

The logo consists of the word "GARWARE" in a bold, sans-serif font, enclosed within a white rounded rectangular border. This is set against a solid black rectangular background.

GARWARE

Garware

Polyester Limited

ANNUAL REPORT
2014-15

BOARD OF DIRECTORS	: S. B. GARWARE	<i>Chairman & Managing Director</i>
	: S. S. GARWARE (Mrs.)	
	: N. P. CHAPALGAONKAR	
	: MONIKA GARWARE MODI (Mrs.)	<i>Vice Chairperson & Jt. Managing Director</i>
	: SARITA GARWARE RAMSAY (Mrs.)	<i>Jt. Managing Director</i>
	: SONIA GARWARE (Ms.)	
	: B. MORADIAN	
	: M. S. ADSUL	<i>Director – Technical</i>
	: M. C. AGARWAL (Dr.)	
	: RAMESH P. MAKHIJA	
	: T. M. PARIKH	
	: NILESH R. DOSHI	Appointed w.e.f. 12.11.2014

COMPANY SECRETARY	: S. C. Nanda	Resigned w.e.f. 19.03.2015
COMPANY SECRETARY & VICE PRESIDENT (LEGAL)	: Nimesh S. Shah	Appointed w.e.f. 30.04.2015

CHIEF FINANCIAL OFFICER : Gokul D. Naik

BANKERS : Indian Overseas Bank
Dena Bank
Bank of India
The Federal Bank Limited

AUDITORS : Manubhai & Shah
Chartered Accountants

SOLICITORS & ADVOCATES : Crawford Bayley & Co.

REGISTERED OFFICE : Naigaon, Post Waluj,
Aurangabad - 431 133.
CIN - L10889MH1957PLC010889

CORPORATE OFFICE : Garware House,
50-A, Swami Nityanand Marg,
Vile Parle (East), Mumbai - 400 057.

WORKS : L-5 & L-6, Chikalthana Industrial Area,
Dr. Abasaheb Garware Marg,
Aurangabad - 431 210.

Naigaon, Post Waluj, Aurangabad - 431 133.

A-1 & A-2, MIDC, Ambad, Nasik - 422 010.

OFFICES : 204, 2nd Floor, DLF Tower B, Near Apollo Hospital,
Jasola, New Delhi - 110 025.

37/1B, Hazra Road, Kolkata - 700 029.

Old No. 37, New No. 55,
Ambercrest, 4th Floor, Pantheon Road Lane,
Egmore, Chennai - 600 008.

OVERSEAS BRANCH OFFICE : Unit 2-17, The Plaza,
535, Kings Road, London - SW10 0SZ.

REGISTRARS & TRANSFER AGENTS : Link Intime India Private Limited, Mumbai.

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NOTICE**GARWARE POLYESTER LIMITED**

CIN: L10889MH1957PLC010889

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

Website: www.garwarepoly.com

Email: nimeshshah@garwarepoly.com

Tel. No.: 022 6698 8000, Fax No. : 022 2824 8155

NOTICE IS HEREBY GIVEN THAT the 58th Annual General Meeting of the members of GARWARE POLYESTER LIMITED will be held at the Registered Office of the Company on Tuesday, 29th September, 2015 at 11.30 a.m. at Naigaon, Post Waluj, Aurangabad - 431 133 to transact the following businesses:

Ordinary Business:

1. To consider and adopt:
 - (a) the Audited Financial Statement of the Company for the financial year ended March 31, 2015, with the reports of the Board of Directors and Auditors thereon; and
 - (b) the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2015 and the report of the Auditors thereon.
2. To appoint a Director in place of Mrs. S. S. Garware (DIN: 00135862), who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Mr. M. S. Adsul (DIN: 00146752), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider the following resolution as an Ordinary Resolution:-

“**RESOLVED THAT** pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation of the Audit Committee and approval by the Board of Directors, the appointment of M/s. Manubhai & Shah, Chartered Accountants (Firm Registration Number : 106041W) be and are hereby ratified as the Statutory Auditors of the Company, to hold office from the conclusion of the 58th Annual General Meeting till the conclusion of the 62nd Annual General Meeting of the Company, subject to ratification at every subsequent Annual General Meeting at such remuneration plus service tax, as may be mutually agreed upon between the Board of Directors of the Company and auditors, plus travelling and out of pocket expenses actually incurred by the auditors in connection with the audit work.”

Special Business:

5. To consider the following resolution as an Ordinary Resolution:-

“**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, as amended from time to time, the Company hereby ratifies the remuneration of Rs. 3 Lakhs plus out-of-pocket expenses payable to M/s. M. R. Pandit & Co., Cost Accountants (Firm's Registration No. 00268) who have been appointed by the Board of Directors as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company, for the Financial Year ending 31st March, 2016.”
6. To consider 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 Rule 33 of the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the enabling provisions of the Memorandum and Articles of Association of the Company and subject to the requisite approvals, consents, permissions and or sanctions as may be required, if any, the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution and to the part exclusion of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. To consider the following resolution as a Special Resolution:-

“**RESOLVED THAT** pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification thereof for the time being in force and as may be enacted from time to time) (“Act”) and Rule 11 of the Companies (Meeting of Board and its Power) Rules, 2014, the Memorandum of Association and Articles of Association of the Company and subject to other applicable statutory provisions, rules, regulations, guidelines, necessary approvals, consent, sanctions and permissions as may be required in this regard and in supersession of all earlier resolutions passed in this regard, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “Board” which shall be deemed to include any Committee of Director(s) or Official(s) of the Company for the time being authorized by the Board to exercise powers conferred on the Board by this resolution) for the following:

- a) to give any loan(s) to, and/or
- b) to give any guarantee(s), and/or provide any security(ies) in connection with loan(s) given by any other person to, or to any other person by, and/or
- c) to acquire by way of subscription, purchase or otherwise the securities of one or more body(ies) corporate(s),

from time to time and in one or more tranches, for such amount(s), as the Board may in its absolute discretion determine even if such loans, guarantees, securities and investments together with the aggregate of loan(s) made, guarantee(s) given, security(ies) provided and investment(s) made from time to time, is in excess of the ceiling prescribed under Section 186 of the Companies Act, 2013, computed on the basis of the Audited Accounts of the financial year immediately preceding the financial year in which such loans are made, guarantees given, securities provided and investments made, provided that the aggregate of loans made, guarantees given, securities provided and investments made at any time shall not exceed Rs. 1,000 Crores (Rupees One Thousand Crores only).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take such steps as may be necessary for giving loans, guarantees or providing securities or for making such investments and for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental to give effect to this Resolution.”

8. To consider the following resolution as an Ordinary Resolution:-

“RESOLVED THAT M/s. Kirtane & Pandit LLP, Chartered Accountants, be and are hereby appointed as the Joint Auditors of the Company together with M/s. Manubhai & Shah, Chartered Accountants from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the said M/s. Kirtane & Pandit LLP, plus traveling and out of pocket expenses actually incurred by the Auditors in connection with the audit work.”

By Order of the Board of Directors
For **Garware Polyester Limited**

Place : Mumbai
Date : August 06, 2015

Nimesh S. Shah
Company Secretary &
Vice President (Legal)

Registered Office

Naigaon, Post Waluj,
Aurangabad – 431 133

NOTES:

1. 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 AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company.

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 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Item No. 5 to 8 of the Notice is annexed hereto.
3. 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.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from, Tuesday, 22nd September, 2015 to Tuesday, 29th September, 2015 (both days inclusive).
5. Members are requested to notify immediately any change in their addresses directly to their Depository Participant in case they hold shares in dematerialized form or to the Company's Registrars & Share Transfer Agents, in case they hold shares in physical form.
6. The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified about the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 (IEPF Rules). The objective of the IEPF Rules is to help the shareholders

to ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. The Company has uploaded the information in respect of the Unclaimed Dividends for the financial years 2008-09 to 2011-12, as on the 57th Annual General Meeting (AGM) held on 25th September, 2014 on the website of IEPF viz. www.iepf.gov.in.

7. Unclaimed dividend for the Financial Years 2008-09, 2009-10, 2010-11 (Interim & Final) and 2011-12 are still lying in the respective unpaid dividend accounts of the Company. Members, who have not encashed the dividend warrants for the said financial years are requested to contact the Company's Registrar and Share Transfer Agents, M/s. Link Intime India Private Limited at the address provided in point no. 13 below.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
9. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
10. Physical copies of the Notice of the 58th 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 in the permitted mode.
11. **Voting through electronic means**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 58th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).
The instructions for e-voting are as under:
 - A. In case a Member receives an e-mail from NSDL [for members whose e-mail IDs are registered with the Company/Depository Participants(s)]:
 - (i) Open e-mail and open PDF file viz; "Garware Poly e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - (iii) Click on Shareholder – Login.
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. If you desire, then change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. **Please preserve your new password.** It is strongly recommended not to share your password with any other person and to take utmost care to keep your password confidential.

- (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" of Garware Polyester Limited.
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify / change your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPEG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to nilesh@ngshah.com with a copy marked to evoting@nsdl.co.in
- B. Members upon receiving physical copy of an Annual Report are requested to note down the following from attached e-voting form:
- (i) Initial password is provided in the attached e-voting form.
- (a) **EVEN** (E-Voting Event Number)
- (b) **USER ID**
- (c) **PASSWORD/ PIN**
- (ii) Please follow all steps from Sl. No. 11(I)(A)(i) to Sl. No. 11(I)(A)(xii) above, to cast your vote.
- II. 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 Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on Wednesday, 23rd September, 2015 (10:00 a.m.) and ends on Saturday, 26th September, 2015 (5:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, 21st September, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. 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 21st September, 2015.
- VII. Mr. Nilesh G. Shah, Practicing Company Secretary (Membership No. FCS-4554, CP No. 2631), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- IX. 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.garwarepoly.com and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
12. Members holding shares in physical form are requested to forward all applications for transfer and all other shares related correspondence, including intimation for change of address, if any, to the Registrars and Share Transfer Agents of the Company at the following address:

LINK INTIME INDIA PRIVATE LIMITED

(Unit: Garware Polyester Limited)

C-13, Pannalal Silk Mill Compound,

L.B.S. Marg, Bhandup (West),

Mumbai - 400 078.

Tel. No. 022-2594 6970, Fax : 022-2594 6969.

Notice of the Meeting and copies of Audited Financial Statements, Directors' Report, and Auditors' Report will also be displayed on the Company's website www.garwarepoly.com.

By Order of the Board of Directors
For **Garware Polyester Limited**

Place : Mumbai

Date : August 06, 2015

Nimesh S. Shah
Company Secretary &
Vice President (Legal)

Registered Office

Naigaon, Post Waluj,
Aurangabad – 431 133.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013
Item No. 5

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, 2016.

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 payable to the Cost Auditor is to be approved by the Board of Directors and subsequently ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year ending March 31, 2016, as set out in the Resolution for the aforesaid services to be rendered by them.

None of the Directors or Key Managerial Personnel of the Company or their relatives is/are in any way concerned or interested, in the said resolution as set out at the Item No. 5 of the Notice for approval by the members.

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

Item No. 6

The existing Articles of Association ("Articles") of the Company are based on the Companies Act, 1956 and several regulations in the existing Articles contain reference to the Section of the Companies Act, 1956. Some of the regulations in the existing Articles are no longer in conformity with the provisions of the Companies Act, 2013 ("Act").

With the enactment of the Companies Act, 2013, many clauses of the existing Articles of the Company require alteration and/or deletion. It is considered expedient to wholly or partly replace the existing clauses of Articles by a new set of Articles as may be required.

The proposed new draft of Articles of Association is being uploaded on the company's website for perusal by the shareholders.

None of the Directors or Key Managerial Personnel of the Company or their relatives is/are in any way concerned or interested, in the said resolution as set out at the Item No. 6 of the Notice for approval by the members.

The Board recommends the Special Resolution as set out at Item No. 6 of the accompanying Notice for approval by the members.

Item No. 7

Pursuant to Section 186 of the Companies Act, 2013 (Act) and Rule 11 of the Companies (Meeting of Board and its Power) Rules, 2014, the Board of Director is authorized to give loans, guarantees and provide securities in connection with a loan(s) to any person or other body corporate, and to acquire by way of subscription, purchase or otherwise, the securities of any other body(ies) corporate upto an amount the aggregate of which should not exceed 60% of the paid up share capital, free reserves and security premium account or 100% of free reserves and security premium account of the Company, whichever is higher. In case the above limits are exceeded then, prior approval of shareholders by way of special resolution will be required.

Your Company is operating in a growing business environment and it may be required in future to give loans, guarantees and provide securities in connection with a loan to any person or other body corporate, and to acquire securities by way of subscription, purchase or otherwise, make investments at any point of time within or outside the group companies, as may be deemed fit by the Board.

Further, the liquid funds with the company may be invested into securities for its better utilization.

In view of same, it is proposed to pass enabling resolution authorizing Board of Directors of the Company (1) to given any loan(s), and/or (2) to give any guarantee(s), and/or provide any security(ies) in connection with loan(s) given by any other person to, or to any other person by, and/or (3) to acquire by way of subscription, purchase or otherwise the securities of one or more body(ies) corporate(s), up to Rs. 1000 Crore

(Rupees One Thousand Crore).

The Board of Directors had, in its meeting held on 6th August, 2015 considered and approved this resolution, subject to the approval of shareholders.

None of the Directors or Key Managerial Personnel of the Company or their relatives is/are in any way concerned or interested, in the said resolution as set out at the Item No. 7 of the Notice for approval by the members.

The Board recommends the Special Resolution as set out at Item Nos. 7 of the accompanying Notice for approval by the shareholders.

Item No. 8

In view of the substantial increase in activities of the Company, the Board of Directors consider that it is necessary to recommend appointment of Joint Auditor to hold the office along with the existing Statutory Auditors of the Company.

The Company has received a special notice under Section 115 of the Companies Act, 2013 from the members proposing the name of M/s. Kirtane & Pandit, LLP, Chartered Accountants as Joint Auditors of the Company, who have conveyed their eligibility and willingness for such appointment.

None of the Directors or Key Managerial Personnel of the Company or their relatives is/are in any way concerned or interested, in the said resolution as set out at the Item No. 8 of the Notice for approval by the members.

The Board recommends the Ordinary Resolution set out in Item No. 8 of the accompanying notice for approval by the shareholders.

By Order of the Board of Directors
For **Garware Polyester Limited**

Place : Mumbai
Date : August 06, 2015

Nimesh S. Shah
Company Secretary &
Vice President (Legal)

Registered Office

Naigaon, Post Waluj,
Aurangabad – 431 133.

Information on Directors seeking re-appointment at this Annual General Meeting. [Pursuant to Clause 49 (IV) (G) of the Listing Agreement entered with the Bombay Stock Exchange Limited]

Name of the Director	Mrs. S. S. Garware	Mr. M. S. Adsul
Date of Birth & Age	09.12.1935 (80 years)	01.06.1955 (60 years)
Date of Appointment on the Board	04.04.1996	31.07.2007
Qualifications	B.A. (Hons.) B. Ed.	B.Sc (Tech.) in Plastics & DBM
Expertise in specific functional areas	a) Marketing and Exports b) Associated with Charitable and Welfare Organisations	Product Development and Production
Directorship(s) held in other public companies	1. Garware Industries Ltd.	
Chairmanships / Memberships of Committees across public companies	NIL	Garware Polyester Limited
Shareholding in the Company as on 31.03.2015	1,75,465	87

DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2015**TO THE MEMBERS,**

Your Directors present the 58th Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2015.

1. Financial Results

(Rs. in Crores)

	2014 - 2015		2013 - 2014	
Operating Profit before Interest & Depreciation		85.23		78.88
Less : Finance Cost	43.64		36.95	
Depreciation	15.08		33.47	
		58.72		70.42
Profit for the year before Exceptional Item		26.51		8.46
Exceptional items		0.00		6.22
Provision for Income Tax		9.17		3.30
Profit After Tax		17.34		11.38
Add : Balance brought forward from previous year		308.26		296.88
Balance available for Appropriation		325.60		308.26
Appropriation:				
Transferred from Assets whose balance useful life is Nil as per Schedule II of the Companies Act, 2013. (Net of deferred tax of Rs.117.50 Lakhs)		2.28		0.00
Transferred to Capital Redemption Reserve on Redemption of Preference Shares.		54.46		0.00
Dividend on Cumulative Redeemable Preference Shares (CRPS) (*Rs. 54,460/-)		0.00		*0.01
Tax on Dividend (Rs. 9,255/- on CRPS)		0.00		*0.00
Balance carried to Balance Sheet		268.86		308.25
Total		325.60		308.26

2. Dividend

Your Directors have not recommended any dividend on the equity share capital for the year under review with a view to conserve resources and to plough back profits to strengthen the net working capital.

3. Transfer to Reserves

The Company proposes to transfer Rs. 54.46 Crores to the Capital Redemption Reserve out of the amount available for appropriation and an amount of Rs. 268.85 Crores is proposed to be retained in the profit and loss account.

4. Company's Performance

On consolidated basis, revenue from operations for the financial year 2014-15 at Rs. 923.17 Crores was higher by Rs.70.24 Crores over last year (Rs. 852.93 Crores in 2013-14). Earnings before interest, tax, depreciation and amortization (EBITDA) was Rs. 86.56 Crores registering a growth of 10 % over EBITDA of Rs. 78.60 Crores in 2013-14. Profit after tax (PAT) for the year was Rs. 17.81 Crores registering growth of 73 % over the PAT of Rs.10.29 Crores in 2013-14.

On standalone basis, revenue from operations for the financial year 2014-15 at Rs. 913.37 Crores, was higher by 8% over last year (Rs. 846.82 Crores in 2013-14). Earnings before interest, tax, depreciation and amortisation (EBITDA) was Rs. 85.23 Crores registering a growth of 8% over the EBITDA of Rs. 78.88 Crores in 2013-14. Profit After Tax (PAT) for the year was Rs. 17.34 Crores recording a growth of 52% over the PAT of Rs. 11.38 Crores in 2013-14.

5. Operations

The year 2014-15 has ended with marginal improvement over the year 2013-14 with increase in sales by about 8% due to higher sales volume of Industrial Products. The average sales realization was better due to reduction in the raw material cost and an increase in the sale of specialty products which has helped the Company in achieving 8% Growth in EBITDA.

6. Future Outlook

The overcapacity situation persists in the Polyester Film manufacturing industry in Indian market as well as in the international market, the prices remain under pressure due to competition and oversupply situation. The Company has shifted its focus to the specialty films and already developed some new products for the market such as Digital Printable Films, films for Solar PV application, films for Lidding application, Coated Films for Label, Medium Shrink Films for Label and films with High Infrared heat rejection for automobiles. These films will mainly cater to the export market.

7. Research & Development

Your company is continuously in development of new products and new applications in the fields of Polyester Film and Solar Control Window Film. Apart from development of new products, R&D Department is also focusing on cost reduction measures by developing cost effective alternative raw materials and processes.

Company's R&D Centre is accredited by the Department of Scientific and Industrial Research, Ministry of Science and

Technology, Government of India. R&D team works hand-in-hand with production team to establish new products at the plant and to improve the product quality and plant efficiencies.

All the manufacturing plants / pilot plants and laboratories are upgraded with latest equipment to upgrade the product quality and to achieve the stringent quality requirements of demanding customers.

8. Functioning of R & D Department

R&D activities are carried out as an independent activity.

In this center various pilot plants are installed for development of Polymers, film extrusion and different types of coating.

All new polymers and coatings are first produced in these plants and extensively tested in specially developed test facilities before commencing trials on the main plant. All the new product trials are taken under supervision of very senior R&D personnel and test marketing is done before producing them in bulk quantities.

Our laboratories are equipped with state-of-the-art latest testing equipments and many specialty test rigs are used as per the end product applications.

9. Information Technology (IT)

- The Company has implemented CCTV security surveillance system in production.
- The Company is in process to implement SAP HR Payroll to integrate HR process to the existing SAP ERP system.
- The Company is in process to implement SAP BI system to facilitate KPI driven reporting and Dashboard to management by taking advantage of SAP ERP business database.
- The Company has upgraded its existing Windows operating system along with hardware baseline from Windows XP to Windows 8 to mitigate operating system vulnerability on account of Windows XP technical support stopped by Microsoft.

10. Awards and Recognitions

During this year, your Company has been honored with ten Safety Awards at National as well as State Levels by various Authorities, viz. National Safety Council of India (NSCI), and Maharashtra State Chapter of National Safety Council (NSC – MC).

Out of these ten awards, two awards were won by the Company's employees for their contribution in State Level Safety Slogan Competition.

11. Human Resource Development

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

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.

The focus on employee development through training modules that were created in-house continued. More than 164 training programs were conducted during the year, over 86% of them through in-house trainers and business leaders. The programs added up to over 16,528 man-hours / 2,066 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.

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

12. Manufacturing and Quality Initiatives

With innovative approaches in manufacturing techniques and

product optimization, the productivity in the manufacturing segment has significantly gone up. The quality culture of your Company ensures that the products are benchmarked as best in class by the customers. Our quest for excellence both in manufacturing and quality continue as before. Your Company is regarded as best in class for quality and reliability.

In order to keep the plants in excellent running condition the company has upgraded the manufacturing plants with various new equipment to produce quality products.

13. Consolidated Financial Statement

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Accounting Standards AS-21, AS-23 and AS-27 issued by the Institute of Chartered Accountants of India and forms a part of this Annual Report.

14. Subsidiary Companies

Garware Polyester International Limited–UK and Global Pet Films Inc.-USA, continue to be subsidiaries of the Company.

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.

15. Safety, Health & Environmental Protection

Being a responsible corporate citizen, your Company has continued to sustain various initiatives for the continual improvement in Safety, Health and Environment (SHE) at the works and surroundings.

Some of the prominent activities include – Safety audits of Thermic Fluid System and Electrical System by external expertise (M/s Jacobs Engineering), Internal Safety survey of plants, Field Safety rounds after monthly safety review meetings, EMS training and field rounds, periodical SHE inspections and trainings, schemes on the efficient usage of energy and the conservation of natural resources, activities for the enhancement of employee participation in SHE and the support in emergency management operations at public places.

Your Company is a recipient of various safety laurels from the Regulatory Authorities on the State and National level, as stated above during the year. Safety and security system of your company has been upgraded, your company carries out various safety awareness training and emergency execution drills from time to time to prepare its workforce for emergency situations.

16. 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, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the 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, 2015 and of the profit of the Company for the year ended on that date;
- c) the 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) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.

- f) the Directors have advised proper systems to ensure compliance with provisions of applicable laws and that such system were adequate and operating effectively.

17. Directors and Key Managerial Personnel

In accordance with the provisions of the Act and the Articles of Association of the Company, Mrs. S. S. Garware and Mr. M. S. Adsul, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

During the year under review: (a) Ms. Sonia Garware became Non-Executive & Non-Independent Director from Executive & Non-Independent Director. (b) The Company appointed Mr. Nilesh R. Doshi as Independent Directors of the Company with effect from November 12, 2014 for a period of five consecutive years.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and under Clause 49 of the Listing Agreement entered with the Bombay Stock Exchange Ltd.

Key Managerial Personnel

The Company has appointed following persons as Key Managerial Personnel

Sr. No.	Name of the Person	Designation
1.	Mr. Gokul D. Naik	Chief Financial Officer
2.	Mr. S. C. Nanda *	Company Secretary
3.	Mr. Nimesh S. Shah §	Company Secretary
4.	Mr. Sunil Kanojia @	Chief Executive Officer

* Mr. S. C. Nanda resigned as a Company Secretary of the Company w.e.f. 14.03.2015.

§ Mr. Nimesh S. Shah was appointed as a Company Secretary of the Company w.e.f. 30.04.2015.

@ Mr. Sunil Kanojia was appointed as CEO w.e.f. 12.05.2015 and has ceased to be CEO w.e.f. 04.08.2015.

18. Number of meetings of the Board

Four meetings of the Board were held during the year. For details of the meetings of the Board, please refer to the corporate governance report, which forms part of this report.

19. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, 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.

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

20. 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.

21. Internal Financial Control Systems and their Adequacy

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

22. Audit Committee

The details pertaining to composition of Audit Committee are included in the Corporate Governance Report, which forms part of this report.

23. Statutory Auditors

Pursuant to the provisions of Section 139 of the Act and the rules framed there under, M/s. Manubhai & Shah, Chartered Accountants, were appointed as Statutory Auditors of the Company from the conclusion of the 57th Annual General Meeting (AGM) held on September 25, 2014 till the conclusion of the 62nd AGM to be held in the year 2019, subject to ratification of their appointment at every AGM.

However, the Company has received a special notice under Section 115 of the Company's Act, 2013 proposing the name of M/s. Kirtane & Pandit, LLP, Chartered Accountants as Joint Auditors, subject to member's approval at the ensuing Annual General Meeting.

The Auditors, M/s. Manubhai & Shah and M/s. Kirtane & Pandit, have conveyed their eligibility and willingness to act as joint auditors of the Company, if appointed at the ensuing Annual General Meeting. Board recommends that appointment of Joint Auditors shall be commensurate with the nature and size of operation of the Company. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s. Manubhai & Shah and M/s. Kirtane & Pandit that their appointment, if made, would be in conformity with the limits specified in the said Section.

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.

The Board of Directors, on the recommendations of Audit Committee, has appointed M/s. M. R. Pandit & Co., Cost Accountants, Aurangabad as Cost Auditors to audit the cost accounts of the company for financial year 2015-16. As required under Companies Act, 2013, a resolution seeking member's approval for ratification of remuneration payable to the Cost Auditors forms a part of the notice convening the Annual General Meeting.

24. Auditors' Report and Secretarial Auditors' Report

The observations made in the Auditor's Report and Secretarial Auditor's Report are self-explanatory and therefore, do not call for any comments. The Auditors' Report and Secretarial Auditors' Report does not contain any qualifications, reservations or adverse remarks. Report of the Secretarial Auditor is given as an annexure which forms part of this report.

25. Risk Management

The Board of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Audit 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.

26. Particulars of Loans, Guarantees and Investments

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

27. Transactions with Related Parties

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

There were no materially significant transactions with related parties during the financial year 2014-15 which were in conflict with the interest of the Company. Your Directors draw attention of the members to take note of Note No. 35 to the financial statement which sets out related party disclosure.

28. Corporate Social Responsibility

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a CSR Policy indicating the activities to be undertaken by the Company, which has been approved by the Board. The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure I** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Policy may be accessed on the Company's website at <http://www.garwarepoly.com>.

The Company has established Garware Community Centre at Chikalhana, Aurangabad in the year 1994 primarily to cater to the social needs of workmen largely staying in the CIDCO, Aurangabad area and other members of the society as a not-for-profit trust through which the Company could channelize social welfare initiatives. The Society is also registered separately under the Societies Act for carrying out social activity at Garware Bal Bhawan primarily for the children from all strata of the society and to give scope for the talent and to grow the same is doing excellent job and has been recognized by the National Bal Bhawan, New Delhi for expanding various activities.

One more Community Centre has been started in Waluj at Aurangabad in the year 2013 considering the need of the villagers and workmen staying in the village. Over the years, the Community Centre has initiated, guided and conducted several programs in education by way of Study Centre, organizing speeches from renowned guest speakers on career guidance, etc. In addition various other activities are carried out at the center such as sports, judo & karate, bharat natyam, yoga and suryanamaskar, library, reading room etc. and has been successful in bringing about a positive change in the lives of the underprivileged sections of society.

The Company would also undertake other need based initiatives in compliance with Schedule VII to the Act.

During the year, the Company has spent Rs. 60.00 Lakhs (around 2.43% of the average net profits of last three financial years) on CSR activities which does not include the expenses made on the activities carried out by the Garware Community Center and Garware Bal Bhawan.

29. Extract of Annual Return

As provided under Section 92(3) of the Act, the extract of Annual Return of the Company is annexed herewith as **Annexure II** in the prescribed Form MGT-9, which forms part of this report.

30. Particulars of Employees and related disclosures

Three Whole-time Directors/Employees employed throughout the year were in receipt of remuneration of Rs. 60 Lac per annum or more amounting to Rs. 8.47 Crore and one whole-time director/employee employed for the part of the FY 2014-15 was in receipt of remuneration of Rs. 5 Lac per month or more amounting to Rs. 0.83 Crore were relative(s) of Shri S. B. Garware Chairman & Managing Director of the Company. During FY 2014-15 the Company had 1169 nos. of 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 and forming part of the Directors' Report for the year ended March 31, 2015 is given in a separate Annexure to the Report.

The above Annexure is not being sent along with this Report to the Members of the Company in line with the provision of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company.

31. Other Laws

During the year under review, there were no cases filed pursuant to the provisions of sexual harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013.

32. Corporate Governance

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements as set out by SEBI. The Company has also implemented several best corporate governance practices as prevalent globally. The report on Corporate Governance as stipulated under the Listing Agreement forms an integral part of this Report. The requisite certificate from the Practicing Company Secretary, confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

33. Vigil Mechanism

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, 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.

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

34. Deposits From Public

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.

35. 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.

36. 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 contributions made by the employees at all levels.

37. Acknowledgements

Your Directors take this opportunity to thank the customers, supply chain partners, employees, Financial Institutions, Banks, Central and State Government authorities, Regulatory authorities, Stock Exchange and all the various stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board of Directors

For Garware Polyester Limited

Place : Mumbai
Date : August 06, 2015

S. B. GARWARE
Chairman & Managing Director

ANNUAL REPORT DETAILS OF THE CSR ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

The CSR Policy was approved by the Board of Directors at its Meeting held on May 29, 2014 and has been uploaded on the Company's website. A gist of the programs that the Company can undertake under the CSR policy is mentioned below.

The CSR policy of the Company is available on the company's website www.garwarepoly.com

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 saying that, '**If you want to walk fast, walk alone. But if you want to walk far, walk together**'.

The Company has been / is promoting activities relating to art, culture, sports, health, education and safety. Further during the financial year 2014-15, your company has taken various initiative towards betterment of the Society, community and environment by taking initiatives towards protection of national heritage, art and culture, participating rural development project etc. Your Company endeavors to ensure environmental sustainability and ecological balance.

The above activities are funded by the Company.

2. **The Composition of the CSR Committee** : The Company has a CSR committee of directors comprising of Mrs. Sarita Garware Ramsay, Chairperson of the committee, Mr. B. Moradian, Dr. M. C. Agarwal.
3. Average net profit of the Company for last three Financial Years is Rs. 2052.73 Lakhs.
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): The Company was required to spend Rs. 41.05 Lakhs towards CSR activities for the Financial Year 2014-15.
5. Details of CSR spent during the Financial year.
- Total amount to be spent for the Financial Year Rs. 41.05 Lakhs
 - Amount spent for the Financial Year Rs. 60 Lakhs
 - Amount unspent, if any: NIL
 - Manner in which the amount spent : Through Garware Charitable Trust for the Financial Year as detailed below:

(Amount in Lakhs)

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Place, where the project is undertaken	Amount outlay	Amount Spent on the project	Cumulative expenditure up-to the reporting period	Amount spent: Direct or through implementing agency
1	Promoting Education to women, Street children and others .	Education Enhancement project	Mumbai, Pune and Sangali (Maharashtra)	17.20	17.20	17.20	Through Garware Charitable Trust.
2	Promoting Health Care Measures for poor people	Health Care project	Mumbai (Maharashtra)	16.59	16.59	16.59	Through Garware Charitable Trust.
3	Providing basic needs of elderly & deprived section of society.	Elderly & differently abled and livelihood enhancement project	Mumbai & Thane (Maharashtra)	18.21	18.21	18.21	Through Garware Charitable Trust.
4	Old age home for disabled people.	Donation given paid for running old age home.	Mumbai (Maharashtra)	3.00	3.00	3.00	Through Garware Charitable Trust.
5	Rehabilitation of Distress/Depressed people	Distress/ Depressed people care centre.	Mumbai (Maharashtra)	5.00	5.00	5.00	Through Garware Charitable Trust.
TOTAL:				60.00	60.00	60.00	

6. In case the Company has failed to spend the two percent, of the average net profit of the last three Financial Years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report. : **Not applicable.**
7. The Chairman of the CSR Committee has given a responsibility statement on behalf of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.

Sarita Garware Ramsay
Chairperson of CSR Committee

S. B. Garware
Chairman and Managing Director

Date : August 06, 2015
Place : Mumbai

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

As on Financial year ended on 31.03.2015

(Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies

(Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS

1.	CIN	L10889MH1957PLC010889
2.	Registration Date	06.06.1957
3.	Name of the Company	Garware Polyester Limited
4.	Category/Sub- Category of the Company	Company Limited by Shares/Indian Non-Government Company
5.	Address of the Registered Office & Contact details	Naigaon, Post Waluj, Aurangabad 431 133. Maharashtra Tel.: 0240 2567400 Fax: 0240 2554672
6.	Whether listed company	Yes
7.	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	Link Intime Private Limited C-13, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup (West), Mumbai 400078 Tel: 022-25946970/022-25963838; Fax: 022-25946969

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contribution 10% or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main Products/services	NIC Code of the products/services	% to total turnover of the Company
1.	Polyester Film	3131	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**Foreign Subsidiaries**

Sr. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary/Associates	% of shares Held	Applicable Section
1	Garware Polyester International Limited Unit 2-17, The Plaza 535, Kings Road London – SW10 OSZ	-	Subsidiary Company	100%	Section 2(87)
2	Global Pet Films Inc. 101 Lake Forest blvd Suit-403, Gaithersburg MD 20877 United States	-	Step down Subsidiary	NIL	Section 2(87)

IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

I. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 1, 2014)				No. of Shares held at the end of the year (As on March 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/HUF	1873623	-	1873623	8.04	1873623	-	1873623	8.04	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	1336391		1336391	5.73	1336391		1336391	5.73	
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other (Trust)	10580100		10580100	45.38	10595401		10595401	45.44	0.06
Subtotal (A)(1):	13790114		13790114	59.15	13805415		13805415	59.21	0.06
2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs Individuals	268595		268595	1.15	268595		268595	1.15	
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Subtotal (A)(2):	268595	-	268595	1.15	268595	-	268595	1.15	-
Total shareholding of Promoter (A)=(A)(1)+(A)(2):	14058709		14058709	60.30	14074010		14074010	60.36	0.06
B. Public Shareholding									
1) Institutions									
a) Mutual Funds/UTI	376	14850	15226	0.07	376	14700	15076	0.06	0.01
b) Banks/FI	2228	1077	3305	0.01	2326	979	3305	0.01	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	853756	200	853956	3.66	853756	200	853956	3.66	-
g) FIs	1500	2355	3855	0.02	-	2355	2355	0.01	0.01
h) Foreign Venture Capital Funds									
i) Others (Trust)	6011	-	6011	0.03	6011	-	6011	0.03	-
Sub-total (B)(1):-	863871	18482	882353	3.79	862469	18234	880703	3.78	0.01

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 1, 2014)				No. of Shares held at the end of the year (As on March 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1939385	206808	2146193	9.21	946030	182808	1128838	4.84	4.37
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	2796720	1124864	3921584	16.81	2645892	1093086	3738978	16.04	0.77
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	2087784	-	2087784	8.95	3309452	-	3309452	14.20	5.24
c) Others (specify)									
Clearing Members	20440	-	20440	0.09	12554	-	12554	0.05	0.03
Foreign Nationals									
Non Resident Indians (REPAT)	195458	2629	198087	0.85	167986	2629	170615	0.73	0.12
Non Resident Indians (NON REPAT)	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	7039787	1334301	8374088	35.91	7081914	1278523	8360437	35.86	0.05
Total Public shareholding (B)=(B)(1)+(B)(2):	7903658	1352783	9256441	39.70	7944383	1296757	9241140	39.64	0.06
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	21962367	1352783	23315150	100	22018393	1296757	23315150	100	-

II. Shareholding of Promoters:-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ Encumbered to total shares	No. of Shares	% of total Shares of The company	% of Shares Pledged/ Encumbered to total shares	
1	Shri S. B. Garware	1163001	4.99	-	1163001	4.99	-	-
2	Mrs. S. S. Garware	175465	0.75	-	175465	0.75	-	-
3	Mrs. Monika Garware Modi	267504	1.15	-	267504	1.15	-	-
4	Mrs. Sarita Garware Ramsay	267653	1.15	-	267653	1.15	-	-
5	Ms. Sonia Garware	268595	1.15	-	268595	1.15	-	-
6	S. B. Garware Family Trust	10577100	45.37	-	10592401	45.43	-	0.06
7	B. D. Garware Research Centre	1067216	4.58	-	1067216	4.58	-	-
8	Great View Real Estates Pvt. Ltd.	269175	1.16	-	269175	1.16	-	-
9	Monika Garware Modi Benefit Trust	1000	0.00	-	1000	0.00	-	-
10	Sarita Garware Benefit Trust	1000	0.00	-	1000	0.00	-	-
11	Sonia Garware Benefit Trust	1000	0.00	-	1000	0.00	-	-

III. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	S. B. Garware Family Trust	10577100	45.37	10592401	45.43

IV. Shareholding Pattern of top ten shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For Each of the Top 10 Shareholders *	Shareholding at the beginning of the year 01.04.2014		Cumulative Shareholding at the end of the year 31.03.2015	
		No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
1.	Finquest Securitas Pvt. Ltd.	1089310	4.67	0	0.00
2.	Life Insurance Corporation of India Ltd.	853956	3.66	853956	3.66
3.	Bharat Jayantilal Patel	397499	1.70	498	0.00
4.	Dalal & Broacha Stock Broking Pvt. Ltd.	224844	0.96	271836	1.16
5.	Nilima Upendra Mehta	99262	0.42	0	0.00
6.	Acira Consultancy Pvt. Ltd.	176224	0.75	0	0.00
7.	Ruchit B. Patel	164183	0.70	162073	0.69
8.	Nedhi Goel	149192	0.64	146442	0.63
9.	Garware Wall Ropes Ltd.	146350	0.63	146350	0.63
10.	Ramesh B. Garware	100200	0.43	100200	0.43

* The shares of the Company are traded on a daily basis and hence the date wise increase/decrease in shareholding is not indicated.

V. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Shri S. B. Garware				
	At the beginning of the year	1163001	4.99	1163001	4.99
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for Increase/Decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	1163001	4.99	1163001	4.99
2.	Mrs. S. S. Garware				
	At the beginning of the year	175465	0.75	175465	0.75
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for Increase/Decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	175465	0.75	175465	0.75
3.	Mrs. Monika Garware Modi				
	At the beginning of the year	267504	1.15	267504	1.15
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for Increase/Decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	267504	1.15	267504	1.15
4.	Mrs. Sarita Garware Ramsay				
	At the beginning of the year	267653	1.15	267653	1.15
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for Increase/Decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	267653	1.15	267653	1.15

5.	Ms. Sonia Garware				
	At the beginning of the year	268595	1.15	268595	1.15
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for Increase/Decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	268595	1.15	268595	1.15
6.	Mr. M. S. Adsul				
	At the beginning of the year	87	0.00	87	0.00
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for Increase/Decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	87	0.00	87	0.00

VI. INDEBTNESS

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

(Rs. in Lakhs)

Particulars	Secured Loans Executing Deposits	Unsecured Loans	Deposits	Total Indebtness
Indebtness at the beginning of the financial year				
i) Principal Amount	13,943.74	1,203.46	-	15,147.20
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	13,943.71	1,203.46	-	15,147.20
Change in indebtedness during the financial year				
• Addition	4,534.37	0.00	-	4,534.37
• Reduction	(3,229.19)	0.00	-	(3,229.19)
• Net Change	1,305.18	0.00	-	1,305.18
Indebtness at the end of the financial year				
i) Principal Amount	15,248.92	1,203.46	-	16,452.38
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	15,248.92	1,203.46	-	16,452.38

VII REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Director and/or Manager**

(Rs. in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager					Total Amt.
		CMD	WTD				
			Shri S. B. Garware	Mrs. M. Garware Modi	Mrs. Sarita Garware Ramsay	Ms. Sonia Garware	
1	Gross Salary						
	(a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961	328.17	175.80	160.80	77.24	36.00	778.01
	(b) Value of perquisites u/s 17(2) of the Income tax, 1961	0.40	5.00	3.45	0.00	0.40	9.25
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-
	- as % of profit						
	- others, specify						
5	Others, please specify (Retirement Benefits)	71.56	55.60	45.98	5.32	0.00	178.46
	Total (A)	400.13	236.40	210.23	82.56	36.40	965.72

B. Remuneration to Other Directors

(Rs. in Lakhs)

Sr. No.	Particulars of Remuneration	Name of the Directors						Total Amount
		N.P. Chapalgaonkar	B. Moradian	R.P. Makhija	M.C. Agarwal	T. M. Parikh	N.R. Doshi	
1	Independent Directors							
	Fees for attending board/ committee meetings	0.30	0.78	0.30	0.92	0.64	0.30	3.24
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	0.30	0.78	0.30	0.92	0.64	0.30	3.24
2	Other Non-Executive Directors							
	Fees for attending board/ committee meetings	0.30	0.20					0.50
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	0.30	0.20					0.50
	Total Managerial Remuneration Total (B)=(1+2)							3.74

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

(Rs. in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		CS	CFO	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	20.05	26.91	46.96
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.14	1.57	1.71
	(c) Profits in lieu of salary u/s 17(3) of the Income tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- As % of profit			
	- Other, specify			
5	Others, please specify			
	Total	20.19	28.48	48.67

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES.

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment Compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made, If any (give Details)
A. COMPANY Penalty Punishment Compounding			NIL		
B. Directors Penalty Punishment Compounding			NIL		
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding			NIL		

Annexure III

ANNEXURE TO DIRECTORS' REPORT

Information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

(A) CONSERVATION OF ENERGY

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

- 1) Installation of screw compressor for instrument air service and low efficiency reciprocating compressor stopped.
- 2) 150 Watt HPSV street lights replaced with 90 watt LED lamps.
- 3) TDO outlet cooling roll provided with secondary chilled water. Thereby stopped separate chiller for the cooling roll.

(B) TECHNOLOGY ABSORPTION**I. 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 as well as development of new products, improvement of manufacturing processes and debottlenecking activities. Your Company's thrust on R&D activities has paid rich dividends.

R & D Dept. is functioning from 1988 onwards in Garware Polyester Ltd.

It is approved by Department of Science and Industrial Research (DSIR), Govt. of India.

It plays a very vital role in development of new products / processes required for future business.

It is well equipped with various Pilot Plants and Testing facilities required for Product Development.

Our R & D Dept. have skilled and specialized work force for various developmental areas.

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

Research and Development (R & D) –

- a) Development of different types of modified shrink films for various applications targeted.
 - i) UV traceable shrink film for counterfeit applications.
 - ii) UV stabilized shrink film for protection of UV light sensitive Contents (cosmetic, fruit juices, energy drinks, pharmaceutical products etc.)
 - iii) Medium shrink film.
- b) Development of different types of modified lidding films for various applications targeted.
 - i. Lidding film for dual oven able application.
 - ii. Universal sealable-peel able lidding films for various types of polymeric cups and trays.
 - iii. Transparent high barrier seal able-peel able film with and without anti fog property for meat and sea food packaging.
- c) Specialty co-extruded film with hydrolytic and UV resistant white film for solar back sheet application.
- d) High IR absorbing nano coated safety films for automobile application.

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

Value added products developed and production costs reduced.

3. Expenditure on R&D / Product Development

	(Rs. in Lakhs)
a. Capital (Excl. CWIP)	NIL
b. Recurring	138.37
Total	138.37

Total R&D expenditure as a percentage to total turnover: 0.16 %

II. Technology absorption, adaptation and innovation**1 Efforts made towards technology absorption, adaptation and innovation:**

- a. Technology for feeding liquid additives in extrusion system developed.
- b. Technology for milling nano particle below 50 nano size developed

2. Benefits derived as a result of above efforts

Above efforts have resulted in improvement of product output, quality and reduction in wastage.

3. Technology imported during the last five years

No Technology has been imported during the last 5 years.

(C) 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. Newer 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 and in order to maintain the smooth activities of the export business, the Company has established a branch office in London, UK.

II. Total Foreign Exchange used and earned

	(Rs. in Crores)
Used: -	79.76
Earned (FOB Basis):-	455.44

For and on behalf of the Board of Directors
For **Garware Polyester Limited**

S. B. GARWARE
Chairman & Managing Director

Place : Mumbai
Date : August 06, 2015

CORPORATE GOVERNANCE REPORT

The Director Present the Company's Report on Corporate Governance in compliance with Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited for the Financial Year 31st March, 2015

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Management acknowledges that corporate governance is a set of laws, regulations and good practices that enable 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 believes that Corporate Governance is an ongoing process and there is a need to view Corporate Governance as more than just a regulatory requirement as good governance, apart from business results, leads to enhanced shareholders value.

GOVERNANCE STRUCTURE

The Corporate Governance Structure of Garware Polyester Limited 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. Audit Committee, Remuneration and Nomination Committee, Corporate Social Responsibility (CSR) Committee and Stakeholders Relationship 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, constituted in compliance with the relevant guidelines issued under Companies Act, 2013, Listing Agreement 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.

Currently, the Board comprises of the following:

Category	Name of the Director	No. of Shares held as on 31 st March 2015	No. of Board meetings attended during FY 2014-15	No. of Directorship(s) in Public Companies as on 31 st March 2015**	No. of Board Committee Membership held in Public Companies as on 31 st March 2015#		Attendance at last AGM held on 25 th September, 2014.
					Chairman	Member	
Executive and Non-Independent	1. Shri S. B. Garware	11,63,001	3	2	-	-	NO
	2. Mrs. Monika Garware Modi	2,67,504	1	9	-	-	NO
	3. Mrs. Sarita Garware Ramsay	2,67,653	4	3	-	1	YES
	4. Mr. M. S. Adsul	87	4	1	-	1	YES
Independent and Non-Executive	1. Mr. B. Moradian *	-	3	2	3	1	NO
	2. Mr. N. P. Chapalgaonkar	-	3	1	-	-	YES
	3. Dr. M. C. Agarwal	-	4	1	-	2	NO
	4. Mr. Ramesh P. Makhija	-	3	2	-	-	NO
	5. Mr. T. M. Parikh	-	4	3	-	1	NO
	6. Mr. Nilesh R. Doshi @	-	2	2	-	-	-
Non-Executive and Non-Independent	1. Mrs. S. S. Garware	1,75,465	3	2	-	-	NO
	2. Ms. Sonia Garware \$	2,68,595	3	2	-	-	NO

* Chairman of Audit Committee and Stakeholders Relationship Committee.

** This excludes directorship held in Private Companies, Foreign Companies, and directorship held as an Alternate Director but includes directorship in Garware Polyester Limited.

@ Mr. Nilesh R. Doshi joined the Board w.e.f. 12th November, 2014.

\$ Ms. Sonia Garware relinquished from the post of Jt. Managing Director of the Company w.e.f. 30th September, 2014, however she continues to be on the Board as a Non-Executive and Non-Independent Director of the Company.

Committee of Directors includes membership in Audit Committee, Stakeholders Relationship Committee which has been considered as per Clause 49 of the Listing Agreements. This includes membership in Committee of Directors of Garware Polyester Limited.

Independent Directors

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Rules made there under and meet with requirement of Clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange. A letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Agreement has been issued and disclosed on the website of the Company viz. www.garwarepoly.com

b) MEETING OF THE BOARD OF DIRECTORS:

The Company Secretary prepares the agenda and the explanatory notes, in consultation with the Chairman and Managing Director, Whole-time Directors and other departmental heads and circulates the same in advance to all the Directors. 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) previous Board Meetings, (b) Audit Committee Meetings, (c) Stakeholders Relationship Committee Meetings (d) Nomination and Remuneration Committee Meeting and such other relevant information. The information as specified in Annexure 1A of Clause 49 of the Listing Agreement is regularly made available to the Board, whenever applicable for discussion and consideration.

The Board meets at least once every quarter (at interval of less than 120 days), inter alia, to review the quarterly results. During the year under review commencing w.e.f. April 1, 2014, four Board Meetings were held. The gap between any two Board Meetings did not exceed 4 months. The details of Board Meetings held during financial year 2014-15 are given below:

Sr. No.	Date	Total Strength of the Board	No. of Directors Present.
1	29.05.2014	12	10
2	31.07.2014	11	8
3	12.11.2014	12	10
4	12.02.2015	12	9

Post Meeting Mechanism

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

Board Support

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

FAMILIARISATION PROGRAMME FOR DIRECTORS

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations and affirmation taken with respect to the same. The Chairman and Managing Director also have one to one discussion with the newly appointed Director to familiarise him with the Company's operations. Further the Company has put in place a system to familiarise

the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

II. COMMITTEES OF THE BOARD

The Board has constituted Committees of 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 Responsibility Committee

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

(A) AUDIT COMMITTEE:

(i) Composition:

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

Mr. B. Moradian	Chairman	Independent Non-Executive Director
Mr. M. S. Adsul	Member	Executive and Non Independent Director
Dr. M. C. Agarwal	Member	Independent Non-Executive Director
Mr. T. M. Parikh	Member	Independent Non-Executive Director
Mr. Nilesh R. Doshi (Appointed w.e.f. 29.05.2015)	Member	Independent Non-Executive Director

The Company Secretary, acts as Secretary to the Committee.

(ii) Terms of Reference:

The powers and terms of reference of the Audit Committee are as mentioned in Clause II (C), (D) & (E) of the Listing Agreement and Section 177 (4) of the Companies Act, 2013. The brief descriptions of terms of reference are:

- Overseeing and ensuring the adequacy and compliance of internal control systems.
- Reviewing the quarterly, half-yearly and annual financial statements with special emphasis on accounting policies and practices, compliance with accounting standards and other legal requirements concerning financial statements before submission to the Board.
- Reviewing the adequacy of the Audit and Compliance, including their policies, procedures, techniques and other regulatory requirements.
- Undertaking periodical review of Internal Audit Reports and appraising and reviewing the scope of Internal Audit functions from time to time.
- Interacting effectively with the Statutory Auditors, Secretarial Auditor and Cost Auditor from time to time and to discuss about finalisation of annual financial statements, secretarial and cost audit reports.

- Approval of appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate.
- Considering any other matter, which may be referred to them by the Board of Directors of the Company.
- The Minutes of the Audit Committee Meetings are placed at the Meeting of the Board of Directors.
- Review of the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions;
 - Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the Chief Internal Auditor.
 - The appointment of Statutory Auditors for services other than Statutory Audit.

(iii) Meetings and attendance during the year:

The Audit Committee met four times during the year as per details given below.

Sr. No.	Date	Strength	No. of Members Present
1	29.05.2014	4	4
2	31.07.2014	4	4
3	12.11.2014	3	3
4	12.02.2015	4	4

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

Name of Members	Audit Committee Meetings Attended
Mr. B. Moradian	3
Mr. M. S. Adsul	4
Dr. M. C. Agarwal	4
Mr. T M. Parikh	4

(B) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Board of the Company has constituted Stakeholders Relationship Committee comprising of the following Directors:

(i) Composition:

Mr. B. Moradian	Chairman	Independent Non-Executive Director
Mrs. Sarita Garware Ramsay	Member	Executive and Non-Independent Director
Dr. M. C. Agarwal	Member	Independent Non-Executive Director

The Company Secretary acts as Secretary to the Committee.

(ii) Terms of Reference:

Brief descriptions of terms of reference are:

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

(iii) Details of complaints received and redressed during the year from 1st April, 2014 to 31st March, 2015.

During the year under review, the Company has resolved investor grievances expeditiously. As per information received from Registrar M/s. Link Intime India Private Limited, during the year, the Company received 98 complaints from shareholders, which were resolved. The details are as under:

Nature of Complaint	No. of Complaints	No. of Complaints Resolved as on 31.03.2015	No. of Complaints Pending as on 31.03.2015
Transfer of Shares	15	15	Nil
Dividend	71	71	Nil
Others	12	12	Nil
Total	98	98	Nil

(iv) Meetings and attendance during the year:

During the year, the Stakeholder Relationship Committee met 26 times. As on 31st March, 2015, 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
Mr. B. Moradian	13
Mrs. Sarita Garware Ramsay	26
Dr. M. C. Agarwal	14

(v) Investor's Grievances:

The Registrars and Share Transfer Agents, viz. Link Intime India Private Limited under supervision of the Secretarial Department of the Company redresses the Investor's grievances.

(C) NOMINATION AND REMUNERATION COMMITTEE:

The Board has constituted a Nomination and Remuneration Committee comprising of the following Directors:-

(i) Composition:

Mr. B. Moradian	Chairman	Independent Non-Executive Director
Dr. M. C. Agarwal	Member	Independent Non-Executive Director
Mr. T M. Parikh	Member	Independent Non-Executive Director

(ii) Terms of Reference:

Brief descriptions of terms of reference are:

- 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 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.
- To review the overall compensation policy and remuneration payable to Managing / 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:

The Nomination and Remuneration Committee met three times during the year as per details given below.

Sr. No.	Date	Strength	No. of Members Present
1	31.07.2014	3	3
2	12.11.2014	3	2
3	12.02.2015	3	3

The attendance of Members was as under:

Name of Members	Nomination & Remuneration Committee Meetings Attended
Mr. B. Moradian	2
Dr. M. C. Agarwal	3
Mr. T M. Parikh	3

(iv) The Company does not have any Employee Stock Option Scheme.**(D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE****(i) Composition**

Pursuant to the provisions of the Section 135 of the

Companies Act, 2013, the Board has constituted a Corporate Social Responsibility Committee on 29th May, 2014. Mrs. Sarita Garware Ramsay is the Chairperson and Mr. B. Moradian and Dr. M. C. Agarwal are the other two members of the Committee and defined the role of the Committee.

The Company Secretary acts as Secretary to the Committee.

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

(ii) Terms of Reference

The Committee is *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 met once on 31.07.2014. The necessary quorum was present at the meeting. Mrs. Sarita Garware Ramsay – Chairperson of the Committee and Mr. B. Moradian – Member of the Committee were present at the Meeting.

(E) INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on March 19, 2015, *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 and Mr. Nilesh R. Doshi, Independent Directors were present for this meeting.

III. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION:**(A) Remuneration to Non-Executive Directors**

The Non-Executive Directors are paid remuneration by way of sitting fees. The Non-Executive Directors are paid sitting fees for each meeting of the Board or Committee of Directors attended by them. The total amount of sitting fees paid during the Financial Year 2014-15 was Rs. 3,74,000/-. The Non Executive Independent Directors do not have any material pecuniary relationship of transactions with the Company.

(B) Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Chairman and Managing Director and Whole time Directors is governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and shareholders of the Company. The remuneration package of the Chairman and Managing Director and Whole-time Directors comprises of salary, perquisites, allowances and contributions to Provident Fund and other Retirement Benefits Funds as approved by the shareholders at their General Meetings.

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 the peer companies. Compensation reflects each Board member's responsibility and performance. The remuneration to Managing Director, Joint Managing Directors and Director-Technical are paid as per the Agreements entered into between them and the Company. Whenever necessary, Company seeks approval of Central Government for their remuneration.

(C) DETAILS OF REMUNERATION PAID TO DIRECTORS FOR THE YEAR ENDED MARCH 31, 2015.

(i) For Non-Executive Directors:

Details of sitting fees paid to Non-Executive Directors during Financial Year 2014-15.

(Amount in Rs.)

Names	Board Meeting	Audit Committee Meeting	Share Transaction Cum Investor Grievance Committee Meeting	Nomination & Remuneration Committee Meeting	Corporate Social Responsibility Committee Meeting	Independent Directors Committee Meeting
Mrs. S. S. Garware	30,000	-	-	-	-	-
Ms. Sonia Garware	20,000	-	-	-	-	-
Mr. B. Moradian	30,000	6,000	26,000	4,000	2,000	10,000
Dr. M. C. Agarwal	40,000	8,000	28,000	6,000		10,000
Mr. N. P. Chapalgaonkar	30,000	-	-	-		-
Mr. Ramesh P. Makhija	30,000	-	-	-		-
Mr. T. M. Parikh	40,000	8,000		6,000		10,000
Mr. Nilesh R. Doshi	20,000	-	-	-		10,000
TOTAL	2,40,000	22,000	54,000	16,000	2,000	40,000

Except as above, the non-executive directors have not other pecuniary interest in the Company, as disclosed to us.

(ii) For Executive Directors:

The aggregate remuneration paid to Executive Directors for the year ended 31st March, 2015 is as under:

(Rs. in Lakhs)

Names	Salary	Perquisites & Allowances	Retirement Benefits	Performance linked Bonus	Stock Option
Shri S. B. Garware*	217.92	110.65	71.56	Nil	Nil
Mrs. Monika Garware Modi	138.00	42.80	55.60	Nil	Nil
Mrs. Sarita Garware Ramsay	126.00	38.25	45.98	Nil	Nil
Ms. Sonia Garware*	48.00	29.24	5.32	Nil	Nil
Mr. M. S. Adsul	36.00	0.40	Nil	Nil	Nil

Certain Executive Directors (whole time 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.

*The applications seeking approval for the above remuneration to be paid to Shri S. B. Garware - Chairman and Managing Director for the period from 1st November, 2014 to 31st October, 2019 and to Ms. Sonia Garware - Joint Managing Director of the Company for the period from

1st April, 2014 to 31st March, 2015 is pending with the Central Government.

Service contract in respect of Managing Director, Joint Managing Directors and Director-Technical are for five years.

(D) PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees.

The performance evaluation of the Chairman and Managing Director and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

IV. DISCLOSURES

(A) Compliances with Governance Framework

- (i) The Company is in compliance with all mandatory requirement of Clause 49 of the Listing Agreement.
- (ii) All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and at 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. 35 of significant accounting policies and notes forming part of the financial statements in accordance with 'Accounting Standard 18'. A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit Committee for their review and their recommendations to the Board for their approval.

As required under Clause 49, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company www.garwarepoly.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) No penalties/strictures have been imposed on the Company by Stock Exchange or SEBI or other statutory authority on any matters related to capital markets, during the last three years.
- (v) During the financial year 2014-2015, in accordance with the revised clause 49 (II) (F) of Listing Agreement and pursuant to section 177(9) read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 of the Companies Act, 2013, 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. 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: vvr@garwarepoly.com

Telephone No: 0240-2567400

- (vi) In the preparation of the financial statements, the Company has followed the 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.
- (vii) 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.
- (viii) Adoption of non-mandatory requirements of clause 49 of the Listing Agreement 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, 2015. 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 & Head Compliance is responsible for implementation of the Code.

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

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) Subsidiary Companies

The Company does not have any material subsidiary company as defined under clause 49 of the Listing Agreement.

V. MEANS OF COMMUNICATION

- The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within two months from the close of the financial year as per the requirements of the Listing Agreement with the Stock Exchange. The aforesaid financial results are sent to BSE Limited (BSE) where the Company’s securities are listed, immediately after these are approved by the Board. The results are published within forty-eight hours in leading English and Marathi daily newspapers. The audited financial statements form a part of the Annual

Report which is sent to the Members well in advance of the Annual General Meeting.

- The Company also informs by way of intimation to BSE all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members and subsequently issues a Press Release in regard to the same.
- In Compliance with Clause 52 of the Listing Agreement, 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 and through Corporate Filing and Dissemination System (CFDS) website www.corpfilings.co.in. The Company has complied with filing submissions through BSE’s Online Portal.
- The Board of Directors of the Company approves and takes on record the unaudited quarterly financial results in the format prescribed by the Stock Exchange, and discloses the said financial results to the Bombay Stock Exchange Limited, where the shares of the Company are listed.
- Further, the said results in the prescribed format are published in the leading newspapers.
Periodic information relating to shareholding pattern and quarterly financial results are also made available on the Company’s web-site immediately after the conclusion of respective Board Meeting. The Company’s website is: www.garwarepoly.com
- Report on Management Discussion and Analysis forms part of this Annual Report.
- The quarterly results. Shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchange viz. BSE Limited are filed electronically. The Company has complied with filing submissions through BSE’s Listing Centre.

VI. GENERAL SHAREHOLDER INFORMATION

- (i) **Annual General Meeting Date, Time and Venue:**
29th September, 2015 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) **Financial Calendar (tentative)**

Financial Year	1 st April, 2015 to 31 st March, 2016
Unaudited Financial Results for the Quarter ending: 1) 30 th June 2015; 2) 30 th September 2015; 3) 31 st December 2015 and 4) 31 st March 2016.	Within 45 / 60 days from the end of reporting quarter.
Annual General Meeting for year ending - 31 st March, 2016	Before the end of September 2016.
Date of Book Closure for the current financial year	22 nd September, 2015 to 29 th September, 2015.
Email address for Investor Complaints	nimeshshah@garwarepoly.com and pranav@garwarepoly.com

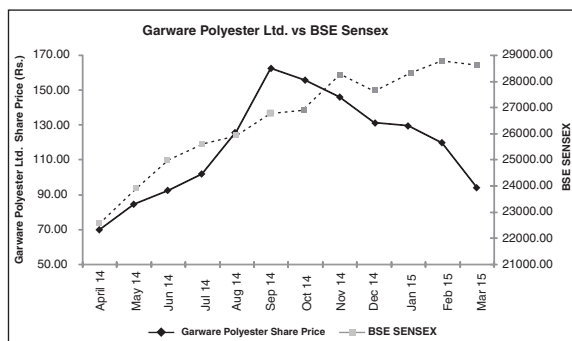
(iv) **Listing on Stock Exchange**

- Shares of the Company are listed on the Bombay Stock Exchange (BSE Ltd.), under Stock Code No. 500655.
- ISIN No. for dematerialised shares is INE 291A01017.
- The Company has paid Annual Listing Fees for the year 2015-16 to the above Stock Exchange.
- The Company has paid custodial charges to National Securities Depository Limited and Central Depository Services (India) Limited.

(v) **Share price Data on The Stock Exchange, Mumbai**

Month	Share Price Data		BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
April 2014	78.80	61.10	22939.31	22197.51
May 2014	97.20	72.15	25375.63	22277.04
June 2014	104.00	81.25	25725.12	24270.20
July 2014	114.00	90.00	26300.17	24892.00
August 2014	145.00	108.70	26674.38	25232.82
September 2014	193.50	132.15	27354.99	26220.49
October 2014	165.00	147.05	27894.32	25910.77
November 2014	165.70	127.00	28822.37	27739.56
December 2014	142.00	121.05	28809.64	26469.42
January 2015	143.85	115.70	29844.16	26776.12
February 2015	139.45	100.70	29560.32	28044.49
March 2015	109.40	79.50	30024.74	27248.45

(vi) **Performance of Share Price in comparison to the BSE Indices**



(vii) **Registrars and Share Transfer Agents:**

Link Intime India Private Limited,
C-13, Pannalal Silk Mill Compound,
L.B.S. Marg, Bhandup (West), Mumbai – 400 078.
Tel. No.: 022 - 25946970 Fax No.: 022 - 25946969
e-mail : mt.helpdesk@linkintime.co.in
Contact Person: Mr. Mahesh Masurkar

(viii) **Share Transfer System**

The Share Transfer requests received in physical form are registered and transferred within 15 days from the date of lodgement by the Registrars and Share Transfer Agents if the same are valid and complete in all respects and thereafter the same are duly approved by Stakeholders Relationship Committee. Since the Company's shares are compulsorily traded in demat segment on the Stock Exchange, Mumbai, bulk of the transfers takes place in electronic form.

(ix) **Categories of shareholding as on 31st March, 2015.**

Sr. No.	Category	No. of shares held	% share-holding
1	Promoters (Shri S. B. Garware, family and Associates)	1,40,74,010	60.36
2	Mutual Funds and UTI	15,076	0.06
3	Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions/ Non-Govt. Institutions)	8,57,261	3.68
4	Private Corporate Bodies	11,28,838	4.84
5	Foreign Institutional Investors	2,355	0.01
6	NRIs	1,70,615	0.73
7	Indian Public	70,66,995	30.32
	Grand Total	2,33,15,150	100.00

(x) **Distribution of Shareholdings as on 31st March, 2015**

No. of Shares held	No. of Share-holders	% of Share-holders	No. of Shares	% of Share-holding
1 to 500	29551	96.95	2482532	10.65
501 to 1000	471	1.55	364737	1.56
1001 to 2000	230	0.75	359184	1.54
2001 to 3000	60	0.20	150198	0.64
3001 to 4000	19	0.06	68101	0.29
4001 to 5000	29	0.09	138617	0.60
5001 to 10000	43	0.14	323208	1.39
10001 and above	78	0.26	19428573	83.33
Total	30481	100	23315150	100

(xi) **Dematerialisation of Shares and Liquidity**

Company's shares are available for dematerialisation 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. The Shares of the Company are compulsorily to be delivered in the demat form to the Stock Exchanges by all investors. Nearly 94.47% of the equity shares of the Company have been dematerialised by investors and bulk of transfers take place in the demat form.

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 the 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, 2015 other than Promoter/ Promoter Group.

Sr. No.	Name of the Shareholder	No. of Shares held	% of Holding
1.	Minal B. Patel	1159484	4.97
2.	Life Insurance Corporation of India	853956	3.66
3.	Hardik Bharat Patel	550544	2.36
4.	Pat Financial Consultants Pvt. Ltd.	326277	1.40
5.	Dalal & Broacha Stock Broking Pvt. Ltd.	271836	1.17
6.	Ruchit Bharat Patel	162073	0.70
7.	Nedhi Goel	146442	0.63
8.	Garware Wall Ropes Ltd.	146350	0.63
9.	Ramesh Bhalchandra Garware	100200	0.43
10.	Nilima Upendra Mehta	98476	0.42

(xii) **Outstanding GDRs/ADRs/**

Warrants or any convertible instruments and conversion date and likely impact on equity : Not Applicable

(xiii) **Plants Locations :**

Waluj, Chikalthana and Nasik.

(xiv) **Address for Correspondence:**

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: nimeshshah@garwarepoly.com

(xv) **Reappointment / Appointment of Directors**

- Information on Directors retiring by rotation and directors seeking re-appointment, subject to members approval at the ensuing Annual General Meeting is provided in the Notice.
- Ms. Sonia Garware relinquished from the post of Jt. Managing Director of the Company w.e.f. 30th September, 2014, and has continued to be on the Board as a Non-Executive & Non-Independent Director of the Company.
- Mr. Nilesh R. Doshi Joined the Board w.e.f. 12th November, 2014 as an Independent and Non-Executive Director of the Company.

(xvi) **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 in terms of Clause 49. The Chief Financial Officer also gives quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41.

(xvii) **Information on General Body Meetings**

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

	Date	Venue	Time
55 th AGM	05.09.2012	Registered Office: Naigaon, post Waluj, Aurangabad-431133	11.30 a.m.
56 th AGM	26.09.2013		11.30 a.m.
57 th AGM	25.09.2014		11.30 a.m.

The following are the Special Resolutions passed at the Annual General Meetings held in the last 3 years:

Date of Meeting	Summary of Resolution
September 25 th , 2014	<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. 2) Variation in payment of remuneration to Mrs. Monika Garware Modi – Vice Chair Person and Jt. Managing Director of the Company. 3) Variation in payment of remuneration to Mrs. Sarita Garware Ramsay – Jt. Managing Director of the Company. 4) Variation in payment of remuneration to Ms. Sonia Garware – Jt. Managing Director of the Company.
September 26 th , 2013	<ol style="list-style-type: none"> 1) Appointment of auditors 2) Re- Appointment & payment of remuneration to Mrs. Monika Garware Modi - Jt. Managing Director of the Company. 3) Re- Appointment & payment of remuneration to Mrs. Sarita Garware Ramsay - Jt. Managing Director of the Company. 4) Revision in payment of remuneration to Ms. Sonia Garware – Jt. Managing Director of the Company. 5) Re-Appointment & payment of remuneration to Mr. M. S. Adsul as Whole –Time Director.
September 5 th , 2012	<ol style="list-style-type: none"> 1) Appointment of auditors 2) Appointment of Ms. Sonia Garware as Jt. Managing Director 3) Appointment of Mr. M.S. Adsul as Whole-Time Director

All resolutions moved at the last Annual General Meeting were passed by the requisite majority of shareholders.

Postal Ballot

During the year, pursuant to the provisions of the Section 110 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, the Company has passed certain resolutions through Postal Ballot, as per the details mentioned below:

The Company as per the Postal Ballot Notice dated November 12th, 2014, passed three resolutions: (1) Appointment of Mr. Nilesh R. Doshi as an Independent Director of the Company (2) Increase in borrowing limits of the Company and (3) Creation of Charge on the movable and immovable properties of the Company situated at Aurangabad and Nashik in respect of the borrowings.

The Board had appointed Mr. Nilesh G. Shah, Practicing Company Secretary as the scrutinizer to conduct the Postal Ballot process. The results of the postal ballot were declared on December 24, 2014. Details of the voting pattern were as under:

Description of Resolution	No. of total valid Postal Ballot Forms/e-votes received	Votes Cast (no. of Shares)	
		For	Against
Approval for appointment of Mr. Nilesh R. Doshi as an Independent Director of the Company.	308	15762407	1182
Increase in borrowing limits of the Company.	308	15760796	3002
Creation of Charge on the movable and immovable properties of the Company situated at Aurangabad and Nashik in respect of the borrowings	309	15760609	3199

Accordingly the aforesaid resolutions were approved by the shareholders, with requisite majority.

Declaration by CMD under Clause 49 of the Listing Agreement regarding adherence to the Code of Conduct

In accordance with Clause 49 of the Listing Agreement with the Bombay Stock Exchange, I hereby confirm that, all the members of the Board and Senior Management personnel of the Company have affirmed compliance with company's Codes of Conduct, as applicable to them for the financial year ended 31st March, 2015.

S. B. Garware
Chairman & Managing Director

Place : Mumbai
Date : August 06, 2015

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

TO THE MEMBERS OF GARWARE POLYESTER LIMITED

I have examined the compliance of conditions of Corporate Governance by GARWARE POLYESTER LIMITED (the Company) for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Bombay Stock Exchange.

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

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

ABBAS LAKDAWALLA
Practicing Company Secretary

Place : Mumbai
Date : 4th July, 2015

FCS 2988
CP 4052

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

Company Overview & Economic Environment

Garware Polyester Limited (GPL) is the pioneer and one of the largest exporters of polyester films in India. The Company manufactures Bi-axially Oriented Polyethylene Terephthalate (BOPET) / Polyester Films, Sun Control Films, BOPP films, Thermal Lamination films and Specialty Polyester films of high quality for a variety of end applications. GPL also manufactures the premium grade heat rejection films based on the latest 'Nano Technology' developed in its in-house R&D facility centre. The Company commissioned the BOPP Plant (Bi-axially oriented Polypropylene) which has gone into commercial operation since August 2014. BOPP is also a raw material that plays an important part in the manufacture of Thermal Lamination Films which are produced on our Thermal Lamination Line. This line was set up as part of the Company's efforts to ensure forward integration. The Company is already backward integrated through the establishment of a Batch Process Polyester Chips plant which ensures a steady stream of supply of chips for the Film Lines. The Company's strength is its integrated manufacturing facilities, R&D Center and specialty products developed for various end applications.

1. Industry Structure and Developments

Polyester films has wide applications in a host of industries engaged in the manufacture of flexible packaging, shrink labels, electrical motor and cable insulation, sequin, TV screen, magnetic media, imaging, metallic yarn, laminated films for glass tint, safety application etc. Sun Control films cater to the automobile and real estate sector. The Company has a well-developed marketing network throughout the world, some of the major regions being Europe, USA, Far East, Middle East, Africa, South America etc. The Company has developed a wide network of dedicated customers in Europe, USA, Far East, Middle East, Brazil, Australia, China, Russia, New Zealand, Eastern Europe, Mexico and Africa. 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 besides a branch in UK. This ensures a cohesive global organization that can weave its operations in the above countries. The quality of GPL products is rated amongst the best in the world and the Company pays special attention on customer service and satisfaction due to which the customer base is consistent and increasing.

2. Opportunities and Threats

The supply demand situation for polyester films continues to be not favorable as the capacities are exceeding demand. The external environment is not conducive and supportive enough to meet the increased supply coming out of the developing and developed countries. This scenario is likely to be continued for some more time until the Global economies and consumption picks up. Due to uncertainty in the advanced economies and continuing euro debt crisis, the Global economy is adversely impacted resulting in weak domestic and external demand. Policy uncertainty, relatively tight money policy with sustained level of high real interest rates accentuated the problem. Furthermore, due to the commoditized nature of BOPET films, the Industry remains highly competitive with pressure on margins.

For the Company, the strategy is to focus on the specialty films, launch new products, strengthen network and services and speed up brand building initiatives. Plans are afoot on a marketing warpath, overhauling the product portfolio and penetrate newer markets, launch aggressive advertisement campaigns. The shrink label application film is very well stabilized in the market. With demand

outlook for High Shrink films remaining robust, the Company has plans to shift to the Specialty PET shrink Films, where it sees a tremendous opportunity. In thermal film, GPL has developed Gold & Feather Feel Films. The Company therefore hopes to rapidly grow its market share in various film segments. Earnings booster will come out of the recently commissioned BOPP plant as part of a move to diversify into value added products i.e. Thermal Lamination to metalized films. With this, GPL would be the only company in the segment which will be manufacturing BOPET, BOPP, Thermal Lamination and Sun Control Films.

GPL derives its strength from its established track record, experienced management, diversified customer and product profile, well recognized brands and integrated manufacturing facilities which are expected to augur well for the company's future growth.

The Company has stopped the sale of Sun Control film in Domestic Market for automobile application due to ban imposed by the Judgment of Hon. Supreme Court of India and making efforts to divert its capacity for international market. The Company has increased sale of Sun Control Film for Building segment.

3. Outlook Exports

Plain Film:

The Company has maintained its record of being the top exporter of polyester films and bagged the top exporter award from Plexconcil. With the introduction of variety and high quality product offerings, the Company is fully confident of maintaining its strong position in exports. Presently Company products are being successfully sold in China, Europe, Eastern Europe, USA, South America, Africa, Middle East, Far-East, Australia, New Zealand etc.

Sun Control Film:

The Company has successfully launched multiple brands, new products and with aggressive and innovative marketing strategies. The Company has introduced Infrared rejection films which can reduce infrared heat up to 92% apart from UV reduction of 95%. The Company has also introduced technology based films. The Company has also developed the film to filter the mobile tower radiation. The growth in Sun Control films is expected to be sustained during the coming years. Sun Control films are presently being marketed throughout the world and our consistent high-class quality and better customer orientation are highly valued in the market. The Company plans to market window films in the Realty Sector aggressively and the thrust will continue to be for exports. The Consumer Division Products of the Company are marketed in Europe through its Subsidiary / Branch in UK and in the USA market by Global Pet Films Inc. (GPF), a wholly owned subsidiary of GPIL. The aim is to expand export base and through the above Branch/Subsidiary catapult international operations into a major growth driver.

The company through its subsidiary Global Pet Films Inc. (GPF) USA has been catering to customers across USA. GPF is the marketer of the brand 'GLOBAL WINDOW FILMS' which is registered in the US and is one of the most popular brands. The subsidiary is catering to Russia, Europe, Asia-Pacific and Africa marketing films under the brand "Garware Sun Control".

Thermal Film:

With variety and high quality product offerings in thermal lamination films, the Company is fully confident of growing its share in the export market. With setting up of the BOPP plant, the Input films for thermal Lamination will be available within thereby rendering the operations cost effective. GPL has developed Gold & Feather feel

films at this division and focusing on increasing exports volume for these speciality products.

Domestic Market:

Growing Retail sector, increasing preference towards packaged items, liberalization and rising middleclass is expected to increase with the consumption of Polyester 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.

4. Review of Operation

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

(Rs. in Lakhs)

Particulars	2014-15	2013-14	% Change
Net Sales	88679.37	83518.59	6%
Other Income	2657.69	1163.02	129%
Profit before Interest, Depreciation and Exceptional Items	8523.08	7887.72	8%
Interest & Financial Charges	4364.22	3694.74	18%
Depreciation	1508.15	3347.51	-55%
Exceptional Items	0	622.16	--
Profit before Tax	2650.71	1467.63	81%
Provision for Tax	917.20	329.97	178%
Profit after Tax	1733.51	1137.66	52%
Earnings per share (Basic and Diluted)	7.44	4.88	52%
Market Capitalization	23804.77	14711.86	62%

5. 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.

6. 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.

7. Risks and Concerns

Due to the volatility of crude oil prices and depreciation / appreciation of Rupee vis-à-vis US dollar, the raw material prices has been exhibiting a volatile trend 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 endeavored to monitor and mitigate these risks.

8. 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 from those expressed or implied since the Company's operations are influenced by many external and internal factors beyond the control of the Company. The Company takes no responsibility for keeping the members updated on changes in these factors except as may be statutorily required from time to time.

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

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

To
The Members,
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 Polyester Limited (hereinafter called **“the Company”**). The 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, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to reporting made hereinafter.

We herewith report that the maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management 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 check basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31st March, 2015, as per the provisions of:

- (i) The Companies Act, 2013 and the rules made there under (including the statutory Books maintained by Company in terms of Provisions of Companies Act, 1956 and in force, during our Audit Period);
- (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;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB), 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”):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (to the extent applicable);
- (d) 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;
- (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 operation. We have in-principally verified systems and mechanism which is in place and followed by the Company to ensure Compliance of other applicable Laws like Labor Laws, Industrial Laws, Environmental Protection Laws etc. as applicable to the Company and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the same.

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with Stock Exchange(s).

We further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations / Guidelines:

- (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (c) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (e) Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 1956

Based on aforesaid information provided by the Company, we report that during the financial year under report, the Company has complied with the provisions of the above mentioned Act/s including the applicable provisions of the Companies Act, 1956 / 2013 and Rules, Regulations, Guidelines, Standards etc. mentioned above and we have not found material observation / instances of material non Compliance in respect of the same.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

We also report that adequate notice was given to all Directors to schedule the Board Meetings. The agenda along with detailed notes to agenda were sent at least seven days in advance and a reasonable system exists for Board Members to seek and obtain further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

It is noted that 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 representations 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 in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules and regulations.

We further report that during the year under report, the Company has undertaken following corporate action having a major bearing on the Company's affairs in pursuance of aforesaid laws, rules and regulations:

- (i) Redemption of 54,46,000 – 0.01% Cumulative Redeemable Preference Shares of Rs. 100/- each dated 12th February, 2015.

Sd/-
Nilesh Shah
 For **Nilesh Shah & Associates**
 FCS : 4554
 C.P. : 2631

Date: July 04, 2015

Place: Mumbai

Note : This Report has to be read with "Annexure - A"

'ANNEXURE A'

To
The Members,
Garware Polyester Limited
 Naigaon, Post Waluj,
 Aurangabad-431133

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records made available to us) 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 the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained Management representation about the compliance of laws, rules and regulations and occurrence of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is responsibility of management. Our examination was limited to the verification of process followed by Company to ensure adequate Compliance.
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.

Sd/-
Nilesh Shah
 For **Nilesh Shah & Associates**
 FCS : 4554
 C.P. : 2631

Date: July 04, 2015

Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GARWARE POLYESTER LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **GARWARE POLYESTER LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information, in which are incorporated the Returns for the year ended on that date audited by the branch auditors of the Company's branch at London (United Kingdom).

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to Note No. 30 relating to payment of remuneration to managerial personnel which is subject to sanction of the Central Government.

Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements of one branch included in the standalone financial statements of the Company whose financial statements reflect total assets of Rs. 32.58 Lakhs as at 31st March, 2015 and total revenues of Rs. 315.84 Lakhs for the year ended on that date, as considered in the standalone financial statements. The financial statements of this branch has been audited by the branch auditor whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- As required by Section 143 (3) of the Act, we report that:
 - 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.
 - 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 and proper returns adequate for the purposes of our audit have been received from the branch not visited by us.
 - The reports on the accounts of the branch office of the Company audited under Section 143 (8) of the Act by branch auditor have been sent to us and have been properly dealt with by us in preparing this report.
 - The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branch not visited by us.
 - In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - 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:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note No. 37).
 - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts (Refer Note No. 39).
 - 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

Chartered Accountants
(Firm's Registration No.: 106041W)

P. N. Shah

Partner
(Membership No.: 001738)

Place: Mumbai

Date: 29th May, 2015

ANNEXURE TO THE AUDITORS' REPORT TO THE MEMBERS OF GARWARE POLYESTER LIMITED

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

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
2. (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
3. The Company has not granted secured or unsecured loans, to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified.
6. 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 sub-section (1) of Section 148 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.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable were in

arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, wealth tax, service tax, duty of customs duty of excise, value added tax or cess as at March 31, 2015 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Financial Year to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	31.52	2002-03 and 2005-06	High Court
Income Tax Act, 1961	Income Tax	3.70	2006-07 and 2007-08	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1102.80	2009-10	Commissioner of Income Tax (A)
Income Tax Act, 1961	Income Tax	14.57	2010-11	Assessing Officer
Central Excise Act, 1944	Excise Duty	5.33	1989-90 and 2006-07	High Court
Central Excise Act, 1944	Excise Duty	38.87	1994-95 and 2001-02	Central Excise and Service Tax Appellate Tribunal
Local Body Tax	LBT	383.06	2012-13	High Court

- (c) The amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
8. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
9. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date.
10. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
11. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
12. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For Manubhai & Shah

Chartered Accountants
(Firm's Registration No.: 106041W)

P. N. Shah

Partner
(Membership No.: 001738)

Place: Mumbai
Date: 29th May, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

	Note	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2	2,325.31	7,771.31
Reserves and Surplus	3	54,378.13	52,872.77
		56,703.44	60,644.08
NON-CURRENT LIABILITIES			
Long Term Borrowings	4	6,062.81	7,314.78
Deferred Tax Liabilities (Net)	5	3,162.81	2,430.97
Long Term Provisions	9	497.78	448.38
		9,723.40	10,194.13
CURRENT LIABILITIES			
Short Term Borrowings	6	26,752.37	27,399.17
Trade Payables	7	4,526.58	4,367.11
Other Current Liabilities	8	4,495.58	4,915.98
Short Term Provisions	9	959.21	852.22
		36,733.74	37,534.48
TOTAL		103,160.58	108,372.69
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets:			
Tangible Assets	10	64,814.27	56,070.43
Intangible Assets	10	61.45	86.13
Capital Work-in-Progress	10	1,070.49	8,619.38
		65,946.21	64,775.94
Non-Current Investments	11	206.13	206.94
Long Term Loans and Advances	12	8,846.02	8,397.13
CURRENT ASSETS			
Inventories	13	13,370.96	14,555.75
Trade Receivables	14	4,811.32	5,894.24
Cash and Bank Balances	15	5,243.93	9,126.03
Short Term Loans and Advances	12	4,261.47	5,147.19
Other Current Assets	16	474.54	269.47
		28,162.22	34,992.68
TOTAL		103,160.58	108,372.69
Notes forming part of the financial statements	1 to 45		

As per our report of even date

For and on behalf of the Board of Directors

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

S. B. GARWARE
Chairman & Managing Director

M. S. ADSUL
Director (Technical)

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

B. MORADIAN
Director

NIMESH S. SHAH
Company Secretary &
Vice-President (Legal)

Mumbai, 29th May, 2015

GOKUL D. NAIK
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	Note	2014-15 Rs. in Lakhs	2013-14 Rs. in Lakhs
INCOME:			
Revenue from Operations (Gross Including Excise Duty)	17	93,437.86	87,882.15
Less: Excise Duty		4,758.49	4,363.56
Revenue from Operations (Net)		88,679.37	83,518.59
Other Income	18	2,657.69	1,163.02
Total Revenue		91,337.06	84,681.61
EXPENDITURE:			
Cost of Raw Materials Consumed	19	53,237.18	53,161.21
Changes in Inventories of Finished goods, Work-in-Progress & Traded Goods	20	360.90	(2,928.78)
Employee Benefits Expense	21	6,426.22	5,846.94
Other Expenses	22	22,789.68	20,714.52
Total Expenses		82,813.98	76,793.89
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)		8,523.08	7,887.72
Depreciation & Amortization Expenses	10	1,508.15	3,347.51
Finance Costs	25	4,364.22	3,694.74
Profit before Tax and Exceptional Items		2,650.71	845.47
Exceptional Items	24	0.00	622.16
Profit Before Tax		2,650.71	1,467.63
Tax Expenses			
Current Tax [includes Rs. 32.31 Lakhs for previous year (Previous Year Rs. 40.93 Lakhs)]		525.77	330.58
Less: Mat Credit Entitlement [Includes Rs. (28.10) Lakhs for previous year (Previous Year Rs.40.93 Lakhs)]		(457.91)	(317.93)
Deferred Tax	5	849.34	317.32
Total Tax Expenses		917.20	329.97
Profit for the year		1,733.51	1,137.66
Earning Per Share - Basic & Diluted (Rupees) (Face Value of Rs. 10/- each) Refer Note No. 26		7.44	4.88
Notes forming part of the financial statements	1 to 45		

As per our report of even date

For and on behalf of the Board of Directors

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

S. B. GARWARE
 Chairman & Managing Director

M. S. ADSUL
 Director (Technical)

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

B. MORADIAN
 Director

NIMESH S. SHAH
 Company Secretary &
 Vice-President (Legal)

Mumbai, 29th May, 2015

GOKUL D. NAIK
 Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	Year ended 31.03.2015 Rs. in Lakhs	Year ended 31.03.2014 Rs. in Lakhs
A. Cash flow from Operating Activities:		
Net Profit before tax as per Statement of Profit and Loss	2,650.71	1,467.63
Adjustments to reconcile profit before tax to cash provided by operating activities		
<i>Add:</i> Depreciation	1,508.15	3,347.51
Finance Cost	4,364.22	3,694.74
Provision for Leave & Gratuity	352.61	200.74
Sub Total	<u>6,224.98</u>	<u>7,242.99</u>
Total	8,875.69	8,710.62
<i>Less:</i> Interest Income	682.69	757.37
Gain on Exchange Rate Fluctuations	33.02	63.16
Profit on Sale of Fixed Assets	113.20	1.40
Profit on Sale of Investment	36.71	12.78
Dividend Received / Income from Investment	10.93	210.00
One Time Settlement (OTS) on Redemption of Preference Shares	1,446.00	0.00
Exceptional Items	0.00	622.16
Sundry balances Written Back (Net)	199.94	18.45
Rent	0.00	1.20
Sub total	<u>2,522.49</u>	<u>1,686.52</u>
Operating profit before working capital changes	6,353.20	7,024.10
Adjustments for:		
Trade Receivables	1,315.77	(1,418.86)
Inventories	1,184.79	(5,341.47)
Trade and Other Payables	(157.31)	851.20
Loans and Advances	826.50	925.95
Cash generated from operations	9,522.96	2,040.92
Direct Taxes Refund / (Paid) (Net)	(732.05)	(207.27)
Net cash inflow / (outflow) from operating activities	8,790.91	1,833.65
B. Cash flow from Investing Activities:		
Purchase of Fixed Assets	(2,998.56)	(8,536.31)
Proceeds from Sale of Fixed Assets	133.21	1.77
Interest Received	752.14	726.60
Proceeds from Sale of Investments	37.52	20.30
Dividend Received / Income from Investment	10.93	210.00
Rent	0.00	1.20
Net cash inflow / (outflow) from investing activities	(2,064.76)	(7,576.44)
C. Cash flow from Financing Activities:		
Interest / Financial Charges	(4,364.22)	(3,694.74)
Proceeds from Long Term Borrowings	1,776.11	3,253.67
(Repayments) of Long Term Borrowings	(3,274.69)	(2,749.14)
Redemption of Preference Shares	(4,000.00)	0.00
Proceeds (Repayment) from Short Term Borrowings (Net)	(745.11)	8,203.82
Dividend / Unclaimed Dividend paid including Dividend Distribution Tax	(0.33)	(0.93)
Net cash inflow / (outflow) from financing activities	(10,608.24)	5,012.67
Net increase / (decrease) in cash and cash equivalents	(3,882.10)	(730.12)
Cash and cash equivalents as at opening		
Cash and Bank Balances	9,126.03	9,856.15
Cash and cash equivalents as at closing		
Cash and Bank Balances	<u>5,243.93</u>	<u>9,126.03</u>
	(3,882.10)	(730.12)

As per our report of even date

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

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

Mumbai, 29th May, 2015

For and on behalf of the Board of Directors

S. B. GARWARE
 Chairman & Managing Director

M. S. ADSUL
 Director (Technical)

B. MORADIAN
 Director

NIMESH S. SHAH
 Company Secretary &
 Vice-President (Legal)

GOKUL D. NAIK
 Chief Financial Officer

1. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of presentation of Financial Statements

The financial statements are prepared under the historical cost convention modified by revaluation of fixed assets and in accordance with notified Accounting Standards by Companies (Accounting Standard) Rules, 2006 and relevant presentation requirements of the Companies Act, 2013. The company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

B. Use Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

C. Fixed Assets and Depreciation / Amortization

Fixed Assets are stated at cost net of MODVAT / CENVAT and includes amounts added on revaluation, less accumulated depreciation. Cost comprises of the purchase price and any directly attributable cost of bringing the assets to working condition for its intended use including interest and other incidental and trial run expenses up to the date of commercial production. Surplus on revaluation of assets is credited to Capital / Revaluation Reserve.

Depreciation / Amortization:

i) Tangible Assets:

Depreciation on Fixed Assets is provided as per useful life specified in Part C of Schedule II of the Companies Act, 2013.

No write-off is being made in respect of leasehold land.

ii) Intangible Assets:

Computer software @ 20% p.a.

D. Impairment of Assets

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

E. Investments

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

F. Inventories

- i) Raw Materials and Packing Materials are valued at the lower of cost and net realizable value. Cost is determined on a moving weighted average basis. Cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties & taxes, which are subsequently recoverable from the taxing authorities.
- ii) Stores and Spares are valued at cost computed on a moving weighted average basis. Cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes that are subsequently recoverable from the taxing authorities.
- iii) Semi-finished goods including those held for captive consumption is valued at factory cost including depreciation.
- iv) 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.
- v) Purchases of finished goods are valued at the lower of cost and net realizable value.

G. Foreign Currency Transactions

- i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- ii) Monetary items denominated in foreign currencies at the year-end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- iii) Non-monetary foreign currency items are carried at cost.
- iv) In respect of branch, which is integral foreign operations, all transactions are translated at rates prevailing on the date of transactions or that approximates the actual rate at the date of transactions. Branch monetary assets and liabilities are restated at the year-end rates.
- v) The company has opted for accounting exchange rate differences arising on reporting of long term Foreign Currency Monetary Items in line with Companies (Accounting Standard) Amendment Rules, 2009 on Accounting Standard - 11 (AS-11) notified by Govt. of India on March 31, 2009. Accordingly, the effect of exchange differences on Foreign Currency Loans of the company is accounted by addition or deduction to the cost of assets so far it relates to depreciable capital assets and in other cases by charging to statement of profit and loss as gain or loss on account of exchange difference.
- vi) Investments in shares of foreign subsidiary company are expressed in Indian Currency at the rate of exchange prevailing at the time when the original investments were made.

H. Duties

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

I. Employee Benefits**i) Short Term Employee Benefits:**

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

ii) Defined Contribution Plans:

Company contributes Provident Fund in accordance with EPF Act, 1952 and ESIC Schemes in accordance with ESIC Act, 1948 under Government administered schemes, however certain employees are covered under the contributory plans with the trust "Garware Polyester Limited Office Staff & Officers Provident Fund". Contributions are accounted on accrual / paid basis and charged to statement of Profit & Loss.

iii) Defined Benefit Plans:

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

J. Lease Rentals

Lease Rentals are accounted on accrual basis over the Lease Term as per the relevant Lease Agreements.

K. Research & Development

Revenue expenditure on Research and Development is charged out in the accounting year in which it is incurred. Expenditure, which results in creation of assets, is included in Fixed Assets and depreciation is provided on such assets as applicable.

L. Revenue Recognition:**i) Sale of Products**

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

ii) Export Benefits

Export entitlements under the Duty Draw Back Scheme / Other Schemes are recognized 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.

iii) Others

Revenue from services is recognised on rendering of services.

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

Interest income is recognised on the time proportion basis.

M. Taxation

- a) Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- b) Current tax is determined as the amount of tax payable in respect of taxable income for the 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.

N. Borrowing Cost

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

O. Measurement of EBITDA

The company has elected to present Earnings before Interest (Finance cost), Tax, Depreciation and Amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss for the year. The company measures EBITDA on the basis of Profit / (Loss) from continuing operations.

P. Provisions, Contingent Liabilities & Contingent Assets

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

Q. Earnings Per Share

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

		As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
2. SHARE CAPITAL			
Authorised:			
40,000,000 Equity Shares of Rs. 10/- each (Previous Year 40,000,000)		4,000.00	4,000.00
6,000,000 Preference Shares of Rs. 100/- each (Previous Year 6,000,000)		6,000.00	6,000.00
		<u>10,000.00</u>	<u>10,000.00</u>
Issued, Subscribed and Fully Paid-up:			
23,315,150 Equity Shares of Rs. 10/- each (Previous Year 23,315,150)	2,331.52	2,331.52	
Less: Unpaid Allotment / Call Money (from Others)	<u>6.21</u>	<u>6.21</u>	
		2,325.31	2,325.31
5,446,000 0.01% Cumulative Redeemable Preference Shares of Rs. 100/- each (Previous Year 5,446,000) (Refer Notes below)	5,446.00	5,446.00	
(5,446,000) Less: Redeemed during the year (Refer Notes below)	<u>5,446.00</u>	<u>0.00</u>	
		0.00	5,446.00
TOTAL		<u>2,325.31</u>	<u>7,771.31</u>

Out of the above:

- (i) 200,000 Equity Shares of Rs. 10/- each were allotted as fully paid up to various schemes operating under UTI Assets Management Company Ltd. at a premium of Rs. 22.67/- per share on 23rd December, 2008 as per arrangement. (Previous Year 200,000).
- (ii) 254,764 Equity Shares of Rs. 10/- each fully paid-up issued to the shareholders of Garware Chemicals Limited (GCL) as per the scheme of arrangement under Section 391 to 394 of the Companies Act, 1956 on 14th November, 2011 (Previous Year 254,764).
- (iii) 5,446,000 0.01% Cumulative Redeemable Preference Shares of Rs. 100/- each were allotted as fully paid up to IDBI at par (4,954,000 on 7th November, 2007 and 492,000 on 19th June, 2008) as per arrangement (Previous Year 5,446,000).

Terms / Rights attached to Shares:**Equity Shares:**

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each equity shareholder is entitled to One Vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the board of directors is subject to approval of shareholders in the ensuing Annual General Meeting.

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

Preference Shares:

The Preference Shares amounting to Rs. 4,954.00 Lakhs allotted on 07.11.2007 were redeemable in 3 equal installments from 1st April, 2014 to 1st April, 2016 and Rs. 492.00 Lakhs allotted on 19.06.2008 were redeemable in single installment on 1st April, 2016. These Preference Shares carry a fixed cumulative dividend of 0.01% per annum.

The company has fully redeemed the above Preference Shares amounting to Rs. 5,446.00 Lakhs by paying Rs. 4,000.00 Lakhs as One Time Settlement in full and final payment. The difference of Rs. 1,446.00 Lakhs has been credited in the Statement of Profit and Loss Account under Other Income.

Reconciliation of the number of Shares Outstanding at the beginning and at the end of the year**Equity Shares**

	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs
At the beginning of the year	23,315,150	2,331.52	23,315,150	2,331.52
Add: Issued during the year	0	0.00	0	0.00
Outstanding at the end of the year	<u>23,315,150</u>	<u>2,331.52</u>	<u>23,315,150</u>	<u>2,331.52</u>

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

Name of the Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	% of Holding	No. of Shares	% of Holding
S. B. Garware Family Trust	10,592,401	45.43	10,577,100	45.37

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Preference Shares

	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs
At the beginning of the year	5,446,000	5,446.00	5,446,000	5,446.00
Issued during the year	0	0.00	0	0.00
Redeemed during the year	5,446,000	5,446.00	0	0.00
Outstanding at the end of the year	0	0.00	5,446,000	5,446.00

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

Name of the Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	% of Holding	No. of Shares	% of Holding
IDBI Bank Limited	0.00	0.00	5,446,000	100.00

3. RESERVES AND SURPLUS

	As at 31.03.2015		As at 31.03.2014	
	Rs. in Lakhs		Rs. in Lakhs	
Capital Reserve:				
Balance as per last Balance Sheet		4,439.48		4,439.48
Capital Redemption Reserve:				
Balance as per last Balance Sheet		0.00		0.00
Add: Transferred from Surplus in the statement of Profit and Loss Account on Redemption of Preference Shares		5,446.00		0.00
		5,446.00		0.00
Securities Premium Reserve:				
Balance as per last Balance Sheet		592.14		592.14
Revaluation Reserve:				
Balance as per last Balance Sheet		10,105.40		10,105.40
General Reserve:				
Balance as per last Balance Sheet		6,909.91		6,909.91
Surplus in the Statement of Profit and Loss:				
Balance as per last Balance Sheet		30,825.84		29,687.57
Add: Proposed Dividend on Equity Shares of prior year written back		0.00		1.24
Less: Transferred from Assets whose balance useful life is Nil as per Schedule II of the Companies Act, 2013 (Net of Deferred Tax of Rs. 117.50 Lakhs)		228.15		0.00
Less: Transferred to Capital Redemption Reserve on Redemption of Preference Shares		5,446.00		0.00
Add: Profit for the year		1,733.51		1,137.66
Less: Appropriations				
Dividend Payable on Preference Shares [Rs. Nil Per Share (Previous Year One Paise Per Share)]		0.00		0.54
Tax on Dividend		0.00		0.09
		26,885.20		30,825.84
TOTAL		54,378.13		52,872.77

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

4. LONG TERM BORROWINGS

	Non-Current		Current	
	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
Secured Loans				
Term Loans:				
Indian Rupee Loan from Banks	4,657.47	5,519.83	2,398.80	2,398.80
Foreign Currency Loan from Banks	0.00	506.03	548.67	730.00
Fixed Asset Under Finance Lease Obligation	201.88	85.46	108.24	128.03
Unsecured Loans				
Interest Free Sales Tax / VAT Deferral Loan from SICOM	1,203.46	1,203.46	0.00	0.00
TOTAL	6,062.81	7,314.78	3,055.71	3,256.83

- 1) Term Loan of Rs. 7,604.94 Lakhs (Previous Year Rs. 9,154.66 Lakhs) are secured by first pari-passu charge on Fixed Assets of the company both present and future except Land and Building at Vile Parle, Mumbai, and also by way of second pari-passu charge on current assets of the company. The loans are repayable in 20 quarterly installments from quarter ended March 2011 till December 2018.
- 2) Fixed assets finances of Rs. 310.12 Lakhs (Previous Year Rs. 213.49 Lakhs) are secured by hypothecation of specific assets. The loans are repayable in 60 monthly / 20 quarterly installments. The installments are payable from October 2010 till January 2020 covering all loans taken at various dates.
- 3) Deferral Loan from SICOM is payable from April 2016 to April 2026.
- 4) The rate of interest on Foreign Currency Loans are at LIBOR + 7.5%, on Rupee Loan @ 12.75% to 14.05% p.a. and on Fixed Assets Loan @ 9.94 % to 11.80% p.a.

5. DEFERRED TAX LIABILITY (NET)

Major components of Deferred Tax (Liabilities) / Assets arising on account of timing differences as at 31st March, 2015 are as follows:

	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
Deferred Tax Assets		
Disallowance U/S 43B of the Income Tax Act, 1961	231.48	183.63
Unabsorbed Business Losses & Depreciation	810.27	596.20
Others	339.02	322.35
	(i) 1,380.77	1,102.18
Less: Deferred Tax Liability		
Excess of Net Block over WDV as per the Income Tax Act, 1961	(ii) 4,543.58	3,533.15
Deferred Tax Asset / (Liability) (Net)	(i - ii) (3,162.81)	(2,430.97)
Deferred Tax Asset / (Liability) as per Balance Sheet (Previous Year)	(2,430.97)	(2,113.65)
Deferred Tax Expense / (Income)	731.84	317.32
Add: Deferred Tax Expenses pertaining to assets transferred to retained earning whose balance useful life was Nil as on 01/04/2014 as per Schedule II of the Companies Act, 2013	117.50	0.00
Deferred Tax Expense / (Income) recognised in Profit & Loss	849.34	317.32

6. SHORT TERM BORROWINGS

	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
Cash / Packing Credit from Banks:		
Indian Rupees (Secured)	194.20	1,176.19
Foreign Currency (Secured)	7,139.66	3,399.40
Working Capital Loans	19,418.51	22,823.58
TOTAL	26,752.37	27,399.17

- a) Cash / Packing Credit Loans are secured by hypothecation of all the current assets including all stocks, book debts etc. of the company and further secured by a second charge on fixed assets of the company excluding property at Vile Parle.
- b) Interest on Working Capital (Rupee) Loans ranges between 11% to 15.80% p.a. and Foreign Currency Loans Libor + 2.5% to Libor + 3.50% p.a.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

7. TRADE PAYABLES

	As at 31.03.2015	As at 31.03.2014
	Rs. in Lakhs	Rs. in Lakhs
Due to Micro, Small & Medium Enterprises (Refer Note No. 38)	374.81	379.23
Others	4,151.77	3,987.88
TOTAL	4,526.58	4,367.11

8. OTHER CURRENT LIABILITIES

	As at 31.03.2015	As at 31.03.2014
	Rs. in Lakhs	Rs. in Lakhs
Current maturities of Long Term Borrowing (Refer Note No. 4)	3,055.71	3,256.83
Unclaimed Dividend #	66.71	67.01
Deposit & Advances from Customers & Vendors	756.62	445.29
Creditors for Capital Expenditure	164.20	696.85
Balance With Banks - Overdrawn as per Books	0.00	51.32
Payable to Employees	54.19	75.02
Statutory Liabilities	202.10	192.54
Provision For Expenses	196.05	131.12
TOTAL	4,495.58	4,915.98

These Figures do not include any amount due and outstanding to be credited to The Investor Education and Protection Fund.

9. PROVISIONS

	Long Term		Short Term	
	As at 31.03.15	As at 31.03.14	As at 31.03.15	As at 31.03.14
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Provisions for Employee Benefits: (Refer Note No. 28)				
Provision for Gratuity	0.00	0.00	58.46	43.83
Provision for Leave Encashment	497.78	448.38	895.08	803.72
	497.78	448.38	953.54	847.55
Other Provisions				
Provision for Dividend on Preference Shares	0.00	0.00	0.00	0.54
Provision for Tax on Dividend	0.00	0.00	0.00	0.09
Provision for Wealth Tax	0.00	0.00	5.67	4.04
	0.00	0.00	5.67	4.67
TOTAL	497.78	448.38	959.21	852.22

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

10 FIXED ASSETS:

Description	Gross Block		As at 31.03.2015	Depreciation / Amortisation				Impairment		Net Block As at 31.03.2015	
	As at 01.04.2014	Additions / Adjustments during the year		Disposal/ Transfers/ Adjustments during the year	Charge for the year (a)	Up to 01.04.2014	Net Charge for the year (a-b)	Disposal during the year	Up to 31.03.2015		As at 01.04.2014
TANGIBLE ASSETS:											
Land (Freehold)	25,476.92		25,476.92	0.00	0.00	0.00	0.00	0.00			25,476.92
Land (Leasehold)	6,740.94	21.94	6,740.94	0.00	0.00	0.00	0.00	0.00			6,740.94
Buildings	8,311.58	2,766.45	11,037.06	5,989.42	168.38	168.38	35.21	6,122.59	101.25	101.25	4,813.22
Plant & Machinery	75,871.74	7,143.49	83,015.23	46,476.22	1,055.96	1,055.96	0.17	47,532.18	8,722.52	8,722.52	26,760.53
Electrical Installations	3,019.27		3,019.04	2,743.85	231.50	199.91	0.17	2,975.18			43.86
Moulds	287.54		287.54	287.54	0.00	0.00		287.54			-
Laboratory Equipments	430.13	151.94	582.07	301.05	58.01	17.76		359.06	10.90	10.90	212.11
Furniture & Fixtures	566.53	175.94	742.47	506.63	32.31	16.30		538.94			203.53
Office Equipments	615.82	62.75	678.37	480.64	109.56	70.74		590.20			88.17
Vehicles	259.42		258.65	214.47	20.18	14.88		233.90			24.75
Vehicles on Finance Lease	753.83		667.25	497.50	56.73			481.82			185.43
Capital Expenditure On Research & Development	220.93		220.93	217.46	1.10	0.10		218.56			2.37
Data Processing Equipments	1,433.30	26.26	1,435.55	1,345.93	52.83	26.58		1,374.75	24.01	24.01	60.80
Data Processing Equipments on Finance Lease	0.00	216.64	216.64	0.00	15.00	0.00		15.00			201.64
TOTAL (A)	123,965.81	10,565.41	134,378.66	59,060.71	1,801.56	345.65	132.55	60,729.72	8,834.67	8,834.67	64,814.27
INTANGIBLE ASSETS:											
Software	244.96	27.56	272.52	158.83	52.24			211.07			61.45
Copyrights	157.46		157.46	157.46				157.46			0.00
Expenditure on Technical Know-how / Product Development	1,430.76		1,430.76	1,430.76				1,430.76			0.00
Goodwill	4,400.36		4,400.36	0.00				0.00	4,400.36	4,400.36	0.00
TOTAL (B)	6,233.54	27.56	6,261.10	1,747.05	52.24	0.00	0.00	1,799.29	4,400.36	4,400.36	61.45
TOTAL (A + B)	130,199.35	10,592.97	140,639.76	60,807.76	1,853.80	345.65	132.55	62,529.01	13,235.03	13,235.03	64,875.72
Previous Year (Refer Note 10A)	126,202.87	4,046.59	130,199.35	57,509.99	3,347.51	0.00	49.74	60,807.76	13,235.03	13,235.03	56,156.56
Capital Work in Progress (Refer Note No. 27)											1,070.49

Notes:

- Freehold Land and Leasehold Land is revalued on 31st March, 2013 with reference to the then current market prices, amount added on revaluation is Rs. 13,900.30 Lakhs and Rs. 4,855.64 Lakhs respectively; the revalued amount substituted for historical cost on 31st March, 2013 is Rs. 25,476.92 Lakhs and Rs. 6,719.00 Lakhs respectively.
- Building includes Rs. 0.07 Lakh being value of 136 Shares in Co-Operative Housing Societies.
- In accordance with Accounting Standard (AS-11) and Amendment Rules, 2009 on AS-11 Notified by the Government of India on 31.03.2009 and subsequent amendment dtd. 29th December, 2011, the company has capitalised Rs. 45.52 Lakhs to Plant and Machinery (Previous Year Rs. 221.97 Lakhs) on account of exchange rate difference on Foreign Currency Loans.
- In accordance with the provisions of Schedule II of the Companies Act, 2013, in case of fixed assets whose useful life as at 1st April, 2014 is Nil, the carrying value (Net of Residual Value) amounting to Rs. 228.15 Lakhs (Net of Deferred Tax of Rs. 117.50 Lakhs) as transitional provision has been recognised in the retained earnings.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

10 A FIXED ASSETS:

Description	Gross Block			Depreciation / Amortisation			Impairment			Net Block		
	As at 01.04.2013	Additions / Adjustments during the year	Disposal/ Transfers/ Adjustments during the year	As at 31.03.2014	Up to 01.04.2013	Charge for the year	Disposal/ Transfers/ Adjustments during the year	Up to 31.03.2014	As at 01.04.2013	Additions / Deductions/ Adjustments during the year	As at 31.03.2014	As at 31.03.2014
TANGIBLE ASSETS:												
Land (Freehold)	25,476.92			25,476.92	0.00	0.00		0.00				25,476.92
Land (Leasehold)	6,719.00			6,719.00	0.00	0.00		0.00				6,719.00
Buildings	8,105.48	206.10		8,311.58	5,768.28	221.14		5,989.42	101.25	101.25		2,220.91
Plant & Machinery	72,196.07	3,715.00	39.33	75,871.74	43,674.54	2,841.01	39.33	46,476.22	8,722.52	8,722.52		20,673.00
Electrical Installations	3,019.27			3,019.27	2,699.34	44.51		2,743.85				275.42
Moulds	287.54			287.54	287.54	-		287.54				-
Laboratory Equipments	419.63	10.50		430.13	283.40	17.65		301.05	10.90	10.90		118.18
Furniture & Fixtures	550.62	15.91		566.53	492.93	13.70		506.63				59.90
Office Equipments	608.21	7.41		615.62	459.31	21.33		480.64				134.98
Vehicles	256.25	13.95	10.78	259.42	214.06	10.82	10.41	214.47				44.95
Vehicles on Finance Lease	753.83			753.83	407.96	89.54		497.50				256.33
Capital Expenditure On Research & Development	218.92	2.01		220.93	216.24	1.22		217.46				3.47
Data Processing Equipments	1,375.43	57.87		1,433.30	1,305.57	40.36		1,345.93				87.37
TOTAL (A)	119,987.17	4,028.75	50.11	123,965.81	55,809.17	3,301.28	49.74	59,060.71	8,834.67	0.00	8,834.67	56,070.43
INTANGIBLE ASSETS:												
Software	227.12	17.84		244.96	112.60	46.23		158.83				86.13
Copyrights	157.46			157.46	157.46	0.00		157.46				-
Expenditure on Technical Know-how / Product Development	1,430.76			1,430.76	1,430.76	0.00		1,430.76				0.00
Goodwill	4,400.36			4,400.36	0.00	0.00		0.00	4,400.36		4,400.36	0.00
TOTAL (B)	6,215.70	17.84	0.00	6,233.54	1,700.82	46.23	0.00	1,747.05	4,400.36	0.00	4,400.36	86.13
TOTAL (A + B)	126,202.87	4,046.59	50.11	130,199.35	57,509.99	3,347.51	49.74	60,807.76	13,235.03	0.00	13,235.03	56,156.56
Previous Year (Refer Note 10A)	106,160.50	2,965.17	1,678.74	126,202.87	53,768.89	3,891.44	190.34	57,509.99	-	13,235.03	13,235.03	52,391.58
Capital Work in Progress (Refer Note No. 27)												8,619.38

NOTES:

- Freehold Land and Leasehold Land is revalued on 31st March, 2013 with reference to the then current market prices, amount added on revaluation is Rs. 13,900.30 Lakhs and Rs. 4,855.64 Lakhs respectively; the revalued amount substituted for historical cost on 31st March, 2013 is Rs. 25,476.92 Lakhs and Rs. 6,719.00 Lakhs respectively.
- Building includes Rs. 0.07 Lakh being value of 136 shares in Co-Operative Housing Societies.
- In accordance with the Accounting Standard (AS-11) and Amendment Rules, 2009 on AS-11 notified by the Government of India on 31.03.2009 and subsequent amendment dtd. 29th December, 2011; the company has capitalised Rs. 221.97 Lakhs to Plant and Machinery (Previous Year Rs. 162.29 Lakhs) on account of exchange rate difference on Foreign Currency Loans.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

11. NON-CURRENT INVESTMENTS	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs		
Non Trade Investments in Shares:				
Quoted Equity Instruments				
50 (Previous Year 50) Equity Shares of M. M. Rubber Ltd., of the face value of Rs. 2/- each, fully paid-up.	0.01	0.01		
2,09,000 (Previous Year 2,80,000) Equity Shares of Garware Marine Industries Ltd., of the face value of Rs. 10/- each, fully paid-up.	-	-		
4,00,300 (Previous Year 4,00,300) Equity Shares of Garware Wall Ropes Limited, of the face value of Rs. 10/- each, fully paid-up.	56.98	56.98		
0 (Previous Year 500) Equity Shares of Oswal Chemicals and Fertilizers Ltd., of the face value of Rs. 10/- each fully paid up.	0.00	-		
0 (Previous Year 71) Equity Shares of Navin Flourine International Ltd., of the face value of Rs. 10/- each fully paid up.	0.00	-		
0 (Previous Year 400) Equity Shares of NALCO of the face value of Rs. 5/- each fully paid up.	0.00	0.81		
	56.99	57.80		
Unquoted Equity Instruments				
<u>In Subsidiary Companies</u>				
2,50,000 (Previous Year 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		
Unquoted Equity Instruments				
2,500 (Previous Year 2,500) Equity Shares of The New India Co-Operative Bank Ltd. Mumbai, of the face value of Rs. 10/- each, fully paid-up	0.25	0.25		
2,500 (Previous Year 2,500) Equity Shares of The North Kanara Goud Saraswat Brahmin Co-Operative Bank Ltd. Mumbai, of the face value of Rs. 10/- each, fully paid up	0.25	0.25		
500 (Previous Year 500) Equity shares of The Co-Operative Stores Ltd. (New Delhi), of the face value of Rs. 10/- each, fully paid up	0.05	0.05		
10,000 (Previous Year 10,000) Equity Shares of S I C O M Ltd., of the face value of Rs. 10/- each fully paid-up	8.00	8.00		
20,000 (Previous Year 20,000) Equity Shares of Deogiri Nagari Sahakari Bank Ltd., of the face value of Rs. 25/- each fully paid up	5.00	5.00		
4,000 (Previous Year 4,000) Equity Shares of Vaidyanath Urban Co-Operative Bank Ltd., of the face value of Rs. 25/- each fully paid-up	1.00	1.00		
1,000 (Previous Year 1,000) Equity Shares of Poornawadi Co-Operative Bank Ltd., of the face value of Rs. 100/- each fully paid-up	1.00	1.00		
100 (Previous Year 100) Equity Shares of Cosmos Co-Operative Bank Ltd., of the face value of Rs. 10/- each fully paid up	0.02	0.02		
	15.57	15.57		
TOTAL	206.13	206.94		
	Cost	Market Value	Cost	Market Value
Aggregate amount of Company's Investment				
Quoted	56.99	796.04	57.80	274.71
Unquoted	149.14		149.14	
TOTAL	206.13	796.04	206.94	274.71

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

12. LOANS & ADVANCES	Non-Current		Current	
	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
Capital Advances				
Unsecured, considered good	27.19	99.01	0.00	0.00
(A)	27.19	99.01	0.00	0.00
Security Deposit				
Unsecured, considered good	203.62	140.90	0.00	0.00
Rs. 36.00 Lakhs due from a Director (Previous Year Rs. 36.00 Lakhs) (Rent Deposit) and Rs. 36.00 Lakhs due from entities in which some of the Directors are interested (Previous Year Rs. 36 Lakhs) (Rent Deposit)				
(B)	203.62	140.90	0.00	0.00
Advances Recoverable in Cash or Kind				
Unsecured, considered good	0.00	0.00	254.84	170.42
(C)	0.00	0.00	254.84	170.42
Other Loans & Advances				
Advance Income Tax (Net of Provision for Taxation)	214.93	8.64	0.00	0.00
MAT Credit Entitlement	6,625.26	6,167.36	0.00	0.00
Prepaid Expenses	0.00	0.00	718.39	804.95
Loan and Advances to Employee	0.00	0.00	42.59	23.52
Balances with Statutory / Government Authorities	1,775.02	1,981.22	3,245.65	4,148.30
(D)	8,615.21	8,157.22	4,006.63	4,976.77
Total (A+B+C+D)	8,846.02	8,397.13	4,261.47	5,147.19
13. INVENTORIES (Valued at lower of cost and net realisable value)			As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
a) Stores, Spares & Packing Materials			2,472.79	2,077.28
b) Raw Materials			2,499.93	2,825.23
c) Finished Goods			412.80	472.63
d) Stock in Transit - Finished Goods			0.00	89.30
e) Semi-Finished Goods			7,985.44	9,091.31
			13,370.96	14,555.75
14. TRADE RECEIVABLES			As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
Unsecured, considered good unless otherwise stated excluding bills receivable discounted [Refer Note No. 37(d)]				
a) Debts outstanding for a period exceeding six months from the date they are due for payment				
i) Unsecured, considered good			4.03	36.64
ii) Doubtful			258.85	258.85
			262.88	295.49
Less : Provision for doubtful receivables			258.85	258.85
			4.03	36.64
b) Other Receivables				
Unsecured, considered good			4,807.29	5,857.60
			4,807.29	5,857.60
Total (a+b)			4,811.32	5,894.24
Other Receivables Include:				
Due from company in which the Directors are Director / Member			359.26	494.71
Due from subsidiary companies			153.85	350.48
			513.11	845.19

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

15. CASH & BANK BALANCES

	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
Cash & Cash Equivalents		
a) Balances with Bank:		
In Current Accounts	467.27	174.63
In Fixed Deposit	4,648.46	6,245.55
b) Cash on hand	38.36	34.24
Other Bank Balances:		
In Unclaimed Dividend Accounts	66.71	67.01
Margin Money Deposit	23.13	2604.60
TOTAL	5,243.93	9,126.03

(Fixed Deposit with Bank includes Rs. 43.24 Lakhs (Previous Year Rs. 1.49 Lakhs) with maturity of more than 12 months)

16. OTHER CURRENT ASSETS

	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
Interest accrued on Fixed Deposit & Others	48.29	117.74
Other Receivables	426.25	151.73
TOTAL	474.54	269.47

17. REVENUE FROM OPERATIONS:

	2014-15 Rs. in Lakhs	2013-14 Rs. in Lakhs
Sale of Products	91,979.50	86,339.13
Other Operating Revenue		
Export Incentives	1,187.84	1,390.79
Sale of Scrap and Others	270.52	152.23
Revenue from Operations (Gross including Excise Duty)	93,437.86	87,882.15

Details of products sold:

Polyester Films	91,979.50	86,339.13
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18. OTHER INCOME

	2014-15 Rs. in Lakhs	2013-14 Rs. in Lakhs
Interest Income on:		
Bank Deposits	681.39	756.22
Income Tax & Sales Tax Refund	0.34	32.05
One Time Settlement (OTS) on redemption of Preference Shares (Refer Note No. 29)	1,446.00	0.00
Others	1.30	1.15
Dividend Income on:		
Investment in Subsidiary	0.00	199.18
Investments	10.93	10.82
Insurance Claims	55.09	11.23
Profit on Sales of Fixed Assets	113.20	1.40
Profit on Sales of Investments	36.71	12.78
Excess Provision / Sundry Credit Balances Written Back	202.44	18.45
Rent	0.00	1.20
Sales Tax Refund	9.04	118.54
Gain on Exchange Rate Fluctuations	101.25	0.00
TOTAL	2,657.69	1,163.02

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

19. COST OF RAW MATERIALS CONSUMED	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Inventory at the beginning of the year	2,825.23	1,426.17
Add: Purchases	54,818.83	58,275.76
Less: Sales	(1,906.95)	(3,715.49)
	55,737.11	55,986.44
Less: Inventory at the end of the year	2,499.93	2,825.23
Cost of Raw materials consumed	<u>53,237.18</u>	<u>53,161.21</u>
Details of Raw Materials Consumed		
PTA	18,352.03	22,282.41
MEG	7,363.68	8,624.74
REPOL 34 SG	6,727.06	0.00
Chemicals & Others	20,794.41	22,254.06
TOTAL	<u>53,237.18</u>	<u>53,161.21</u>
Details of Inventory		
PTA	0.00	210.53
MEG	146.75	182.87
REPOL 34 SG	105.90	523.45
Chemicals & Others	2,247.28	1,908.38
TOTAL	<u>2,499.93</u>	<u>2,825.23</u>
20. (INCREASE) / DECREASE IN FINISHED AND SEMI-FINISHED GOODS		
	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Inventories at the end of the year		
Semi-Finished Goods	7,985.44	9,091.31
Finished Goods	412.80	561.93
	<u>8,398.24</u>	<u>9,653.24</u>
Inventories at the beginning of the year		
Semi-Finished Goods	9,091.31	5,334.92
Finished Goods	561.93	495.44
	<u>9,653.24</u>	<u>5,830.36</u>
(Increase) / Decrease in Stock of Finished and Semi-finished Goods out of Trial Run Production	894.10	(894.10)
(Increase) / Decrease	<u>360.90</u>	<u>(2,928.78)</u>
21. EMPLOYEE BENEFITS EXPENSE (Refer Note No. 30)		
	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Salaries, Wages and Bonus	5,350.38	4,909.42
Contribution to Provident Fund and Other Funds	711.15	582.59
Staff Welfare Expenses	364.69	354.93
TOTAL	<u>6,426.22</u>	<u>5,846.94</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

22. OTHER EXPENSES	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Stores, Spares & Packing Materials Consumed	4,332.74	3,749.74
Power and Fuel	8,840.96	8,616.97
Processing Charges	150.74	119.00
Water Charges	54.88	88.75
Rent, Hire Charges and Compensation	137.81	95.36
Rates, Taxes and License Fees	60.52	68.90
Insurance	224.21	228.07
Freight & Forwarding (Net)	2,703.21	2,058.19
Research and Development Expenses	138.37	111.32
Advertisement Expenses	14.92	19.35
Repairs and Maintenance Expenses:		
Plant and Machinery	1,011.23	838.91
Building	508.32	391.01
Others	773.62	714.06
Sales Tax / VAT	28.58	1.24
Travelling & Conveyance	507.99	542.49
Postage, Telegrams & Telephones	109.48	123.42
Commission on Sales	556.78	452.71
CSR Expenditure	60.00	0.00
Donations	0.00	40.00
Legal and Professional Charges (Refer Note No. 32)	692.69	646.43
Auditors Remuneration (Refer Note No. 23)	29.52	27.02
Director Sitting Fees	3.74	2.83
Miscellaneous Expenses	1,849.37	1,711.31
Loss on Swap / Exchange Rate Fluctuation	0.00	67.44
TOTAL	22,789.68	20,714.52
23. PAYMENT TO AUDITORS AS:	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Audit Fees (Including Branch Audit)	15.15	13.90
Tax Audit Fees	6.00	5.00
For Certification / Others	7.75	7.85
Reimbursement of Out of Pocket Expenses	0.62	0.27
TOTAL	29.52	27.02
24. EXCEPTIONAL ITEMS	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Central Sales Tax Claim Receivable (Refer Note No. 33)	0.00	(622.16)
TOTAL	0.00	(622.16)
25. FINANCE COST	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Interest Expenses	1,222.99	989.28
Other Borrowing Cost	3,109.21	2,624.22
Applicable Loss on Foreign Currency Transactions and Translations	32.02	81.24
TOTAL	4,364.22	3,694.74

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
26. EARNINGS PER SHARE (EPS)		
Profit After Tax	1,733.51	1,137.66
Less: Dividend on Preference Shares including Tax	0.00	0.63
Amount available for Equity Shareholders	1,733.51	1,137.03
Weighted average number of Equity Shares (Basic & Diluted) including outstanding	23,315,150	23,315,150
Earning Per Share - Basic & Diluted (Rupees) (Absolute)	7.44	4.88
27. The break-up of expenses shown under Capital Work-in-Progress (Pending Allocation) as on 31st March, 2015 is as under:		
	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Particulars		
Opening Balance	8,619.38	3,908.55
Capital Work-in-Progress	1,739.83	6,856.46
Less: Capitalised during the year	(7,750.32)	(3,187.51)
Pre-Operative Expenditure incurred during the year		
Raw Material Consumed	3,983.71	3,233.37
Power and Fuel	405.07	374.34
Stores, Spares and Packing Material Consumed	107.66	55.80
Freight and Forwarding	81.35	48.67
Employee Benefits	191.71	237.75
Travelling and Conveyance	11.24	42.50
Legal and Professional Charges	19.35	52.45
Others	28.80	71.31
Finance Charges	445.83	651.70
Less: Sales	(4,625.50)	(2,408.96)
(Net of Excise Duty Rs. 492.89 Lakhs. Previous Year Rs. 278.41 Lakhs)		
Less: Stock of Finished / Semi Finished Goods out of Trial Run Production	0.00	(894.10)
Pre-Operative Expenses Capitalised during the year	(2,187.62)	(422.95)
Closing Balance #	1,070.49	8,619.38
[# includes Intangible Assets in progress Rs. 19.95 Lakhs (Previous Year Rs. Nil)]		
28. DISCLOSURE AS PER AS-15 (REVISED) ON "EMPLOYEE BENEFITS"		
	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
A. Funded retirement benefit - Gratuity		
Description		
Change in the Defined Benefit Obligations		
Defined Benefit Obligations at beginning of the year	1,768.32	1,702.64
Service Cost	136.50	132.24
Interest Cost	155.24	131.08
Actuarial Loss / (Gain)	79.51	(49.12)
Benefits Paid	(143.49)	(148.52)
Defined benefit obligations at end of the year (a)	1,996.08	1,768.32
Change in Plan Assets		
Fair Value of Plan Assets as at beginning of the year	1,724.49	1,560.11
Expected Return on Plan Assets	155.00	139.27
Contributions by Employer	197.23	175.92
Actuarial Gain / (Loss)	4.40	(2.29)
Benefits Paid	(143.49)	(148.52)
Fair value of Plan Assets at end of the year (b)	1,937.62	1,724.49
Present Value of Funded Obligations (a-b)	58.46	43.83

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	2014-15 Rs. in Lakhs	2013-14 Rs. in Lakhs
The net amount recognized in the statement of Profit and Loss for the year ended 31st March, 2015 is as follow:		
Current Service Cost	136.50	132.24
Interest Cost	155.24	131.08
Expected Return on Plan Assets	(155.00)	(139.27)
Net Actuarial Loss / (Gain) Recognized	75.11	(46.83)
Net Amount Recognized	211.85	77.22
Actual Return on Plan Assets		
The principal actuarial assumptions used as at 31 st March, 2015 are as follow:		
Discount Rate	7.75%	9.15%
Expected Rate of Return on Plan Assets		
Withdrawal Rate	5%	5%
Rate of increase in Compensation Levels	5%	5%

Other Disclosures:

(Rs. in Lakhs)

	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Present value of Defined Benefit Obligation	996.08	1,768.32	1,702.64	2,063.44	1,688.41
Fair Value of Plan Assets	1,937.62	1,724.49	1,560.11	1,656.08	1,430.98
(Deficit) / Surplus of the Plan	58.46	43.83	142.53	407.36	257.43
Experience Adjustment on Plan Liabilities Loss / (Gain)	79.50	(49.12)	(222.68)	*	*
Experience Adjustment on Fair Value of Plan Assets	(4.40)	2.29	3.53	0.01	*

* Not available in the valuation report hence not furnished.

B. Un-funded Retirement Benefit: Leave Encashment

	2014-15 Rs. in Lakhs	2013-14 Rs. in Lakhs
Change in the Defined Benefit Obligations		
Defined Benefit Obligations at beginning of the year	1,252.10	1,128.57
Service Cost	103.28	78.76
Interest Cost	113.94	89.76
Actuarial Loss / (Gain)	(62.82)	(17.85)
Benefits Paid	(13.65)	(27.14)
Defined benefit Obligations at end of the year (a)	1,392.86	1,252.10
Change in Plan Assets		
Contributions by Employer	13.65	27.14
Benefits Paid	(13.65)	(27.14)
Fair value of Plan Assets at end of the year (b)	0.00	0.00
Present Value of Un-funded Obligations (a-b)	1,392.86	1,252.10
The net amount recognized in the Statement of Profit and Loss for the year ended 31 st March, 2015 is as follow:		
Current Service Cost	103.28	78.76
Interest Cost	113.94	89.76
Net Actuarial Loss / (Gain) recognized	(62.82)	(17.85)
Net amount recognized	154.41	150.67
The principal actuarial assumptions used as at 31 st March, 2015 are as follow:		
Discount Rate	7.75%	9.15%
Expected Rate of Return on Plan Assets:		
Withdrawal Rate	5%	5%
Rate of increase in Compensation Levels	5%	5%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

29. The company has redeemed during the year 54,46,000, 0.01% Cumulative Redeemable Preference Shares of Rs. 100/- each aggregating to Rs. 5,446.00 Lakhs issued and allotted to IDBI Bank Ltd., by paying Rs. 4,000.00 Lakhs as One Time Settlement in full and final settlement of the above-said Preference Shares. The difference of Rs. 1,446.00 Lakhs has been treated as Other Income.
30. The remuneration of Rs. 965.72 Lakhs paid to the Managing Director, Joint Managing Directors and Director are subject to the sanction of the Central Government in respect of which applications have been made and are pending with the Government. (Previous Year Out of Rs. 237.82 Lakhs which was subject to sanction of the Central Government, Rs. 89.61 Lakhs are still pending under approval for which revised application has been made).

31. LEASES

The company has entered into Finance and Operating Lease Agreements. As required under the Accounting Standard 19 on 'Leases', the future minimum lease payments on account of each type of lease are as follows:

A. Hire Purchase / Finance Leases (Vehicle)

(Rs. in Lakhs)

Particulars	Future Lease payments		Present Value of Minimum Future Minimum Lease Payments		Finance Charges	
	2015	2014	2015	2014	2015	2014
As at 31st March						
Not later than one year	137.51	144.69	108.24	128.03	29.27	16.66
Later than one year and not later than five years	249.86	90.91	201.88	85.46	47.98	5.45
Later than five years	0.00	0.00	0.00	0.00	0.00	0.00

B. Operating Leases

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

32. Legal and Professional Charges include Rs. 6.25 Lakhs (Previous Year Rs. 5.75 Lakhs) paid to some of the Partners of the Auditors and Rs. 5.56 Lakhs paid to a firm in which one of the Director is a proprietor, (Previous Year Rs. 4.67 Lakhs) for Corporate Law and Tax Services.
33. The Company has expensed out / written off Sales Tax receivable of Rs. 1,684.36 Lakhs in prior years pursuant to an amendment of MVAT Act by the Government of Maharashtra with retrospective effect. However, as per legal opinion obtained by the company, this amendment was not applicable to CST. Accordingly, the balance amount of Rs. 622.16 Lakhs out of Rs. 1,178.30 Lakhs relating to CST which has been expensed out earlier, is written back by the company in the previous year.

34. SEGMENT REPORTING

- a) The company is only in one line of business namely - Polyester Films.
- b) The Segment Revenue in the Geographical Segment considered for disclosure are as follows:
- Revenue within India includes sales to customers located within India.
 - Revenue outside India includes sales to customers located outside India including Export Benefits / Incentives.

	2014-15 Rs. in Lakhs	2013-14 Rs. in Lakhs
Sales:		
Within India	44,576.51	39,276.30
China (Including Export Incentives)	9,810.92	10,563.83
Rest of World (Including Export Incentives)	39,050.43	38,042.02
TOTAL	93,437.86	87,882.15

35. RELATED PARTY DISCLOSURES

- a) List of Related Parties

Subsidiary	Garware Polyester International Limited
Step down Subsidiary	Global Pet Films Inc.
Key Management Personnel	Shri. S. B. Garware - Chairman and Managing Director Mrs. S. S. Garware - Director Mrs. Monika Garware Modi - Vice Chairperson & Joint Managing Director Mrs. Sarita Garware Ramsay - Joint Managing Director Ms. Sonia S. Garware - Director Mr. M. S. Adsul - Director - Technical
Entities in which some of the Directors are interested	Garware Industries Ltd. Great View Real Estates Pvt. Ltd.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

b) Transaction with Related Party

Particulars	Relationship	2014-15	2013-14
		Rs. in Lakhs	Rs. in Lakhs
1) Sale of Goods			
Garware Polyester International Ltd.	Subsidiary	1,050.61	0.00
Global Pet Films Inc.	Step-down Subsidiary	5,168.31	4,338.48
Garware Industries Ltd.	Entities in which some of the directors are interested	5,879.05	8,887.31
2) Purchase of Materials			
Garware Industries Ltd.	Entities in which some of the directors are interested	11,151.34	12,495.14
3) Services Received / Rent Paid / Reimbursement of Expenses			
Garware Polyester International Ltd.	Subsidiary	404.41	507.68
Garware Industries Ltd.	Entities in which some of the directors are interested	118.85	58.02
Great View Real Estates Pvt. Ltd.	Entities in which some of the directors are interested	80.90	67.42
Ms. Sonia S. Garware	Key Management Personnel	72.00	65.00
4) Services Rendered			
Garware Industries Ltd.	Entities in which some of the directors are interested	324.74	334.09
5) Dividend Received			
Garware Polyester International Ltd.	Subsidiary	0.00	199.18
6) Rent Deposit Paid			
Ms. Sonia S. Garware	Key Management Personnel	0.00	6.00
Great View Real Estates Pvt. Ltd.	Entities in which some of the directors are interested	0.00	36.00
7) Managerial Remuneration			
Shri. S. B. Garware	Key Management Personnel	400.13	384.30
Mrs. Monika Garware Modi	Key Management Personnel	236.40	192.05
Mrs. Sarita Garware Ramsay	Key Management Personnel	210.23	164.31
Ms. Sonia S. Garware	Key Management Personnel	82.56	133.80
Mr. M. S. Adsul	Key Management Personnel	36.40	37.50
8) Director Sitting Fees			
Mrs. S. S. Garware	Key Management Personnel	0.30	0.30
Ms. Sonia S. Garware	Key Management Personnel	0.20	0.00
9) Balances (Dr/(Cr))			
Garware Polyester International Ltd.	Subsidiary	19.73	(260.73)
Global Pet Films Inc.	Step-down Subsidiary	438.15	350.48
Garware Industries Ltd.	Entities in which some of the directors are interested	359.26	494.72
Great View Real Estates Pvt. Ltd. (Rent Deposit)	Entities in which some of the directors are interested	36.00	36.00
Ms. Sonia S. Garware (Rent Deposit)	Key Management Personnel	36.00	36.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
36. CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 279.46 Lakhs (Previous Year Rs. 1,053.31 Lakhs) against which an advance of Rs. 27.19 Lakhs (Previous Year Rs. 99.01 Lakhs) has been paid.

37. CONTINGENT LIABILITIES

a) Contingent Liabilities not provided for -

	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
Disputed matters in appeal / contested in respect of:		
Income Tax	1,404.81	1,487.64
Excise Duty and Service Tax	44.20	477.16
Sales Tax	1,178.30	900.96
Local Body Tax	383.06	383.06
Maharashtra State Electricity Board (MSEB)	27.72	27.72
TOTAL	3,038.09	3,276.54

- b) The Company has given counter-guarantees for Rs. 6,606.34 Lakhs (Previous Year Rs. 5,182.57 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 Rs. 22,506.53 Lakhs (Previous Year Rs. 25,904.60 Lakhs).
- d) Bills of Exchange discounted under Bill Marketing Scheme amount to Rs. 3,174.72 Lakhs (Previous Year Rs. 2,653.07 Lakhs).

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

	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
Principal amount remaining unpaid	374.81	379.23
Interest due thereon	NIL	NIL
Interest paid by the Company in term of Section 16	NIL	NIL
Interest due and payable for the period of delay in payment	NIL	NIL
Interest accrued and remaining unpaid	NIL	NIL
Interest remaining due and payable even in succeeding years	NIL	NIL

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

39. FINANCIAL AND DERIVATIVES INSTRUMENTS

- a) Derivatives contracts entered into by the company and outstanding as on 31st March, 2015: i) Forward Contract is Rs. 1,864.86 Lakhs (Previous Year Rs. Nil Lakhs)
- b) Foreign Currency Exposure that are not hedged by derivatives instruments as on 31st March, 2015 amounts to Rs. 7,323.28 Lakhs (Previous Year Rs. 1,388.88 Lakhs). The un-hedged exposures are naturally hedged by future foreign currency earning and earnings linked to foreign currency.
40. The company is required to spend an amount of Rs. 41.05 Lakhs during the year on CSR expenditure as per the Section 135 of the Companies Act, 2013 read with Schedule VII thereof and company has spent Rs. 60 Lakhs during the year by way of contribution to fund of Garware Charitable Trust.

41. VALUE OF IMPORTS ON CIF BASIS

	2014-15 Rs. in Lakhs	2013-14 Rs. in Lakhs
Raw Materials	5,647.43	6,282.60
Packing Material	93.21	51.02
Components and Spares	391.92	152.66
Capital Goods	460.99	2,446.74

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

42. EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
(i) Commission	540.16	453.21
(ii) Traveling Expenses	228.75	196.66
(iii) Books, Periodicals & Subscriptions	6.92	13.37
(iv) Technical / Engg. Services / Professional / Testing Charges	190.86	150.52
(v) Exhibition Expenses	0.00	7.71
(vi) Interest and Bank Charges	105.37	163.30
(vii) Others	310.64	531.64

43. DETAILS OF IMPORTED AND INDIGENOUS RAW MATERIALS AND SPARE PARTS, PACKING MATERIALS CONSUMED AND PERCENTAGE OF EACH TO THE TOTAL:

Particulars	2014-15		2013-14	
	Value Rs. in Lakhs	% of Total	Value Rs. in Lakhs	% of Total
(i) Raw Materials:				
- Imported	5,118.67	10	4,233.40	8
- Indigenous	48,118.51	90	48,927.81	92
TOTAL	53,237.18	100	53,161.21	100
(ii) Stores, Spares and Packing Material:				
- Imported	312.78	7	190.17	5
- Indigenous	4,019.96	93	3,559.57	95
TOTAL	4,332.74	100	3,749.74	100

44. EARNING IN FOREIGN EXCHANGE (ACCRUAL BASIS)

	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Exports (F.O.B. Basis)	45,532.62	45,296.97
Others Misc. Income	11.54	0.00
Dividend Income	0.00	199.18

45. The Previous Year's figure have been re-grouped / reclassified to conform to this year's classification.

For and on behalf of the Board of Directors

S. B. GARWARE
 Chairman & Managing Director

M. S. ADSUL
 Director (Technical)

B. MORADIAN
 Director

NIMESH S. SHAH
 Company Secretary &
 Vice-President (Legal)

GOKUL D. NAIK
 Chief Financial Officer

Mumbai, 29th May, 2015

Statement pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013, with rule 5 of the Companies (Accounts) Rules, 2014 in the prescribed FORM AOC - 1 relating to subsidiary companies

(Rs. 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)
		2015	2015
1	Reporting Currency	GBP	USD
2	Exchange Rate considered at the close of the year	92.47	62.50
3	Share Capital	231.18	62.50
4	Reserves & Surplus	271.86	28.30
5	Total Assets	797.50	707.72
6	Total Liabilities	797.50	707.72
7	Investment	0.00	0.00
8	Turnover & Other Income	1583.19	6018.87
9	Profit / (Loss) Before Taxation	86.23	11.63
10	Provision for Taxation	18.87	4.38
11	Profit / (Loss) after Taxation	67.36	7.25
12	Proposed Dividend	0.00	0.00
13	Country	UK	USA

Notes:

- 1 The final Audited accounts of Garware Polyester International Limited are in Great Britain Pounds (GBP) and translated at closing rate as on 31.03.2015 (Rs. 92.47 = 1 GBP).
- 2 The final Audited accounts of Global Pet Films Inc. are in US Dollars (USD) and translated at closing rate as on 31.03.2015 (Rs. 62.50 = 1 USD).

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF GARWARE POLYESTER LIMITED
Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **GARWARE POLYESTER LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 30 relating to payment of remuneration to managerial personnel which is subject to sanction of the Central Government.

Our opinion is not modified in respect of this matter.

Other Matters

(a) We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of Rs. 1,482.46 Lakhs as at 31st March, 2015, total revenues of Rs. 7,212.68 Lakhs and net cash flows amounting to Rs. 311.36 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 reports have 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, insofar as it relates to the aforesaid subsidiaries is based solely on the reports 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 reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. This report does not contain statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act as, in our opinion and according to the information and explanations given to us, the order is not applicable in the case of foreign subsidiaries.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of 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 and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies none of the directors of the Group companies is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 No. 37)
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts in respect of such items as it relates to the Group (Refer Note No. 38).
 - 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**
 Chartered Accountants
 (Firm's Registration No.: 106041W)

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

Place: Mumbai
 Date: 29th May, 2015

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

	Note	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2	2,325.31	7,771.31
Reserves and Surplus	3	54,545.68	53,021.05
		56,870.99	60,792.36
NON-CURRENT LIABILITIES			
Long Term Borrowings	4	6,062.81	7,314.78
Deferred Tax Liabilities (Net)	5	3,162.81	2,430.97
Long Term Provisions	9	497.78	448.38
		9,723.40	10,194.13
CURRENT LIABILITIES			
Short Term Borrowings	6	27,672.60	27,960.66
Trade Payables	7	4,424.45	4,144.40
Other Current Liabilities	8	4,538.44	4,971.04
Short Term Provisions	9	959.21	873.52
		37,594.70	37,949.62
TOTAL		104,189.09	108,936.11
ASSETS			
NON-CURRENT ASSETS			
Tangible Assets	10	64,849.92	56,099.14
Intangible Assets	10	61.45	86.13
Capital Work-in-Progress	10	1,070.49	8,619.38
		65,981.86	64,804.65
Non-Current Investments	11	72.56	73.37
Long Term Loans and Advances	12	8,823.85	8,390.34
CURRENT ASSETS			
Current investments			
Inventories	13	13,717.89	14,889.29
Trade Receivables	14	4,844.06	5,790.53
Cash and Bank Balances	15	6,000.53	9,571.27
Short Term Loans and Advances	12	4,273.80	5,147.19
Other Current Assets	16	474.54	269.47
		29,310.82	35,667.75
TOTAL		104,189.09	108,936.11
Notes forming part of the financial statements	1 to 40		

As per our report of even date

For and on behalf of the Board of Directors

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

S. B. GARWARE
 Chairman & Managing Director

M. S. ADSUL
 Director (Technical)

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

B. MORADIAN
 Director

NIMESH S. SHAH
 Company Secretary &
 Vice President (Legal)

Mumbai, 29th May, 2015

GOKUL D. NAIK
 Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	Note	2014-15 Rs. in Lakhs	2013-14 Rs. in Lakhs
INCOME:			
Revenue from Operations (Gross Including Excise Duty)	17	94,387.35	88,684.75
Less: Excise Duty		4,758.49	4,363.56
Revenue from Operations (Net)		89,628.86	84,321.19
Other Income	18	2,688.79	971.94
Total Revenue		92,317.65	85,293.13
EXPENDITURE:			
Cost of Raw Materials Consumed	19	53,702.46	53,542.43
Changes in Inventories of Finished goods, Work-in-Progress & Traded Goods	20	347.51	(2,870.60)
Employee Benefits Expense	21	6,761.44	5,930.62
Other Expenses	22	22,849.89	20,830.35
Total Expenses		83,661.30	77,432.80
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)		8,656.35	7,860.33
Depreciation & Amortization Expenses	10	1,520.14	3,352.91
Finance Costs	25	4,413.19	3,741.50
Profit Before Tax and Exceptional Items		2,723.02	765.92
Exceptional Items	24	0.00	622.16
Profit Before Tax		2,723.02	1,388.08
Tax Expenses			
Current Tax [includes Rs. 32.31 Lakhs for previous year (Previous Year Rs. 40.93 Lakhs)]		550.15	359.76
Less: Mat Credit Entitlement [includes Rs. (28.10) Lakhs for previous year (Previous Year Rs. 40.93 Lakhs)]		(457.91)	(317.93)
Deferred Tax	5	849.34	317.32
Total Tax Expenses		941.58	359.15
Profit for the year		1,781.44	1,028.93
Earning Per Share - Basic & Diluted (Rupees) (Face Value of Rs. 10/- each) Refer Note No. 26		7.64	4.41
Notes forming part of the financial statements	1 to 40		

As per our report of even date

For and on behalf of the Board of Directors

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

S. B. GARWARE
Chairman & Managing Director

M. S. ADSUL
Director (Technical)

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

B. MORADIAN
Director

NIMESH S. SHAH
Company Secretary &
Vice President (Legal)

Mumbai, 29th May, 2015

GOKUL D. NAIK
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	Year ended 31.03.2015 Rs. in Lakhs	Year ended 31.03.2014 Rs. in Lakhs
A. Cash flow from Operating Activities:		
Net Profit before tax as per Statement of Profit and Loss	2,723.02	1,388.08
Adjustments to reconcile profit before tax to cash provided by operating activities		
<i>Add:</i> Depreciation	1,520.14	3,352.91
Finance Cost	4,413.19	3,741.50
Provision for Leave & Gratuity	352.61	200.74
Sub Total	<u>6,285.94</u>	7,295.15
Total	<u>9,008.96</u>	8,683.23
<i>Less:</i> Interest Income	683.62	757.61
Gain on Exchange Rate Fluctuations	33.02	63.16
Profit on Sale of Fixed Assets	113.20	1.40
Profit on Sale of Investment	36.71	12.78
Dividend Received / Income from Investment	10.93	10.82
One Time Settlement (OTS) on Redemption of Preference Shares	1,446.00	0.00
Exceptional Items	0.00	622.16
Sundry balances Written Back (Net)	231.75	18.45
Rent	0.00	1.20
Sub total	<u>2,555.23</u>	1,487.58
Operating profit before working capital changes	6,453.73	7,195.65
Adjustments for:		
Transfer to Foreign Currency Translation Reserve	(28.66)	95.03
Trade and Other Payables	233.93	914.95
Trade Receivables	1,205.55	(1,415.93)
Inventories	1,171.40	(5,286.72)
Loans and Advances	791.76	923.46
Cash generated from operations	9,827.71	2,426.44
Direct Taxes Refund / (Paid) (Net)	(757.25)	(242.94)
Net cash inflow / (outflow) from operating activities	9,070.46	2,183.50
B. Cash flow from Investing Activities:		
Purchase of Fixed Assets	(2,918.71)	(8,555.80)
Proceeds from Sale of Fixed Assets	133.21	1.77
Interest Received	753.06	726.60
Non Current Investments	37.52	20.30
Dividend Received / Income from Investment	10.93	10.82
Rent	0.00	1.20
Net cash inflow / (outflow) from investing activities	(1,983.99)	(7,795.11)
C. Cash flow from Financing Activities:		
Interest / Financial Charges	(4,413.19)	(3,741.50)
Proceeds from Long Term Borrowings	1,776.11	3,253.67
(Repayments) of Long Term Borrowings	(3,274.69)	(2,749.14)
Redemption of Preference Shares	(4,000.00)	0.00
Proceeds (Repayment) from Short Term Borrowings (Net)	(745.11)	8,203.82
Dividend / Unclaimed Dividend paid including Dividend Distribution Tax	(0.33)	(0.93)
Net cash inflow / (outflow) from financing activities	(10,657.21)	4,965.92
Net increase / (decrease) in cash and cash equivalents	(3,570.74)	(645.69)
Cash and cash equivalents as at opening		
Cash and Bank Balances	9,571.27	10,216.96
Cash and cash equivalents as at closing		
Cash and Bank Balances	<u>6,000.53</u>	9,571.27
	<u>(3,570.74)</u>	(645.69)

As per our report of even date

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

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

Mumbai, 29th May, 2015

For and on behalf of the Board of Directors

S. B. GARWARE
Chairman & Managing Director

M. S. ADSUL
Director (Technical)

B. MORADIAN
Director

NIMESH S. SHAH
Company Secretary &
Vice President (Legal)

GOKUL D. NAIK
Chief Financial Officer

1. SIGNIFICANT ACCOUNTING POLICIES OF THE CONSOLIDATED FINANCIAL STATEMENTS

A. Basis of presentation of Financial Statements

The Consolidated financial statements of Garware Polyester Ltd. (“the Holding Company”) and its subsidiary companies viz. Garware Polyester International Ltd. and Global Pet Films Inc. (“together the group”) are prepared under the historical cost convention modified by revaluation of fixed assets and in accordance with applicable Accounting Standards and relevant presentation requirements of the Companies Act, 2013.

The company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

B. The subsidiary companies considered in the consolidated financial statements are:

Name of the Company	Country of Incorporation	Percentage of Voting Power	Financial Year
Subsidiary Garware Polyester International Ltd.	United Kingdom	100%	April 14-March 15
Step down Subsidiary Global Pet Films Inc.	U.S.A.	100%	April 14-March 15

C. Principles of Consolidation

- Consolidated financial statements are done in accordance with the AS-21 by consolidating financial statements of subsidiaries on the reporting period. The consolidation is based on the audited financial statement of Garware Polyester International Ltd. for the year ended 31st March, 2015.
- The financial statements of the company and the subsidiaries have been combined to the extent possible on a line-by-line basis, by adding together like items of assets, liabilities, income and expenses. All significant intra-group balances and transactions have been eliminated on consolidation.
- In respect of subsidiaries, transactions of Profit and Loss Account items have been translated at average rate and the assets and liabilities items of the balance sheet have been translated into Indian Rupees at the closing exchange rate of respective currencies prevailing as at 31st March, 2015 except for subsidiary’s share capital.

D. Use of Estimates

In case of Global Pet Films Inc., the preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

E. Fixed Assets and Depreciation / Amortization

Fixed Assets are stated at cost net of MODVAT / CENVAT and includes amounts added on revaluation, less accumulated depreciation. Cost comprises of the purchase price and any directly attributable cost of bringing the assets to working condition for its intended use including interest and other incidental and trial run expenses up to the date of commercial production. Surplus on revaluation of assets is credited to Capital / Revaluation Reserve.

Depreciation / Amortization:

i) Tangible Assets:

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

No write-off is being made in respect of leasehold land.

ii) Intangible Assets:

Computer software @ 20% p.a.

In respect of Subsidiaries:

- Garware Polyester International Ltd. (GPIL)

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write-off the cost less estimated residual value of each assets over its expected useful life, as follows:

Land and buildings leasehold - Straight line over the life of the lease

Furniture, fittings and equipment - 25% Reducing Balance

- Global Pet Films Inc. (GPF)

Equipments are stated at cost less accumulated depreciation. Some assets are depreciated using Straight Line MACRS method over the useful lives of the assets and some other assets are expensed under Sec. 179 of Internal Revenue Code.

Legal cost for organization of business is capitalized and is carried at cost less accumulated amortization, which is being provided on straight line basis over the economic useful life of 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.

G. Investments

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

H. Inventories

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

In respect of subsidiary Garware Polyester International Ltd., stock is valued at the lower of cost and net realizable value.

In respect of step down subsidiary Global Pet Films Inc., inventories are stated at the lower of cost (determined by FIFO method) or market (Net realizable) value.

I. Foreign Currency Transactions

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- b) Monetary items denominated in foreign currencies at the year-end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- c) Non-monetary foreign currency items are carried at cost.
- d) In respect of branch, which is integral foreign operations, all transactions are translated at rates prevailing on the date of transactions or that approximates the actual rate at the date of transactions. Branch monetary assets and liabilities are restated at the year-end rates
- e) The company has opted for accounting exchange rate differences arising on reporting of long term foreign currency monetary items in line with the Companies (Accounting Standard) Amendment Rules, 2009 on Accounting Standard - 11 (AS-11) notified by the Govt. of India on March 31, 2009. Accordingly, the effect of exchange differences on Foreign Currency Loans of the company is accounted by addition or deduction to the cost of assets so far it relates to depreciable capital assets and in other cases by charging to statement of Profit and Loss as gain or loss on account of exchange difference.
- f) Investments in shares of foreign subsidiary company are expressed in Indian Currency at the rate of exchange prevailing at the time when the original investments were made.
- g) In case of Garware Polyester International Ltd., monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. The transactions in foreign currencies are recorded at the rate ruling at the date of transactions. All differences are taken to Profit and Loss Account.

J. Duties

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

K. Employee Benefits

- a) Short Term Employee Benefits:

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

- b) Defined Contribution Plans:

Company contributes Provident Fund in accordance with EPF Act, 1952 and ESIC Schemes in accordance with ESIC Act, 1948 under Government administered schemes, however certain employees are covered under the contributory plans with the trust "Garware Polyester Limited Office Staff & Officer's Provident Fund". Contributions are accounted on accrual / paid basis and charged to statement of Profit & Loss.

- c) Defined Benefit Plans:

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

L. Lease Rentals

Lease Rentals are accounted on accrual basis over the Lease Term as per the relevant Lease Agreements.

In respect of Garware Polyester International Limited rentals payable under operating leases are charged against income on a straight line basis over the lease term.

M. Research and Development

Revenue expenditure on Research and Development is charged out in the accounting year in which it is incurred. Expenditure, which results in creation of assets, is included in Fixed Assets and depreciation is provided on such assets as applicable.

N. Revenue Recognition**a. Sales**

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

In respect of Garware Polyester International Limited turnover represents amount receivable for services net of VAT. Revenue is recognized on completion of services in the period in which the service is provided.

In respect of Global Pet Films Inc., revenues from product sales to customers are recognized when products are shipped to customers.

b. Export Benefits

Export entitlements under the Duty Draw Back Scheme / Other Schemes are recognized 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.

c. 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.

O. Taxation

- a) Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- b) Current tax is determined as the amount of tax payable in respect of taxable income for the 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.
- c) In respect of subsidiary, Garware Polyester International Limited, the deferred tax balance are recognized in respect of all timing difference that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipated making sufficient taxable profit in the future to absorb the reversal of the underlying timing differences.

P. Borrowing Cost

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

Q. Purchases

In case Global Pet Films Inc., purchases are recorded in books only when received in company warehouse and or received at Customs Warehouse located at the port of destination.

R. Measurement of EBITDA

The company has elected to present Earnings before Interest (Finance Cost), Tax, Depreciation and Amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss for the year. The company measures EBITDA on the basis of Profit / (Loss) from continuing operations.

S. Provisions, Contingent Liabilities & Contingent Assets

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

		As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
2. SHARE CAPITAL			
Authorised:			
40,000,000	Equity Shares of Rs. 10/- each (Previous Year 40,000,000)	4,000.00	4,000.00
6,000,000	Preference Shares of Rs. 100/- each (Previous Year 6,000,000)	6,000.00	6,000.00
		<u>10,000.00</u>	<u>10,000.00</u>
Issued, Subscribed and Fully Paid-up:			
23,315,150	Equity Shares of Rs. 10/- each (Previous Year 23,315,150)	2,331.52	2,331.52
	Less: Unpaid Allotment / Call Money (from Others)	6.21	6.21
		<u>2,325.31</u>	<u>2,325.31</u>
5,446,000	0.01% Cumulative Redeemable Preference Shares of Rs. 100/- each (Previous Year 5,446,000) (Refer Notes below)	5,446.00	5,446.00
(5,446,000)	Less: Redeemed during the year (Refer Notes below)	5,446.00	0.00
		<u>0.00</u>	<u>5,446.00</u>
	TOTAL	<u>2,325.31</u>	<u>7,771.31</u>

Out of the above:

- (i) 200,000 Equity Shares of Rs. 10/- each were allotted as fully Paid-up to various schemes operating under UTI Assets Management Company Ltd. at a premium of Rs. 22.67/- per share on 23rd December, 2008 as per arrangement. (Previous Year 200,000).
- (ii) 254,764 Equity Shares of Rs. 10/- each fully Paid-up issued to the shareholders of Garware Chemicals Limited (GCL) as per scheme of arrangement under Section 391 to 394 of the Companies Act, 1956 on 14th November, 2011. (Previous Year 254,764).
- (iii) 5,446,000 0.01% Cumulative Redeemable Preference Shares of Rs. 100/- each were allotted as fully Paid-up to IDBI at par (4,954,000 on 7th November, 2007 and 492,000 on 19th June, 2008) as per arrangement. (Previous Year 5,446,000).

Terms / Rights attached to Shares:**Equity Shares:**

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each equity shareholder is entitled to One Vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the board of directors is subject to approval of shareholders in the ensuing Annual General Meeting.

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

Preference Shares:

The Preference Shares amounting to Rs. 4,954.00 Lakhs allotted on 07.11.2007 are redeemable in 3 equal installments from 1st April, 2014 to 1st April, 2016 and Rs. 492.00 Lakhs allotted on 19.06.2008 shall be redeemed in single installment on 1st April, 2016. These preference shares carry a fixed cumulative dividend of 0.01% per annum.

The company has fully redeemed the above Preference Shares amounting to Rs. 5,446.00 Lakhs by paying Rs. 4,000.00 Lakhs as One Time Settlement in full and final payment. The difference of Rs. 1,446.00 Lakhs has been credited in the statement of Profit and Loss Account under Other Income.

Reconciliation of the number of Shares Outstanding at the beginning and at the end of the year:**Equity Shares**

	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs
At the beginning of the year	23,315,150	2,331.52	23,315,150	2,331.52
Add: Issued during the year	0	0.00	0	0.00
Outstanding at the end of the year	<u>23,315,150</u>	<u>2,331.52</u>	<u>23,315,150</u>	<u>2,331.52</u>

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

Name of the Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	% of Holding	No. of Shares	% of Holding
S. B. Garware Family Trust	10,592,401	45.43	10,577,100	45.37

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Preference Shares

	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs
At the beginning of the year	5,446,000	5,446.00	5,446,000	5,446.00
Issued during the year	0	0.00	0	0.00
Redeemed during the year	5,446,000	5,446.00	0	0.00
Outstanding at the end of the year	0	0.00	5,446,000	5,446.00

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

Name of the Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	% of Holding	No. of Shares	% of Holding
IDBI Bank Limited	0.00	0.00	5,446,000	100.00

3. RESERVES AND SURPLUS

	As at 31.03.2015		As at 31.03.2014	
	Rs. in Lakhs		Rs. in Lakhs	
Capital Reserve:				
Balance as per last Balance Sheet		4,439.48		4,439.48
Capital Redemption Reserve:				
Balance as per last Balance Sheet		0.00		0.00
Add: Transferred from Surplus in the statement of Profit and Loss Account on Redemption of Preference Shares		5,446.00		0.00
		5,446.00		0.00
Securities Premium Reserve:				
Balance as per last Balance Sheet		592.14		592.14
Revaluation Reserve:				
Balance as per last Balance Sheet		10,105.40		10,105.40
General Reserve:				
Balance as per last Balance Sheet		6,909.91		6,909.91
Surplus in the Statement of Profit and Loss:				
Balance as per last Balance Sheet	30,480.50		29,450.96	
Add: Proposed Dividend on Equity Shares of prior year written back	0.00		1.24	
Less: Transferred from Assets whose balance useful life is Nil as per Schedule II of the Companies Act, 2013 (Net of Deferred Tax of Rs. 117.50 Lakhs)	228.15		0.00	
Less: Transferred to Capital Redemption Reserve on Redemption of Preference Shares	5,446.00		0.00	
Add: Profit for the year	1,781.44		1,028.93	
Less: Appropriations				
Dividend Payable on Preference Shares [Rs. Nil Per Share (Previous Year One Paise Per Share)]	0.00		0.54	
Tax on Dividend	0.00		0.09	
		26,587.79		30,480.50
Foreign Currency Translation Reserve				
Balance as per last Financial Statements	493.62		398.59	
Addition (Deduction) during the year	(28.66)		95.03	
		464.96		493.62
TOTAL		54,545.68		53,021.05

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

4. LONG TERM BORROWINGS

	Non-Current		Current	
	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
Secured Loans				
Term Loans				
Indian Rupee Loan from Banks	4,657.47	5,519.83	2,398.80	2,398.80
Foreign Currency Loan from Banks	0.00	506.03	548.67	730.00
Fixed Asset Under Finance Lease Obligation	201.88	85.46	108.24	128.03
Unsecured Loans				
Interest Free Sales tax / VAT Deferral Loan of SICOM (Unsecured)	1,203.46	1,203.46	0.00	0.00
TOTAL	6,062.81	7,314.78	3,055.71	3,256.83

- 1) Term Loan of Rs. 7,604.94 Lakhs (Previous Year Rs. 9,154.66 Lakhs) are secured by first pari-passu charge on Fixed Assets of the company both present and future except Land and Building at Vile Parle, Mumbai and also by way of second pari-passu charge on Current Assets of the company. The loans are repayable in 20 quarterly installments from quarter ended March 2011 till December 2018.
- 2) Fixed Assets finances of Rs. 310.12 Lakhs (Previous Year Rs. 213.49 Lakhs) are secured by hypothecation of specific assets. The loans are repayable in 60 monthly / 20 quarterly installments. The installments are payable from October 2010 till January 2020 covering all loans taken at various dates.
- 3) Deferral Loan from SICOM is payable from April 2016 to April 2026.
- 4) The rate of interest on Foreign Currency Loans are at LIBOR + 7.5%, on Rupee Loan @ 12.75% to 14.05% p.a. and on Fixed Assets Loan @ 9.94 % to 11.80% p.a.

5. DEFERRED TAX LIABILITY (NET)

Major components of Deferred Tax (Liabilities) / Assets arising on account of timing differences as at 31st March, 2015 are as follows:

	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
Deferred Tax Assets		
Disallowance U/S 43B of the Income Tax Act, 1961	231.48	183.63
Unabsorbed Business Losses & Depreciation	810.27	596.20
Others	339.02	322.35
	(i) 1,380.77	1,102.18
Less: Deferred Tax Liability		
Excess of net Block over WDV as per the Income Tax Act, 1961	(ii) 4,543.58	3,533.15
Deferred Tax Asset / (Liability) (Net)	(i-ii) (3,162.81)	(2,430.97)
Deferred Tax Asset / (Liability) as per Balance Sheet (Previous Year)	(2,430.97)	(2,113.65)
Deferred Tax Expense / (Income)	731.84	317.32
Add: Deferred tax Expenses pertaining to assets transferred to retained earning whose balance useful life was Nil as on 1/4/2014 as per Schedule II of the Companies Act, 2013	117.50	0.00
Deferred Tax Expense/(Income) Recognised in Profit & Loss	849.34	317.32

6. SHORT TERM BORROWINGS

	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
Cash / Packing Credit from Banks:		
Indian Rupees (Secured)	194.20	1,176.19
Foreign Currency (Secured)	7,139.66	3,399.40
Working Capital Loans	20,338.74	23,385.07
TOTAL	27,672.60	27,960.66

- a) Cash / Packing Credit Loans are secured by hypothecation of all the current assets including all stocks, book debts etc. of the company and further secured by a second charge on fixed assets of the company excluding property at Vile Parle.
- b) Interest on Working Capital (Rupee) Loans ranges between 11% to 15.80% p.a. and Foreign Currency Loans Libor + 2.5% to Libor + 3.50% p.a.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

7. TRADE PAYABLES	As at 31.03.2015	As at 31.03.2014
	Rs. in Lakhs	Rs. in Lakhs
Due to Micro, Small & Medium Enterprises	374.81	379.23
Others	4,049.64	3,765.17
TOTAL	4,424.45	4,144.40

8. OTHER CURRENT LIABILITIES	As at 31.03.2015	As at 31.03.2014
	Rs. in Lakhs	Rs. in Lakhs
Current Maturities of Long Term Borrowing (Refer Note No. 4)	3,055.71	3,256.83
Unclaimed Dividend #	66.71	67.01
Deposit & Advances from Customers & Vendors	759.54	457.49
Creditors for Capital Expenditure	164.20	696.85
Balance With Banks - Overdrawn as per Books	0.00	51.32
Payable to Employees	54.19	75.02
Statutory Liabilities	224.77	194.92
Provision For Expenses	213.32	171.60
TOTAL	4,538.44	4,971.04

These Figures do not include any amount due and outstanding to be credited to the Investor Education and Protection Fund.

9. PROVISIONS	Long Term		Short Term	
	As at 31.03.15 Rs. in Lakhs	As at 31.03.14 Rs. in Lakhs	As at 31.03.15 Rs. in Lakhs	As at 31.03.14 Rs. in Lakhs
Provisions for Employee Benefits: (Refer Note No. 28)				
Provision for Gratuity	0.00	0.00	58.46	43.83
Provision for Leave Encashment	497.78	448.38	895.08	803.72
	497.78	448.38	953.54	847.55
Other Provisions				
Provision for Dividend on Preference Shares	0.00	0.00	0.00	0.54
Provision for Tax on Dividend	0.00	0.00	0.00	0.09
Provision for Tax	0.00	0.00	0.00	21.30
Provision for Wealth Tax	0.00	0.00	5.67	4.04
	0.00	0.00	5.67	25.97
TOTAL	497.78	448.38	959.21	873.52

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Rs. in Lakhs)

Description	Gross Block		As at 31.03.2015	Up to 01.04.2014	Charge for the year (a)	Depreciation / Amortisation		Disposal / Transfers / Adjustments during the year	Up to 31.03.2015	Impairment		Net Block As at 31.03.2015
	As at 01.04.2014	Additions / Adjustments during the year				Disposal / Transfers / Adjustments during the year	Net Charge for the year (a-b)			As at 01.04.2014	As at 31.03.2015	
TANGIBLE ASSETS:												
Land (Freehold)	25,476.92		25,476.92	0.00		0.00			0.00			25,476.92
Land (Leasehold)	6,723.14	21.94	6,745.08	0.00		0.00			0.00			6,745.08
Buildings	8,312.36	2,766.45	11,078.84	5,995.99	168.38	168.38		35.21	6,129.16	101.25	101.25	4,807.43
Plant & Machinery	75,872.15	7,143.49	83,015.64	46,476.24	1,055.96	1,055.96			47,532.20	8,722.52	8,722.52	26,760.92
Electrical Installations	3,019.27		3,019.04	2,743.85	231.50	199.91		0.17	2,975.18			43.86
Moulds	287.54		287.54	287.54		0.00			287.54			0.00
Laboratory Equipments	430.13	151.94	582.07	301.05	58.01	17.76			359.06	10.90	10.90	212.11
Furniture & Fixtures	631.80	194.87	826.67	535.31	44.26	16.01			579.57			247.10
Office Equipments	619.08	62.75	681.83	490.27	109.56	70.74			599.83			82.00
Vehicles	259.42		258.65	214.47	20.18	14.88		0.75	233.90			24.75
Vehicles on Finance Lease	753.83		667.25	497.50	56.73			72.41	481.82			185.43
Capital Expenditure On Research & Development	220.93		220.93	217.46	1.10	0.10			218.56			2.37
Data Processing Equipments	1,436.09	26.26	1,438.34	1,349.17	52.87	26.25		24.01	1,378.03			60.31
Data Processing Equipments on Finance Lease	0.00	216.64	216.64		15.00				15.00			201.64
TOTAL (A)	124,042.66	10,584.34	134,474.44	59,108.85	1,813.55	345.65	1,467.90	132.55	60,789.85	8,834.67	8,834.67	64,849.92
INTANGIBLE ASSETS:												
Software	245.57	27.56	273.13	159.44	52.24				211.68			61.45
Copyrights	157.46		157.46	157.46	0.00				157.46			0.00
Expenditure on Technical Know-how / Product Development	1,430.76		1,430.76	1,430.76	0.00	0.00			1,430.76			0.00
Goodwill	4,400.36		4,400.36	0.00	0.00	0.00			0.00	4,400.36	4,400.36	0.00
TOTAL (B)	6,234.15	27.56	6,261.71	1,747.66	52.24	0.00	52.24	0.00	1,799.90	4,400.36	4,400.36	61.45
TOTAL (A + B)	130,276.81	10,611.90	140,736.15	60,856.51	1,865.79	345.65	1,520.14	132.55	62,589.75	13,235.03	13,235.03	64,911.37
Capital Work-in-Progress (Refer Note No. 27)												1,070.49

NOTES:

- Freehold Land and Leasehold Land is revalued on 31st March, 2013 with reference to the then current market prices, amount added on revaluation is Rs. 13,900.30 Lakhs and Rs. 4,855.64 Lakhs respectively; the revalued amount substituted for historical cost on 31st March, 2013 is Rs. 25,476.92 Lakhs and Rs. 6,719.00 Lakhs respectively.
- Building includes Rs. 0.07 Lakh being value of 136 Shares in Co-Operative Housing Societies.
- In accordance with the Accounting Standard (AS-11) and Amendment Rules, 2009 on AS-11 Notified by the Government of India on 31.03.2009 and subsequent amendment dtd. 29th December, 2011, the company has capitalised Rs. 45.52 Lakhs to Plant and Machinery (Previous Year Rs. 221.97 Lakhs) on account of exchange rate difference on Foreign Currency Loans.
- In accordance with the provisions of Schedule II of the Companies Act, 2013, in case of Fixed Assets whose useful life as at 1st April, 2014 is Nil; the carrying value (Net of Residual Value) amounting to Rs. 228.15 Lakhs (Net of Deferred Tax of Rs. 117.50 Lakhs) as transitional provision has been recognised in the retained earnings.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

10-A FIXED ASSETS:

(Rs. in Lakhs)

Description	Gross Block			Depreciation / Amortisation			Impairment		Net Block As at 31.03.2014	
	As at 01.04.2013	Additions / Adjustments during the year	Disposal / Transfers / Adjustments during the year	As at 31.03.2014	Up to 01.04.2013	Charge for the year	Disposal / Transfers / Adjustments during the year	Up to 31.03.2014		As at 01.04.2014
TANGIBLE ASSETS:										
Land (Freehold)	25,476.92			25,476.92	0.00			0.00		
Land (Leasehold)	6,723.14			6,723.14	0.00			0.00		
Buildings	8,106.26	206.10		8,312.36	5,774.85	221.14		5,995.99	101.25	
Plant & Machinery	72,196.48	3,715.00	39.33	75,872.15	43,674.56	2,841.01	39.33	46,476.24	8,722.52	
Electrical Installations	3,019.27			3,019.27	2,699.34	44.51		2,743.85		
Moulds	287.54			287.54	287.54	0.00		287.54		
Laboratory Equipments	419.63	10.50		430.13	283.40	17.65		301.05	10.90	
Furniture & Fixtures	596.40	35.40		631.80	516.36	18.95		535.31		
Office Equipments	611.67	7.41		619.08	488.94	21.33		490.27		
Vehicles	256.25	13.95	10.78	259.42	214.06	10.82	10.41	214.47		
Vehicles on Finance Lease	753.83			753.83	407.96	89.54		497.50		
Capital Expenditure On Research & Development	218.92	2.01		220.93	216.24	1.22		217.46		
Data Processing Equipments	1,378.22	57.87		1,436.09	1,308.66	40.51		1,349.17		
TOTAL (A)	120,044.53	4,048.24	50.11	124,042.66	55,851.91	3,306.68	49.74	59,108.85	8,834.67	8,834.67
INTANGIBLE ASSETS:										
Software	227.73	17.84		245.57	113.21	46.23		159.44		
Copyrights	157.46			157.46	157.46	0.00		157.46		
Expenditure on Technical Know-how / Product Development	1,430.76			1,430.76	1,430.76	0.00		1,430.76		
Goodwill	4,400.36		0.00	4,400.36	0.00	0.00		0.00	4,400.36	
TOTAL (B)	6,216.31	17.84	0.00	6,234.15	1,701.43	46.23	0.00	1,747.66	4,400.36	4,400.36
TOTAL (A + B)	126,260.84	4,066.08	50.11	130,276.81	57,553.34	3,352.91	49.74	60,856.51	13,235.03	13,235.03
Capital Work-in-Progress (Refer Note No. 27)										8,619.38

NOTES:

- Freehold Land and Leasehold Land is revalued on 31st March, 2013 with reference to the then current market prices. amount added on revaluation is Rs. 13,900.30 Lakhs and Rs. 4,855.64 Lakhs respectively; the revalued amount substituted for historical cost on 31st March, 2013 is Rs. 25,476.92 Lakhs and Rs. 6,719.00 Lakhs respectively.
- Building includes Rs. 0.07 Lakh being value of 136 Shares in Co-Operative Housing Societies.
- In accordance with the Accounting Standard (AS-11) and Amendment Rules, 2009 on AS-11 Notified by the Government of India on 31.03.2009 and subsequent amendment dtd. 29th December, 2011, the company has capitalised Rs. 221.97 Lakhs to Plant and Machinery (Previous Year Rs.162.29 Lakhs) on account of exchange rate difference on Foreign Currency Loans.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

11. NON-CURRENT INVESTMENTS	As at 31.03.2015		As at 31.03.2014	
	Rs. in Lakhs		Rs. in Lakhs	
Non Trade Investments in Shares:				
Quoted Equity Instruments				
50 (Previous Year 50) Equity Shares of M. M. Rubber Ltd., of the face value of Rs. 2/- each, fully paid-up	0.01		0.01	
2,09,000 (Previous Year 2,80,000) Equity Shares of Garware Marine Industries Ltd., of the face value of Rs. 10/- each, fully paid-up	-		-	
4,00,300 (Previous Year 400,300) Equity Shares of Garware Wall Ropes Limited, of the face value of Rs. 10/- each, fully paid-up	56.98		56.98	
0 (Previous Year 500) Equity Shares of Oswal Chemicals and Fertilizers Ltd., of the face value of Rs. 10/- each fully paid-up	0.00		-	
0 (Previous Year 71) Equity Shares of Navin Flourine International Ltd., of the face value of Rs. 10/- each fully paid-up	0.00		-	
0 (Previous Year 400) Equity Shares of NALCO of the face value of Rs. 5/- each fully paid-up	0.00		0.81	
		56.99		57.80
Unquoted Equity Instruments				
2,500 (Previous Year 2,500) Equity Shares of The New India Co-Operative Bank Ltd., Mumbai, of the face value of Rs. 10/- each, fully paid-up	0.25		0.25	
2,500 (Previous Year 2,500) Equity Shares of The North Kanara Goud Saraswat Brahmin Co-Operative Bank Ltd., Mumbai, of the face value of Rs. 10/- each, fully paid-up	0.25		0.25	
500 (Previous Year 500) Equity shares of The Co-Operative Stores Ltd., (New Delhi), of the face value of Rs. 10/- each, fully paid-up	0.05		0.05	
10,000 (Previous Year 10,000) Equity Shares of S I C O M Ltd., of the face value of Rs. 10/- each fully paid-up	8.00		8.00	
20,000 (Previous Year 20,000) Equity Shares of Deogiri Nagari Sahakari Bank Ltd., of the face value of Rs. 25/- each fully paid-up	5.00		5.00	
4,000 (Previous Year 4,000) Equity Shares of Vaidyanath Urban Co-Operative Bank Ltd., of the face value of Rs. 25/- each fully paid-up	1.00		1.00	
1,000 (Previous Year 1,000) Equity Shares of Poornawadi Co-Operative Bank Ltd., of the face value of Rs. 100/- each fully paid-up	1.00		1.00	
100 (Previous Year 100) Equity Shares of Cosmos Co-Operative Bank Ltd., of the face value of Rs. 10/- each fully paid-up	0.02		0.02	
		15.57		15.57
TOTAL		72.56		73.37
	Cost	Market Value	Cost	Market Value
Aggregate amount of company's Investment				
Quoted	56.99	796.04	57.80	274.71
Unquoted	15.57		15.57	
TOTAL	72.56	796.04	73.37	274.71

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

12. LOANS & ADVANCES	Non-Current		Current	
	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
Capital Advances				
Unsecured, considered good	27.19	99.01	0.00	0.00
(A)	27.19	99.01	0.00	0.00
Security Deposit				
Unsecured, considered good	203.62	142.76	0.00	0.00
Rs. 36.00 Lakhs due from a Director (Previous Year Rs. 36.00 Lakhs) (Rent Deposit) and				
Rs. 36.00 Lakhs due from entities in which some of the Directors are interested (Previous Year Rs. 36 Lakhs) (Rent Deposit)				
(B)	203.62	142.76	0.00	0.00
Advances Recoverable in Cash or Kind				
Unsecured, considered good	0.00	0.00	254.84	170.42
(C)	0.00	0.00	254.84	170.42
Other Loans & Advances				
Advance Income Tax (Net of Provision for Taxation)	192.76	0.00	0.00	0.00
MAT Credit Entitlement	6,625.26	6,167.36	0.00	0.00
Prepaid Expenses	0.00	0.00	730.72	804.95
Employee Advances	0.00	0.00	42.59	23.52
Balances with Statutory / Government Authorities	1,775.02	1,981.21	3,245.65	4,148.30
(D)	8,593.04	8,148.57	4,018.96	4,976.77
Total (A+B+C+D)	8,823.85	8,390.34	4,273.80	5,147.19
13. INVENTORIES (Valued at Lower of Cost and Net Realisable Value)			As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
a) Stores, Spares & Packing Materials			2,472.79	2,077.28
b) Raw Materials			2,499.93	2,825.23
c) Finished Goods			437.10	500.36
d) Stock in Transit - Finished Goods			322.63	395.11
e) Semi-Finished Goods			7,985.44	9,091.31
			13,717.89	14,889.29
14. TRADE RECEIVABLES			As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
Unsecured, considered good unless otherwise stated excluding bills receivable discounted [Refer Note No. 37 (d)]				
a) Debts outstanding for a period exceeding six months from the date they are due for payment				
i) Unsecured, considered good			4.03	36.64
ii) Doubtful			258.85	258.85
			262.88	295.49
Less : Provision for doubtful receivables			258.85	258.85
			4.03	36.64
b) Other Receivables				
Unsecured, considered good			4,840.03	5,753.89
			4,840.03	5,753.89
Total (a+b)			4,844.06	5,790.53
Other Receivables include:				
Due from company in which the Directors are Director / Member			359.26	494.71

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

15. CASH & BANK BALANCES

	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
Cash & Cash Equivalents		
a) Balances with Bank:		
In Current Accounts	1,223.87	619.82
In Fixed Deposit	4,648.46	6,245.55
b) Cash on hand	38.36	34.29
Other Bank Balances:		
In Unclaimed Dividend Accounts	66.71	67.01
Margin Money Deposit	23.13	2,604.60
TOTAL	6,000.53	9,571.27

(Fixed Deposit with Bank includes Rs. 43.24 Lakhs (Previous Year Rs. 1.49 Lakhs) with maturity of more than 12 Months)

16. OTHER CURRENT ASSETS

	As at 31.03.2015 Rs. in Lakhs	As at 31.03.2014 Rs. in Lakhs
Interest accrued on Fixed Deposit & Others	48.29	117.74
Other Receivables	426.25	151.73
TOTAL	474.54	269.47

17. REVENUE FROM OPERATIONS

	2014-15 Rs. in Lakhs	2013-14 Rs. in Lakhs
Sale of Products	92,928.99	87,141.73
Other Operating Revenue:		
Export Incentives	1,187.84	1,390.79
Others	270.52	152.23
Revenue from Operation (Gross including Excise Duty)	94,387.35	88,684.75
Details of Products Sold:		
Polyester Films	92,928.99	87,141.73

18. OTHER INCOME

	2014-15 Rs. in Lakhs	2013-14 Rs. in Lakhs
Interest Income:		
On Bank Deposits	681.53	756.27
On Income Tax & Sales Tax Refund	1.20	39.91
One Time Settlement (OTS) on Redemption of Preference Shares (Refer Note No. 29)	1,446.00	0.00
Others	2.09	1.34
Dividend Income On:		
Investments	10.93	10.82
Insurance Claims	55.09	11.23
Profit on Sales of Fixed Assets	113.20	1.40
Profit on Sales of Investment	36.71	12.78
Excess Provision / Sundry Credit Balances Written Back	231.75	18.45
Rent	0.00	1.20
Sales Tax Refund	9.04	118.54
Gain on Exchange Rate Fluctuations	101.25	0.00
TOTAL	2,688.79	971.94

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
19. COST OF RAW MATERIALS CONSUMED		
Inventory at the beginning of the year	2,825.23	1,426.17
Add: Purchases	55,284.11	58,656.98
Less: Sales	(1,906.95)	(3,715.49)
	<u>56,202.39</u>	<u>56,367.66</u>
Less: Inventory at the end of the year	2,499.93	2,825.23
Cost of Raw Materials Consumed	<u>53,702.46</u>	<u>53,542.43</u>
Details of Raw Materials Consumed		
PTA	18,352.03	22,282.41
MEG	7,363.68	8,624.74
REPOL 34 SG	6,727.06	0.00
Chemicals & Others	21,259.69	22,635.28
TOTAL	<u>53,702.46</u>	<u>53,542.43</u>
Details of Inventory		
PTA	0.00	210.53
MEG	146.75	182.87
REPOL 34 SG	105.90	523.45
Chemicals & Others	2,247.28	1,908.38
TOTAL	<u>2,499.93</u>	<u>2,825.23</u>
20. (INCREASE) / DECREASE IN FINISHED AND SEMI-FINISHED GOODS		
	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Inventories at the end of the year		
Semi-Finished Goods	7,985.44	9,091.31
Finished Goods	759.73	892.04
	<u>8,745.17</u>	<u>9,983.35</u>
Inventories at the beginning of the year		
Semi-Finished Goods	9,091.31	5,334.92
Finished Goods	895.47	883.73
	<u>9,986.78</u>	<u>6,218.65</u>
(Increase)/ Decrease in Stock of Finished and Semi-finished Goods out of Trial Run Production	894.10	(894.10)
(Increase) / Decrease	<u>347.51</u>	<u>(2,870.60)</u>
21. EMPLOYEE BENEFITS EXPENSE (Refer Note No. 30)		
	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Salaries, Wages and Bonus	5,684.34	4,993.10
Contribution to Provident Fund and Other Funds	711.15	582.59
Staff Welfare Expenses	365.95	354.93
TOTAL	<u>6,761.44</u>	<u>5,930.62</u>
22. OTHER EXPENSES		
	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Stores, Spares & Packing Materials Consumed	4,332.74	3,749.74
Power and Fuel	8,842.02	8,618.52
Processing Charges	150.74	119.00
Water Charges	54.88	88.75
Rent, Hire Charges and Compensation	168.02	110.75
Rates, Taxes and License Fees	60.52	69.16
Insurance	231.54	242.05
Freight & Forwarding (Net)	2,779.83	2,174.98
Research and Development Expenses	138.37	111.32
Advertisement Expenses	37.95	27.52

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Repairs and Maintenance Expenses:		
Plant and Machinery	1,021.68	838.91
Building	508.32	391.01
Other Assets	775.33	714.87
Sales Tax / VAT	28.58	1.24
Travelling & Conveyance	705.19	668.86
Postage, Telegrams & Telephones	134.26	136.72
Commission on Sales	182.20	172.95
CSR Expenditure	63.68	0.00
Donations	0.00	54.11
Legal and Professional Charges (Refer Note No. 32)	705.79	654.04
Auditors Remuneration (Refer Note No. 23)	42.05	40.88
Director Sitting Fees	3.74	2.83
Miscellaneous Expenses	1,882.46	1,774.70
Loss on Swap / Exchange Rate Fluctuation	0.00	67.44
TOTAL	22,849.89	20,830.35
23. PAYMENT TO AUDITORS AS:	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Audit Fees (Including Branch Audit)	27.68	27.76
Tax Audit Fees	6.00	5.00
For Certification / Others	7.75	7.85
Reimbursement of Out of Pocket Expenses	0.62	0.27
TOTAL	42.05	40.88
24. EXCEPTIONAL ITEMS	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Central Sales Tax Claim Receivable (Refer Note No. 33)	0.00	(622.16)
TOTAL	0.00	(622.16)
25. FINANCE COST	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Interest Expenses	1,222.99	989.28
Other Borrowing Cost	3,158.18	2,670.98
Applicable Loss on Foreign Currency Transactions and Translations	32.02	81.24
TOTAL	4,413.19	3,741.50
26. EARNINGS PER SHARE (EPS)	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Profit After Tax	1,781.44	1,028.93
Less: Dividend on Preference Shares including Tax	0.00	0.63
Amount available for Equity Shareholders	1,781.44	1,028.30
Weighted average number of Equity Shares (Basic & Diluted) including outstanding	23,315,150	23,315,150
Earnings Per Share - Basic & Diluted (Rupees) (Absolute)	7.64	4.41

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	2014-15 Rs. in Lakhs	2013-14 Rs. in Lakhs
27. The break-up of expenses shown under Capital Work-in-Progress (Pending Allocation) as on 31st March, 2015 is as under:		
Opening Balance	8,619.38	3,908.55
Capital Work-in-Progress	1,739.83	6,856.46
Less: Capitalised during the year	(7,750.32)	(3,187.51)
Pre-Operative Expenditure incurred during the year:		
Raw Material Consumed	3,983.71	3,233.37
Power and Fuel	405.07	374.34
Stores, Spares and Packing Material Consumed	107.66	55.80
Freight and Forwarding	81.35	48.67
Employee Benefits	191.71	237.75
Travelling and Conveyance	11.24	42.50
Legal and Professional Charges	19.35	52.45
Others	28.80	71.31
Finance Charges	445.83	651.70
Less: Sales	(4,625.50)	(2,408.96)
(Net of Excise Duty Rs. 492.89 Lakhs) (Previous Year Rs. 278.41 Lakhs)		
Less: Stock of Finished / Semi-finished Goods out of Trial Run Production	0.00	(894.10)
Pre-Operative Expenses Capitalised during the year	(2,187.62)	(422.95)
Closing Balance #	1,070.49	8,619.38
[# includes Intangible Assets in Progress Rs. 19.95 Lakhs (Previous Year Rs. Nil)]		

28. DISCLOSURE AS PER AS-15 (REVISED) ON "EMPLOYEE BENEFITS"**A. Funded Retirement Benefit - Gratuity**

	2014-15 Rs. in Lakhs	2013-14 Rs. in Lakhs
Change in the Defined Benefit Obligations		
Defined Benefit Obligations at beginning of the year	1,768.32	1,702.64
Service Cost	136.50	132.24
Interest Cost	155.24	131.08
Actuarial Loss / (Gain)	79.51	(49.12)
Benefits Paid	(143.49)	(148.52)
Defined Benefit Obligations at end of the year (a)	1,996.08	1,768.32
Change in Plan Assets		
Fair Value of Plan Assets as at beginning of the year	1,724.49	1,560.11
Expected Return on Plan Assets	155.00	139.27
Contributions by Employer	197.23	175.92
Actuarial Gain / (Loss)	4.40	(2.29)
Benefits Paid	(143.49)	(148.52)
Fair Value of Plan Assets at end of the year (b)	1,937.62	1,724.49
Present Value of Funded Obligations (a-b)	58.46	43.83
The net amount recognized in the statement of Profit and Loss for the year ended 31 st March, 2015 is as follows:		
Current Service Cost	136.50	132.24
Interest Cost	155.24	131.08
Expected Return on Plan Assets	(155.00)	(139.27)
Net Actuarial Loss / (Gain) Recognized	75.11	(46.83)
Net Amount Recognized	211.85	77.22
The principal actuarial assumptions used as at 31 st March, 2015 are as follows:		
Discount Rate	7.75%	9.15%
Expected Rate of Return on Plan Assets		
Withdrawal Rate	5%	5%
Rate of increase in compensation levels	5%	5%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Other Disclosures:

(Rs. in Lakhs)

	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11
Present value of Defined Benefit Obligation	1,996.08	1,768.32	1,702.64	2,063.44	1,688.41
Fair value of Plan Assets	1,937.62	1,724.49	1,560.11	1,656.08	1,430.98
(Deficit) / Surplus of the Plan	58.46	43.83	142.53	407.36	257.43
Experience Adjustment on Plan Liabilities Loss / (Gain)	79.50	(49.12)	(222.68)	*	*
Experience Adjustment on Fair Value of Plan Assets	(4.40)	2.29	3.53	0.01	*

* Not available in the valuation report hence are not furnished

B. Un-funded Retirement Benefit - Leave Encashment

	2014-15 Rs. in Lakhs	2013-14 Rs. in Lakhs
Change in the Defined Benefit Obligations:		
Defined benefit obligations at beginning of the year	1,252.10	1,128.57
Service Cost	103.28	78.76
Interest Cost	113.94	89.76
Actuarial Loss / (Gain)	(62.82)	(17.85)
Benefits Paid	(13.65)	(27.14)
Defined Benefit Obligations at end of the year (a)	1,392.85	1,252.10
Change in Plan Assets		
Contributions by Employer	13.65	27.14
Benefits Paid	(13.65)	(27.14)
Fair value of Plan Assets at end of the year (b)	0.00	0.00
Present Value of Un-funded Obligations (a-b)	1,392.85	1,252.10
The net amount recognized in the statement of Profit and Loss for the year ended 31 st March, 2015 is as follow:		
Current Service Cost	103.28	78.76
Interest Cost	113.94	89.76
Net Actuarial Loss / (Gain) Recognized	(62.82)	(17.85)
Net Amount Recognized	154.40	150.67
The principal actuarial assumptions used as at 31 st March, 2015 are as follows:		
Discount Rate	7.75%	9.15%
Expected Rate of Return on Plan Assets		
Withdrawal Rate	5%	5%
Rate of increase in Compensation Levels	5%	5%

29. The company has redeemed during the year 54,46,000 - 0.01% Cumulative Redeemable Preference Shares of Rs. 100/- each aggregating to Rs. 5,446.00 Lakhs issued and allotted to IDBI bank Ltd. by paying Rs. 4,000.00 Lakhs as One Time Settlement in full and final settlement of the above-said Preference Shares. The difference of Rs. 1,446.00 Lakhs has been treated as Other Income.

30. The remuneration of Rs. 965.72 Lakhs paid to the Managing Director, Joint Managing Directors and Director are subject to the sanction of the Central Government in respect of which applications have been made and are pending with Government. (Previous Year Out of Rs. 237.82 Lakhs which was subject to sanction of Central Government, Rs. 89.61 Lakhs are still pending under approval for which revised application has been made).

31. LEASES

The company has entered into Finance and Operating Lease agreements. As required under the Accounting Standard 19 on 'Leases', the future minimum lease payments on account of each type of lease are as follows:

A. Hire Purchase / Finance Leases (Vehicle)

(Rs. in Lakhs)

Particulars	Future Lease Payments		Present Value of Future Minimum Lease Payments		Finance Charges	
	2015	2014	2015	2014	2015	2014
As at 31 st March						
Not later than one year	137.51	144.69	108.24	128.03	29.27	16.66
Later than one year and not later than five years	249.86	90.91	201.88	85.46	47.98	5.45
Later than five years	0.00	0.00	0.00	0.00	0.00	0.00

B. Operating Leases

The company has taken various residential /commercial premises and vehicles on Operating Leases. These Operating Lease are in the nature of "Cancellable Lease" therefore disclosure as per Accounting Standard - 19 is not required.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

32. Legal and Professional Charges include Rs. 6.25 Lakhs (Previous Year Rs. 5.75 Lakhs) paid to some of the Partners of the Auditors and Rs. 5.56 Lakhs paid to a firm in which one of the Director is a proprietor, (Previous Year Rs. 4.67 Lakhs) for Corporate Law and Tax Services.

33. The Company has expensed out / written off Sales Tax receivable of Rs. 1,684.36 Lakhs in prior years pursuant to an amendment of MVAT Act by Government of Maharashtra with retrospective effect. However, as per legal opinion obtained by the company, this amendment was not applicable to CST. Accordingly, balance amount of Rs. 622.16 Lakhs out of Rs. 1,178.30 Lakhs relating to CST which has been expensed out earlier, is written back by the company in the previous year.

34. SEGMENT REPORTING

- a) The company is only in one line of business namely - Polyester Film.
- b) The Segment Revenue in the Geographical Segment considered for disclosure are as follows:
- Revenue within India includes Sales to Customers located within India.
 - Revenue outside India includes Sales to Customers located outside India including Export Benefits / Incentives.

	2014-15	2013-14
	Rs. in Lakhs	Rs. in Lakhs
Sales:		
Within India	44,576.51	39,276.30
China (including Export incentives)	9,810.92	10,563.83
Rest of world (including Export incentives)	39,999.92	38,844.62
TOTAL	94,387.35	88,684.75

35. RELATED PARTY DISCLOSURES

- a) List of Related Parties

Key Management Personnel	Shri. S. B. Garware - Chairman and Managing Director Mrs. S. S. Garware - Director Mrs. Monika Garware Modi - Vice Chairperson & Joint Managing Director Mrs. Sarita Garware Ramsay - Joint Managing Director Ms. Sonia S. Garware - Director Mr. M. S. Adsul - Director - Technical
Entities in which some of the Directors are interested	Garware Industries Ltd. Great View Real Estate Pvt. Ltd.

- b) Transaction with Related Party

Particulars	Relationship	2014-15	2013-14
		Rs. in Lakhs	Rs. in Lakhs
1) Sale of Goods			
Garware Industries Ltd.	Entities in which some of the directors are interested	5,879.05	8,887.31
2) Purchase of Materials			
Garware Industries Ltd.	Entities in which some of the directors are interested	11,151.34	12,495.14
3) Services Received / Rent Paid / Reimbursement of Expenses			
Garware Industries Ltd.	Entities in which some of the directors are interested	118.85	58.02
Great View Real Estates Pvt. Ltd.	Entities in which some of the directors are interested	80.90	67.42
Ms. Sonia S. Garware	Key Management Personnel	72.00	65.00
4) Services Rendered			
Garware Industries Ltd.	Entities in which some of the directors are interested	324.74	334.09
5) Rent Deposit Paid			
Ms. Sonia S. Garware	Key Management Personnel	0.00	6.00
Great View Real Estates Pvt. Ltd.	Entities in which some of the directors are interested	0.00	36.00

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

		2014-15	2013-14
		Rs. in Lakhs	Rs. in Lakhs
6) Managerial Remuneration			
Shri. S. B. Garware	Key Management Personnel	400.13	384.30
Mrs. Monika Garware Modi	Key Management Personnel	236.40	192.05
Mrs. Sarita Garware Ramsay	Key Management Personnel	210.23	164.31
Ms. Sonia S. Garware	Key Management Personnel	230.21	133.80
Mr. M. S. Adsul	Key Management Personnel	36.40	37.50
7) Director Sitting Fees			
Mrs. S. S. Garware	Key Management Personnel	0.30	0.30
Ms. Sonia S. Garware	Key Management Personnel	0.20	0.00
8) Balances (Dr/(Cr))			
Garware Industries Ltd.	Entities in which some of the directors are interested	359.26	494.72
Great View Real Estates Pvt. Ltd. (Rent Deposit)	Entities in which some of the directors are interested	36.00	36.00
Ms. Sonia S. Garware (Rent Deposit)	Key Management Personnel	36.00	36.00

36. CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 279.46 Lakhs (Previous Year Rs. 1,053.31 Lakhs) against which an advance of Rs. 27.19 Lakhs (Previous Year Rs. 99.01 Lakhs) has been paid.

37. CONTINGENT LIABILITIES

a) Contingent Liabilities not provided for -

	As at 31.03.2015	As at 31.03.2014
	Rs. in Lakhs	Rs. in Lakhs
Disputed matters in appeal / contested in respect of:		
Income Tax	1,404.81	1,487.64
Excise Duty	44.20	477.16
Sales Tax	1,178.30	900.96
Local Body Tax	383.06	383.06
Maharashtra State Electricity Board (MSEB)	27.72	27.72
TOTAL	3,038.09	3,276.54

b) The Company has given counter-guarantees for Rs. 6,606.34 Lakhs (Previous Year Rs. 5,182.57 Lakhs) to Banks in respect of guarantees given by the Banks to third parties for Purchase of Equipment, 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 Rs. 22,506.53 Lakhs (Previous Year Rs. 25,904.60 Lakhs).

d) Bills of Exchange discounted under Bill Marketing Scheme amount to Rs. 3,174.72 Lakhs (Previous Year Rs. 2,653.07 Lakhs).

38. FINANCIAL AND DERIVATIVES INSTRUMENTS

a) Derivatives contracts entered into by the company and outstanding as on 31st March, 2015 i) Forward Contract is Rs. 1,864.86 Lakhs (Previous Year Rs. Nil Lakhs).

b) Foreign Currency Exposure that are not hedged by derivatives instruments as on 31st March, 2015 amounts to Rs. 7,480.73 Lakhs (Previous Year Rs. 1,388.88 Lakhs). The unhedged exposures are naturally hedged by future foreign currency earning and earnings linked to foreign currency.

39. The company is required to spend an amount of Rs. 41.05 Lakhs during the year on CSR expenditure as per the Section 135 of the Companies Act, 2013 read with Schedule VII thereof and company has spent Rs. 60 Lakhs during the year by way of contribution to the fund of Garware Charitable Trust.

40. The previous year's figure have been re-grouped / reclassified to conform to this year's classification.

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 **58th ANNUAL GENERAL MEETING** of the Company held at the Registered Office of the Company at Naigaon, Post Waluj, Aurangabad – 431 133 on Tuesday, September 29, 2015 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 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 POLYESTER 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 58th Annual General Meeting of the Company, to be held on Tuesday, September 29, 2015 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.	Audited Adoption of Financial Statements for the year ended 31 st March, 2015 with reports.		
2.	Re-appointment of Mrs. S. S. Garware, who retires by rotation.		
3.	Re-appointment of Mr. M. S. Adsul, who retires by rotation.		
4.	Ratification of appointment of M/s. Manubhai & Shah, Chartered Accountants, as Statutory Auditors of the Company.		
Special Business			
5.	Ratification of Cost Auditor Remuneration.		
6.	Adoption of new set of Articles of Association.		
7.	Enabling resolution to give loans, guarantees, securities and to make investments		
8.	Appointment of M/s. Kirtane & Pandit LLP, Chartered Accountants, as Joint Statutory Auditor of the Company.		

Signed thisday of2015

Signature of shareholder

Signature of Proxy holder(s).....

Affix Revenue Stamp

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 58th 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 so 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.

