors are interested	9.25	90.02
iii) Service Received /Processing/Commission / Rent Paid / Reimbursement of Expenses/ Donation & CSR expenses			
Garware Industriees Private Limited (Rent)	Entities in which some of the Directors are interested	206.30	196.48
Garware Industriees Private Limited (Processing Charges)	Entities in which some of the Directors are interested	3,954.32	3,287.42
Great View Real Estates Private Limited (Rent)	Entities in which some of the Directors are interested	72.00	72.00
Shashvat Investment Consultancy & Properties Private Limited (Rent)	Entities in which some of the Directors are interested	30.00	30.00
Ms. Monika Garware (Rent)	Vice Chairperson & Joint Managing Director	72.00	72.00
Mrs. Sarita Garware Ramsay (Rent)	Joint Managing Director	42.00	42.00
Ms. Sonia Garware (Rent)	Director	72.00	72.00
Garware Community Centre (Donation & Expenses)	Entities in which some of the Directors are trustees	8.60	19.52
Garware Charitable Trust (Donation & CSR)	Entities in which some of the Directors are trustees	595.27	525.00
Garware Polyester Limited Office Staff And Officers Provident Fund (Employer Contribution)	(Post Employment Benefit Plans)	144.54	143.57
T. M. Parikh & Co. (Legal and Professional Fees)	Director is Proprietor	12.20	10.35
Mr. M. C. Agarwal (Legal & Professional Fees)	Director is Proprietor	-	2.13
iv) Managerial Remuneration			
Shri. S. B. Garware	Chairman and Managing Director	744.42	573.49
Ms. Monika Garware	Vice Chairperson & Joint Managing Director	523.12	357.22
Mrs. Sarita Garware Ramsay	Joint Managing Director	477.26	326.04
Ms. Sonia Garware	Director	313.23	294.32
Mr. C. J. Pathak	Whole time Director	116.44	76.42
Mr. Parag Doshi	CFO & Co. Secretary	-	27.77
Mr. Pradeep Mehta	Chief Financial Officer	70.19	27.44
Mr. Awaneesh Srivastava	Company Secretary	68.27	45.06

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

B Transactions with the related parties

Particulars	Relationship	2020-21 ₹ In Lakhs	2019-20 ₹ In Lakhs
v) Director Sitting Fees			
Ms. Sonia Garware	Director	0.60	0.60
Mr. B. D. Doshi	Director	1.98	2.53
Mr. B. Moradian	Independent Director	1.78	1.88
Mr. Ramesh P. Makhija	Independent Director	0.80	1.20
Mr. M. C. Agarwal	Independent Director	2.18	2.73
Mr. T. M. Parikh	Independent Director	1.75	2.05
Mr. Nilesh R. Doshi	Independent Director	1.00	1.60
Mr. V. H. Kamath	Independent Director	1.20	1.40
Ms. Devanshi H. Nanavati	Independent Director	0.80	-
vi) Car Lease payment / Insurance Reimbursement			
Mrs. Sunita C. Pathak	Relative of Whole-Time Director	5.06	4.92
Mrs. Priti P. Mehta	Relative of Key Managerial Person	3.78	1.17
vii) Net Balances [Dr / (Cr)]			
Garware Industries Private Limited	Entities in which some of the Directors are interested	(470.56)	(106.44)
Shashvat Investment Consultancy & Properties Private Limited (Rent deposit)	Entities in which some of the Directors are interested	7.50	7.50
Great View Real Estates Private Limited (Rent Deposit)	Entities in which some of the Directors are interested	36.00	36.00
Shri. S. B. Garware (Remuneration Payable)	Chairman and Managing Director	(208.56)	(82.06)
Ms. Sonia Garware (Rent Deposit)	Director	36.00	36.00
Ms. Monika Garware (Rent Deposit / Remuneration Payable)	Vice Chairperson & Joint Managing Director	(99.49)	(34.42)
Mrs. Sarita Garware Ramsay (Rent Deposit / Remuneration Payable)	Joint Managing Director	(96.87)	(37.35)
Mr. C. J. Pathak	Whole-Time Director	(6.36)	(6.42)
Mr. Pradeep Mehta	Chief Financial Officer	(3.51)	(3.40)
Mr. Awaneesh Srivastava	Company Secretary	(2.68)	(2.54)
Mr. B. D. Doshi	Director	-	(0.03)
Mr. B. Moradian	Independent Director	-	(0.03)
Mr. M. C. Agarwal	Independent Director	-	(0.03)
T. M. Parikh & Co. (Legal and Professional Fees)	Director is Proprietor	(3.43)	(0.65)
Mrs. Sunita C. Pathak	Relative of Whole-Time Director	(0.40)	(0.40)
Mrs. Priti P. Mehta	Relative of Key Managerial Person	(0.27)	(0.63)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

31. SEGMENT REPORTING

- i) Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors have been identified as the chief operating decision maker. The Group has organised its operating segments based on product groupings. These operating segments have been aggregated into one reportable business segment: Polyester films.
- ii) Geographical Segments

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of customers is shown in the table below:

₹ In Lakhs

	Within India		China		Rest of the world		Total	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Segment revenue by geographical area based on geographical location of customers	25,429.92	29,031.58	4,935.71	8,303.09	68,537.37	55,148.76	98,903.00	92,483.43

The Total of Non-Current Assets (other than Financial Instruments, Deferred Tax Assets and Income Tax Assets) are located in the Company's country of domicile i.e. in India.

32. (a) INTEREST IN OTHER ENTITIES

i) Subsidiary and Step Down Subsidiary

Name of the entity	Place of business	Ownership held by Group		Principal Activities
		As at March 31, 2021	As at March 31, 2020	
Subsidiary Garware Polyester International Ltd.	United Kingdom	100%	100%	Trading, marketing and distribution solely for Garware Hi-Tech Films Limited
Step Down Subsidiary Global Pet Films Inc.	USA	100%	100%	Trading, marketing and distribution solely for Garware Hi-Tech Films Limited

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

32. (b) ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III

Particulars	Net Assets i.e. Total Assets Minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent								
Garware Hi-Tech Films Limited								
March 31, 2021	98.97%	1,54,744.12	94.24%	11,869.72	100.00%	3,366.94	95.45%	15,236.66
March 31, 2020	99.38%	1,39,507.46	101.07%	8,694.05	100.00%	(236.79)	101.10%	8,457.26
Foreign subsidiary								
Global Pet Films Inc.								
March 31, 2021	1.04%	1,622.43	7.60%	957.40	-	-	6.00%	957.40
March 31, 2020	0.68%	952.40	7.53%	647.61	-	-	7.74%	647.61
Garware Polyester International Ltd.								
March 31, 2021	0.71%	1,106.05	4.09%	514.81	-	-	3.23%	514.81
March 31, 2020	0.34%	477.71	4.79%	411.81	-	-	4.92%	411.81
Subtotal 2021	100.71%	1,57,472.60	105.93%	13,341.93	100.00%	3,366.94	104.68%	16,708.87
Subtotal 2020	100.40%	1,40,937.57	113.39%	9,753.47	100.00%	(236.79)	113.77%	9,516.68
Inter company elimination and consolidation adjustment								
March 31, 2021	-0.71%	(1,117.16)	(5.93%)	(746.70)	-	-	(4.68%)	(746.70)
March 31, 2020	-0.40%	(565.12)	(13.39%)	(1,151.60)	-	-	(13.77%)	(1,151.60)
Grand total								
March 31, 2021	100%	1,56,355.44	100%	12,595.23	100%	3,366.94	100%	15,962.17
March 31, 2020	100%	1,40,372.45	100%	8,601.87	100%	(236.79)	100%	8,365.08

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

33. FAIR VALUE MEASUREMENTS

Financial Instruments by Category

₹ in Lakhs

	March 31, 2021			March 31, 2020		
	Fair value through Profit and Loss Account	Fair value through Other Comprehensive Income	Amortised cost	Fair value through Profit and Loss Account	Fair value through Other Comprehensive Income	Amortised cost
Financial assets :						
Investments in Quoted Equity Instruments	-	6,744.90	-	-	2,800.32	-
Investments in Unquoted Equity Instruments	8.08	-	-	8.08	-	-
Investment in Unquoted Mutual Funds	15,842.38	-	-	8,770.82	-	-
Security Deposits	-	-	238.42	-	-	228.77
Trade Receivables	-	-	4,202.02	-	-	5,235.03
Cash and Cash Equivalents	-	-	6,252.98	-	-	2,483.70
Bank Balances Other than above	-	-	726.00	-	-	717.74
Loans and Advances to Employees	-	-	51.86	-	-	20.08
Interest Accrued on Fixed Deposits	-	-	-	-	-	0.61
Other Receivables	-	-	35.23	-	-	174.44
Derivative Financial Instrument	32.77	-	-	-	-	-
Total Financial Assets	15,883.23	6,744.90	11,506.51	8,778.90	2,800.32	8,860.37
Financial Liabilities :						
Non Current Borrowings	-	-	9,661.44	-	-	11,432.43
Sales Tax Deferral Loan from Sicom	-	-	-	-	-	122.05
Non Current Lease Liability	-	-	1,519.07	-	-	1,529.36
Current Borrowings	-	-	-	-	-	547.45
Trade Payables	-	-	8,649.21	-	-	6,528.24
Current Maturities of Long Term Debt	-	-	3,531.45	-	-	2,144.72
Current Maturities Lease Liability	-	-	560.55	-	-	465.47
Accrued Interest not due on Borrowings	-	-	-	-	-	101.91
Unclaimed Dividend	-	-	93.40	-	-	118.01
Creditors for Capital Expenditure	-	-	227.35	-	-	357.04
Payable for Expenses	-	-	513.46	-	-	314.23
Payable to Employees	-	-	533.62	-	-	543.04
Deposit from Customers	-	-	618.63	-	-	177.85
Derivative Financial Instrument	-	-	-	153.64	-	-
Total Financial Liabilities	-	-	25,908.18	153.64	-	24,381.80

i) Fair Value Hierarchy

The fair values of the financial instruments that are recognised and measured at fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Indian accounting standard.

₹ In Lakhs

Financial Assets and Liabilities Measured at Fair Value - Recurring Fair Value Measurements	Notes	Level 1	Level 2	Level 3	Total
At March 31, 2021					
Financial Assets					
Derivative Financial Instrument (Assets)	8	-	32.77	-	32.77
Investment in Unquoted Mutual Fund	3 (b)	15,842.38	-	-	15,842.38
Investment in Quoted Equity Instruments	3 (a)	6,744.90	-	-	6,744.90
Investments in Unquoted Equity Instruments	3 (a)	-	8.08	-	8.08

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

₹ In Lakhs					
Financial Assets and Liabilities Measured at Fair Value - Recurring Fair Value Measurements	Notes	Level 1	Level 2	Level 3	Total
At March 31, 2020					
Financial Assets					
Derivative Financial Instrument (Liability)	15	-	153.64	-	153.64
Investment in Unquoted Mutual Fund	3 (b)	8,770.82	-	-	8,770.82
Investment in Quoted Equity Instruments	3 (a)	2,800.32	-	-	2,800.32
Investments in Unquoted Equity Instruments	3 (a)	-	8.08	-	8.08

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes quoted equity instruments and mutual funds. The fair value of all the equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period and the mutual funds are valued using closing NAV.

Level 2: The fair value of derivatives and investment in unquoted financial instruments is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Valuation Technique Used to Determine Fair Value

Specific valuation techniques used to value financial instruments include:

The use of quoted market prices or dealer quotes for similar instruments

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date

The fair value of mutual funds is calculated by valuing them at closing NAV

iii) Fair Value of Financial Assets and Liabilities Measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

34. FINANCIAL RISK MANAGEMENT

The Company's activities exposes it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are taken.

The Company's risk management is carried out by the Company's treasury department under policies approved by the board of directors. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(A) Credit Risk

Credit risk refers to a risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities primarily trade receivables, derivative financial instruments, investment in mutual funds, deposits held with banks, loans and other receivables.

The Company has a policy of only dealing with counterparties that have sufficiently high credit rating. The Company's exposure and credit ratings of its customers are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

For investment in mutual funds, derivative financial instruments and balances held with banks, banks and recognised financial institutions with only high credit rating are accepted.

(i) Trade Receivables

Credit risk arises from the possibility that customer will not be able to settle their obligations as and when agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of accounts receivable and forward looking information. Individual credit limits are set accordingly.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Movement of Provision for Doubtful Debts:

₹ in Lakhs

	2020-21	2019-20
Provision for Doubtful Debts as on April 1	20.86	20.86
Change during the year	-	-
Provision for Doubtful Debts as on March 31	20.86	20.86

(B) Liquidity Risk

Liquidity Risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with Financial instruments that are settled by delivering cash or another Financial Asset. Liquidity risk may result from an inability to sell a Financial Asset quickly at close to its fair value.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying business, the Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

(i) Maturities of Financial Liabilities:

Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities for all non - derivative Financial Liabilities are as follows:

₹ In Lakhs

Particulars	Carrying amount as at March 31, 2021	< 1 year	1 to 3 years	> 3 years
Non Current Borrowings	9,661.44	-	9,087.90	573.54
Non Current Lease Liability	1,519.07		1,066.84	452.23
Trade Payables	8,649.21	8,649.21	-	-
Current Maturities of Long Term Debt	3,531.45	3,531.45	-	-
Current Maturity of Lease Liability	560.55	560.55	-	-
Unclaimed Dividend	93.40	93.40	-	-
Creditors for Capital Expenditure	227.35	227.35	-	-
Payable for Expenses	513.46	513.46	-	-
Payable to Employees	533.62	533.62	-	-
Deposit from Customers	618.63	618.63	-	-
TOTAL	25,908.18	14,727.67	10,154.74	1,025.77

Particulars	Carrying amount as at March 31, 2020	< 1 year	1 to 3 years	> 3 years
Non Current Borrowings	11,432.43	-	6,781.49	4,650.94
Sales Tax Deferral Loan from SICOM	122.05	-	122.05	-
Non Current Lease Liability	1,529.36		1,033.80	495.56
Current Borrowings	547.45	547.45	-	-
Trade Payables	6,528.24	6,528.24	-	-
Current Maturities of Long Term Debt	2,144.72	2,144.72	-	-
Current Maturities of Finance Lease Obligations	465.47	465.47	-	-
Accrued Interest not due on Borrowings	101.91	101.91	-	-
Unclaimed Dividend	118.01	118.01	-	-
Creditors for Capital Expenditure	357.04	357.04	-	-
Payable for Expenses	314.23	314.23	-	-
Payable to Employees	543.04	543.04	-	-
Deposit from Customers	177.85	177.85	-	-
Derivative Financial Instruments	153.64	153.64	-	-
TOTAL	24,535.44	11,451.60	7,937.34	5,146.50

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

(C) Market risk

i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The company is engaged in international trade and thereby exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (Rs). The Company's risk management policy is to hedge sales and purchases. The Company uses foreign exchange forward contracts to hedge its exposure in foreign currency risk.

i) Foreign Currency Risk Exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹ In Lakhs, are as follows :-

	March 31, 2021						March 31, 2020				
	EUR	USD	AUD	AED	JPY	GBP	EUR	USD	AED	MYR	GBP
Financial Assets											
Trade Receivables	1,808.84	5,970.65	-	-	6.45	338.76	1,929.48	3,354.38	-	-	309.70
Financial Instruments (Assets) - Foreign Exchange forward contracts (Sell Foreign Currency)	(780.41)	(4,832.81)	-	-	-	-	(1,305.18)	(3,347.36)	-	-	-
Net Exposure to Foreign Currency Risk (Assets)	1,028.43	1,137.84	-	-	6.45	338.76	624.30	7.02	-	-	309.70
Financial Liabilities											
Trade Payables	14.78	770.34	0.56	0.00	-	51.36	24.64	478.75	5.62	4.73	64.84
Packing Credit in Foreign Currency								39.18			
Net Exposure to Foreign Currency Risk (Liabilities)	14.78	770.34	0.56	0.00	-	51.36	24.64	517.93	5.62	4.73	64.84

ii) Sensitivity

The sensitivity of Profit and Loss to changes in the exchange rates arises mainly from foreign currency denominated financials Instruments:

	Impact on Profit Before Tax	
	March 31, 2021 ₹ In Lakhs	March 31, 2020 ₹ In Lakhs
EUR sensitivity		
₹ / EUR - Increase/ Decrease by 5%	50.68	29.98
USD sensitivity		
₹ / USD - Increase/ Decrease by 5%	18.38	(25.55)
AUD sensitivity		
₹ / AUD - Increase/ Decrease by 5%	0.03	0.28
JPY sensitivity		
₹ / JPY - Increase/ Decrease by 5%	0.32	-
MYR sensitivity		
₹ / MYR - Increase/ Decrease by 5%	-	0.24
GBP sensitivity		
₹ / GBP - Increase/ Decrease by 5%	14.37	12.24

* Holding all other variables constant

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

II) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on financial liabilities such as borrowings, both non - current and current. The Company has not used any interest rate derivatives. The Company is also exposed to interest rate risk on its financial assets that include fixed deposits and liquid investments such as deposits which are part of cash and cash equivalents. Since all these are generally for short durations, the Company believes it has manageable risk for achieving satisfactory returns.

35. CAPITAL MANAGEMENT

a) Risk Management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholders value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

b) Dividends

		₹ In Lakhs	
		March 31, 2021	March 31, 2020
(i)	Equity Shares		
	a) Final Dividend Paid for the year ended March 31, 2020 ₹ NIL (March 31, 2019 of ₹ 10) per fully paid share	-	2,800.79
	b) Interim Dividend Paid for FY 2020-21 ₹ NIL (FY 2019-20 ₹ 10) per fully paid share	-	2,528.25
(ii)	Dividends not recognised at the end of the reporting period		
	The Directors have recommended the payment of a final dividend of ₹ 10/- (March 31, 2020 - ₹ NIL) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	-	-

36. PREVIOUS YEAR FIGURES HAVE BEEN RECLASSIFIED/ REGROUPED TO CONFORM TO THE THIS YEAR CLASSIFICATION

<p>As per our report of even date</p> <p>For Manubhai & Shah LLP Chartered Accountants (Firm's Registration No.106041W/ W100136)</p> <p>P. N. SHAH Partner M.No.: 001738 Mumbai, May 27, 2021</p>	<p>As per our report of even date</p> <p>For Kirtane & Pandit LLP Chartered Accountants (Firm's Registration No.105215W/ W100057)</p> <p>SANDEEP WELLING Partner M.No.: 044576 Mumbai, May 27, 2021</p>	<p>For and on behalf of the Board of Directors</p> <table border="0"> <tr> <td style="vertical-align: top;"> <p>S. B. GARWARE Chairman & Managing Director (DIN: 00943822)</p> </td> <td style="vertical-align: top;"> <p>C. J. PATHAK Whole-Time Director (DIN: 00601668)</p> </td> </tr> <tr> <td style="vertical-align: top;"> <p>T. M. PARIKH Director (DIN: 00049287)</p> </td> <td style="vertical-align: top;"> <p>PRADEEP MEHTA Chief Financial Officer</p> </td> </tr> <tr> <td colspan="2" style="vertical-align: top;"> <p>AWANEESH SRIVASTAVA Company Secretary (ICSI M. No. FCS8513)</p> </td> </tr> </table>	<p>S. B. GARWARE Chairman & Managing Director (DIN: 00943822)</p>	<p>C. J. PATHAK Whole-Time Director (DIN: 00601668)</p>	<p>T. M. PARIKH Director (DIN: 00049287)</p>	<p>PRADEEP MEHTA Chief Financial Officer</p>	<p>AWANEESH SRIVASTAVA Company Secretary (ICSI M. No. FCS8513)</p>	
<p>S. B. GARWARE Chairman & Managing Director (DIN: 00943822)</p>	<p>C. J. PATHAK Whole-Time Director (DIN: 00601668)</p>							
<p>T. M. PARIKH Director (DIN: 00049287)</p>	<p>PRADEEP MEHTA Chief Financial Officer</p>							
<p>AWANEESH SRIVASTAVA Company Secretary (ICSI M. No. FCS8513)</p>								

FORM AOC - 1

Statement pursuant to first provision to Sub-Section (3) of Section 129 of the Companies Act 2013,
 with Rule 5 of the Companies (Accounts) Rules, 2014

₹ In Lakhs

Sr. No.	Particulars	Garware Polyester International Limited (GPIL) (100% wholly owned by the Company)	Global Pet Films, INC. (100% wholly owned by GPIL)
		FY 2020-2021	FY 2020-2021
1	Reporting Currency	GBP	USD
2	Exchange Rate considered at the close of the year	100.75	73.11
3	Share Capital	251.88	73.11
4	Reserves & Surplus	990.35	1,590.34
5	Total Assets	2,303.31	3,078.33
6	Total Liabilities	2,303.31	3,078.33
7	Investment	0.00	0.00
8	Turnover & Other Income	6,487.15	26,824.86
9	Profit / (Loss) Before Taxation	589.86	1,341.24
10	Provision for Taxation	57.18	386.91
11	Profit / (Loss) after Taxation	532.68	954.33
12	Dividend Proposed / Paid	0.00	292.44
13	Country	U K	U S A

Notes :-

- 1 The final Audited accounts of Garware Polyester International Limited are in Great Britain Pounds (GBP) and translated at closing rate as on 31.03.2021 (₹ 100.7525 = 1 GBP)
- 2 The final Audited accounts of Global Pet Films Inc. are in U S Dollars (USD) and translated at closing rate as on 31.03.2021 ₹ 73.11 = 1 USD)



GARWARE HI-TECH FILMS LIMITED

(Formerly known as Garware Polyester Limited)

CIN: L10889MH1957PLC010889

Regd. Office : Naigaon, Post Waluj, Aurangabad - 431 133.

ATTENDANCE SLIP

(To be presented at the entrance)

Name of the Shareholder or Proxy _____

DP ID _____ Folio No. / Client ID _____

I/We hereby record my/our presence at the 64th **ANNUAL GENERAL MEETING** of the Company held at the Registered Office of the Company at Naigaon, Post Waluj, Aurangabad – 431 133 on Tuesday, September 28, 2021 at 11.30 a.m.

Signature of the Member/Proxy

✂.....✂

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 read with Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

GARWARE HI-TECH FILMS LIMITED

(Formerly known as Garware Polyester Limited)

CIN: L10889MH1957PLC010889

Regd. Office : Naigaon, Post Waluj, Aurangabad - 431 133.

Name of the Member(s) :

Registered Address :

E-mail Id :

Folio No./Client ID No./DP ID No. :

I / We, being the member(s) of Shares of Garware Hi-Tech Films Limited, hereby appoint

1. Name : E-mail Id :

Address :
Signature :

or failing him/her

2. Name : E-mail Id :

Address :
Signature :

or failing him/her

3. Name : E-mail Id :

Address :
Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 64th Annual General Meeting of the Company, to be held on Tuesday, September 28, 2021 at 11.30 a.m. at Naigaon, Post Waluj, Aurangabad – 431 133 and at any adjournment thereof in respect of such resolutions as are indicated below:

✂.....✂

Resolution No.	RESOLUTIONS	Optional*	
		For	Against
Ordinary Business			
1.	Adoption of Audited Financial Statements (Standalone & Consolidated) for the year ended 31 st March, 2021 with Directors and Auditors reports thereon.		
2.	Declaration of dividend on the equity shares for the financial year 2020-21.		
3.	Re- appointment of Mrs. Sarita Garware Ramsay (DIN: 00136048), who retires by rotation and being eligible offers herself for the reappointment.		
4.	Re- appointment of Ms. Sonia Garware (DIN: 00135995), who retires by rotation and being eligible offers herself for the reappointment.		
Special Business			
5.	Ratification of Cost Auditor Remuneration.		
6.	Appointment of Ms. Devanshi H. Nanavati (DIN: 08770422) as an Independent Director of the Company.		
7.	Re-appointment of Ms. Monika Garware (DIN: 00143400) as a Joint Managing Director of the Company with effect from November 01, 2021.		
8.	Re-appointment of Mrs. Sarita Garware Ramsay (DIN: 00136048) as a Joint Managing Director of the Company with effect from November 01, 2021.		
9.	Contribution to bona fide charitable and other funds.		
10.	Alteration of Articles of Association of the Company.		

Signed thisday of2021

Signature of shareholder

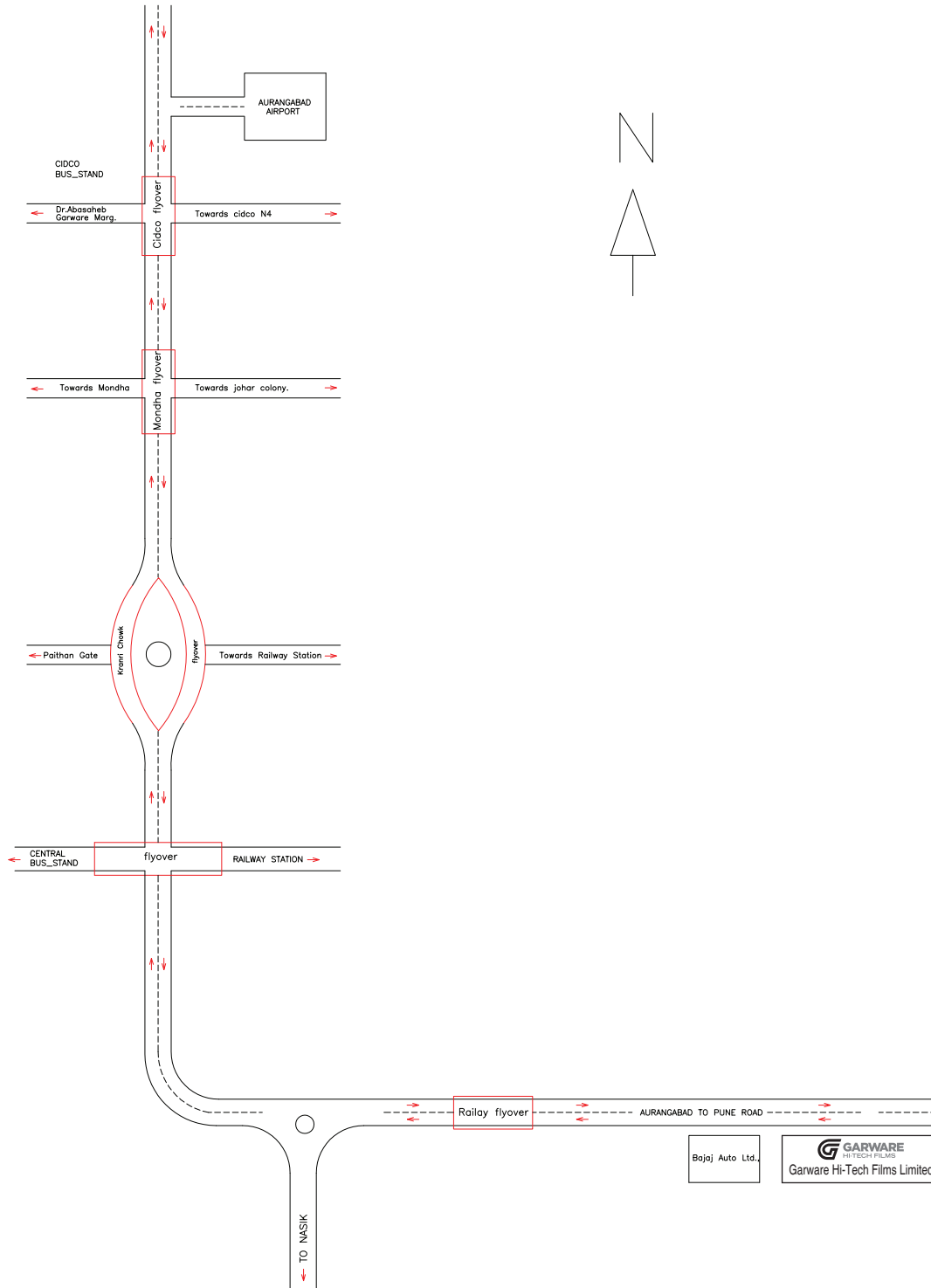
Signature of Proxy holder(s).....

Affix Revenue Stamp Of Rs.1/-
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Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 64th Annual General Meeting.
3. *It is optional to put a ' X ' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of members(s) in above box before submission.
5. Appointment of Proxy does not prevent a member from personally attending in person if he/she wishes.
6. In case of joint holder, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

ROUTE MAP FOR AGM



VENUE : AGM Hall,
Garware Hi-Tech Films Limited
 Waluj, Aurangabad.

